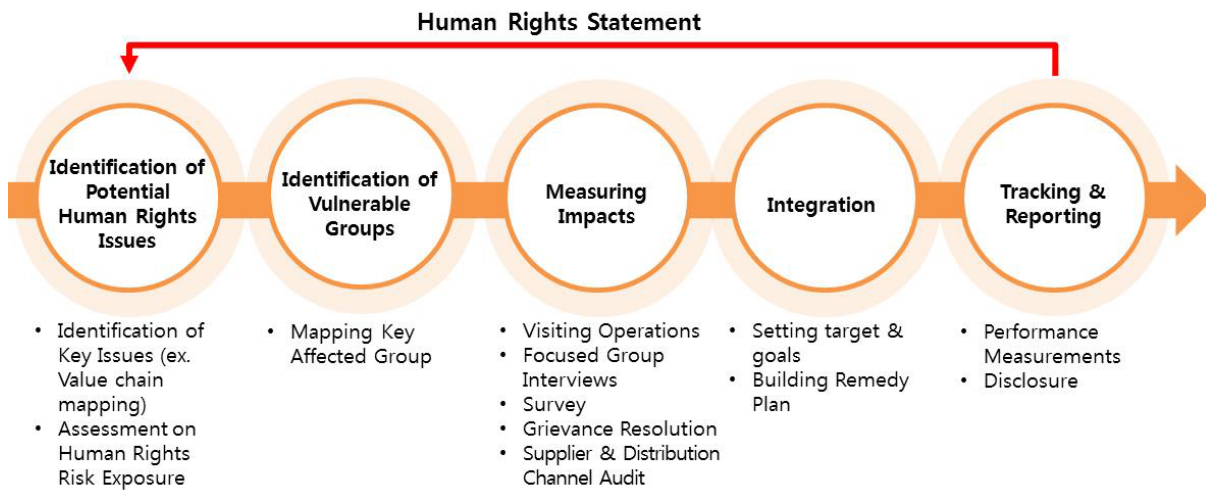


SK Telecom's Human Rights Assessment Framework



[SK Telecom's Human Rights Assessment Framework]



1. Identification of Potential Human Rights Issues

A. Research recent human rights issues in accordance with global guidelines

- UNGC Human Right Principles
- Global e-sustainability Initiatives (GeSI)
- OECD Due Diligence Guidance for Responsible Supply Chains

B. 3rd-Party Assessment

- Business & Human Right Resource Center Action Platform
- 3rd Party Human Rights Assessment Results (Human Right Risk Indices, etc.)

C. Annual Stakeholder Survey

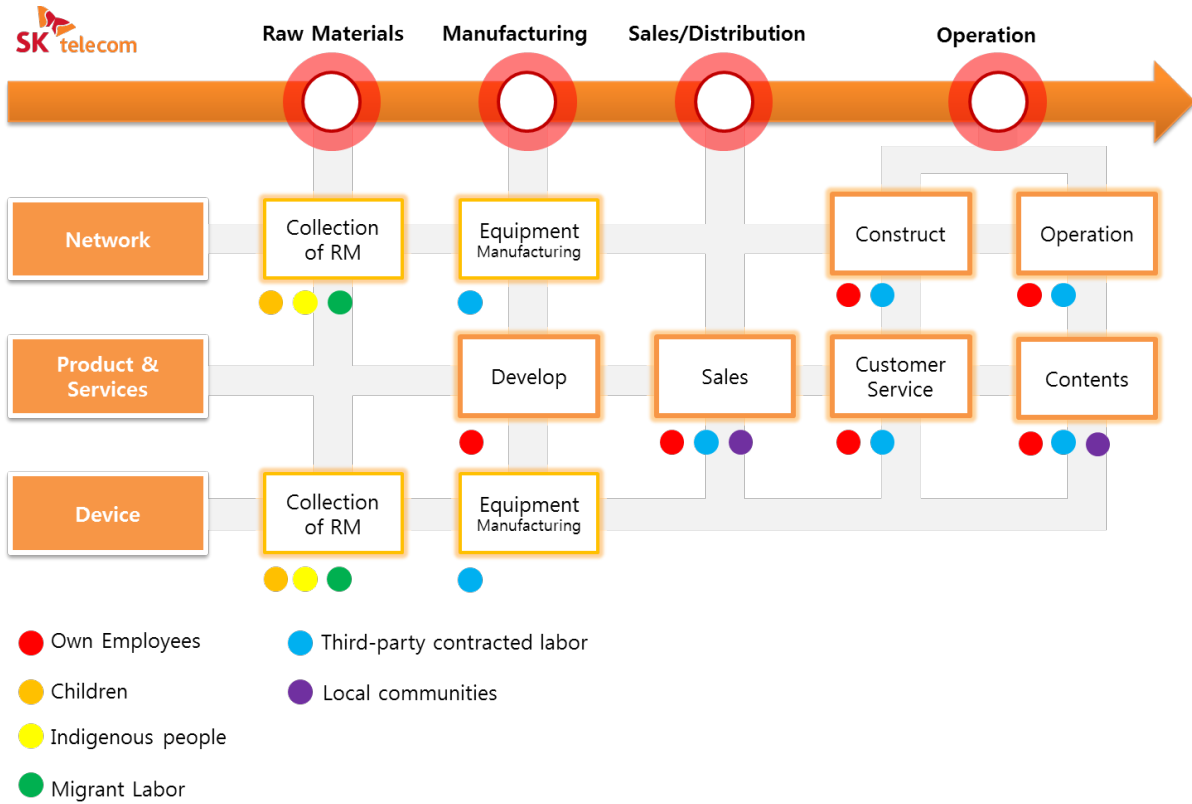
- Yearly survey conducted by stakeholders
- Meeting with stakeholders (1 on 1, conference, conf. call etc.)

D. Grievance Resolution Channel (Corporate Citizenship Committee & CSR grievance channel)

- Report to BoD(ESG Committee) regarding issue raised in the grievance resolution channel

2. Identification of vulnerable groups

A. Risk mapping to identify vulnerable groups



B. SK Telecom's definition of the vulnerable groups

	Definition	Related Groups
Own Employees	SK telecom & its subsidiaries/joint ventures	SK telecom, SK broadband, PS&M, Network O&S, etc.
Children	Children under age 18	SK telecom and its subsidiaries, JVs and business partners
Indigenous People	Indigenous People working for Tier-1 & Tier-2 Suppliers	Indigenous land owners when building base stations, Raw material provider of handset & network equipment manufacturer etc.
Migrant Labor	Migrant labor working for Tier-1 & Tier-2 Material providers	Raw material provider of handset & network equipment manufacturer etc.
3 rd Party Contracted Labor	Tier-1 & Tier-2 upstream and downstream business partners	All business partners in SK telecom's value chain
Local Communities	General public	Existing & Potential customers of SK telecom

C. Vulnerable groups to be assessed

		Incident Records	Global Guidelines & Recent Issues	Internal stakeholders survey	External stakeholders survey	Grievance channel	Assessment Needed
		(10%)	(10%)	(20%)	(20%)	(40%)	(100%)
Own Employees	(30%)						>5%
Children	(10%)						>0%
Indigenous People	(5%)						> 10%
Migrant Labor	(5%)						> 10%
3 rd Party Contracted Labor	(30%)						>5%
Local Communities	(20%)						>5%

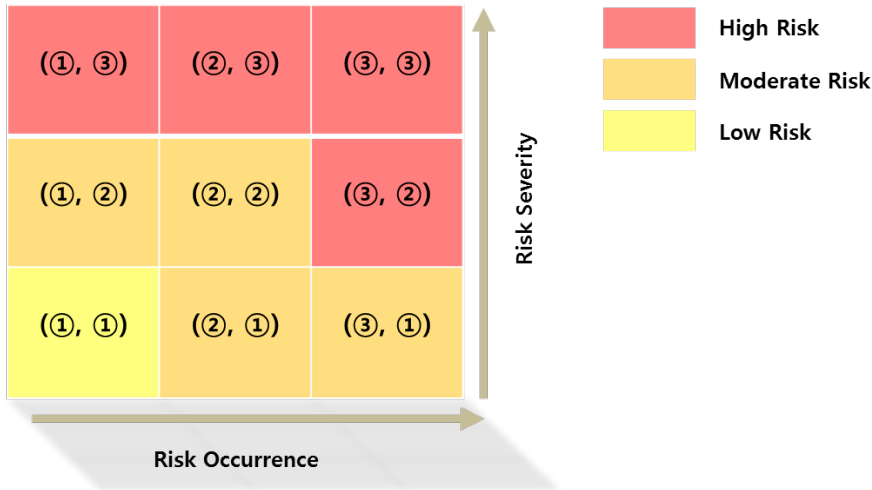
3. Human Rights Risk Impact Measuring Process

A. Assessment period

- Periodic Assessment: On an annual basis
- Irregular Assessment: When the risk is identified, including issue raised in the grievance resolution channel

B. Assessment Standard

- Corporate culture division designates the responsible organization
- Risk level identified by [Risk occurrence rate X Risk severity]
 - a. When Identified High Risk: Corrective measures taken immediately
 - b. When Identified Moderate Risk: Set goals & Develop action plan
 - c. When Identified Low Risk: Monitor



C. Risk Management Standard

(1) Contract of Employment

All employees shall have an employment contract signed by both parties that defines the terms and conditions of employment. A copy of such a contract shall be issued to the employee. A Contract of Employment shall at least contain but not be limited to the following items:

- a) Working hours showing at least a guaranteed wage
- b) Overtime pay rates and compensation for working out of normal working hours
- c) Payment and frequency of payment
- d) Notice period

(1)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Contract of employment							Contain working hours at least a guaranteed wage	Y/N
							Contain overtime pay rates	Y/N
	(Observation Result)		(Observation Result)		(Observation Result)		Contain compensation for working out normal working hours	Y/N
							Contain payment and frequency of payment	Y/N

(2) Harassment, Harsh or Inhumane Treatment

SK Telecom & its suppliers shall create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.

(2)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Inhumane Treatment	(Observation Result)		(Observation Result)		(Observation Result)		Number of threats of violence Identified	Number
							Number of sexual exploitation Identified	Number
							Number of verbal harassment Identified	Number
							Number of psychological harassment Identified	Number
							Other Inhumane Treatments Identified	Number

(3) Child Labor

Child Labor¹ is strictly prohibited. No person is employed who is below the legal minimum age for employment. Where no local legislation exists to define the minimum legal age, no person is employed below the minimum age which is the age of completion of compulsory schooling, or not less than 15 years (or not less than 14 years, in countries where educational facilities are insufficiently developed) in accordance with international conventions.

Children under the age of 18 shall not be employed for any hazardous work² or work

¹ "Child Labor" means the definition of ILO-IPEC (<http://www.ilo.org/ipec/facts/lang--en/index.htm>) and Article 32 of the United Nations Convention on the Rights of the Child (UNCRC)

² "Hazardous work" means as defined by ILO Convention 182 article 3d and ILO Recommendation 190 article 3

that is inconsistent with their individual development³. Where no local law exists to define working hours and working conditions for children under the age of 18, the Supplier should not employ them for work that is hazardous, unsafe or unhealthy such as among others: work with dangerous machinery, equipment and tools, or work which involves the manual handling or transport of heavy loads, work in an unhealthy environment that may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels or vibrations damaging to their health; work under particularly difficult conditions such as work for long hours (more than 8 hours per 3 day) or during the night, or work where the child is unreasonably confined to the premises of the employer.

(3)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No	Number of child labor employment identified	Number
Child Labor	(Observation Result)		(Observation Result)		(Observation Result)		Number of young workers exposed to hazardous work identified	Number

(4) Forced Labor and Human trafficking

SK Telecom & its suppliers shall strictly prohibit any form of forced, bonded, compulsory labor, slavery or human trafficking. Employees shall be free to leave work or terminate their employment with reasonable notice and all employment shall be voluntary.

Suppliers shall not require employees to lodge deposits of money or withhold payment or place debt upon employees or require employees to surrender any government-issued identification, passports, or work permits as a condition of employment

SK Telecom & its suppliers shall not engage in any kind of human trafficking in the

³ "Individual development" means as described in the United Nations Convention on the Rights of the Child

course of business, and employees shall not be subject to human trafficking under any circumstances.

(4)	Policies set In place		Management assurance		Interview with related personal		Quantified indicators Measure	
	Yes	No	Yes	No	Yes	No	Number of forced or Compulsory labor identified	Number
Forced Labor	(Observation Result)		(Observation Result)		(Observation Result)			
	(Observation Result)		(Observation Result)		(Observation Result)			

(5) Working Hours

SK Telecom & its suppliers shall ensure that normal working hours and overtime of individual employees do not exceed the maximum of limits set by local law. Where no local law defines a working week and/or overtime, the Supplier is expected to adopt the following;

- a) A normal working week in line with ILO Convention in respect of applying the principle of the 8-hours day or of the 48-hours week and;
- b) Overtime in line with limits as specified in SA8000:2008 Section IV (Social Accountability Requirements) Article 7 in respect of 12 hours overtime per week and one day off following every six consecutive working days. Overtime shall be compensated at a premium rate.

SK Telecom & its suppliers shall grant their employees the right to paid vacation.

(5)	Polices set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No	Average working time	hr/week
Working Hours	(Observation Result)		(Observation Result)		(Observation Result)		Average Overtime	hr/week
	(Observation Result)		(Observation Result)		(Observation Result)		Overtime pay rates	%
	(Observation Result)		(Observation Result)		(Observation Result)		Paid vacation using rate	%
	(Observation Result)		(Observation Result)		(Observation Result)			

(6) Equal and Fair Remuneration

SK Telecom & its suppliers shall pay equal wage for work of equal value between men and women. "Work of equal value" is work in which the work of men and women compared with each other is the same or has almost the same nature in terms of skills, effort, responsibility, working conditions, and other standards required for work performance. Or, even if the two tasks are somewhat different, it means work that is of essentially equal value by methods such as job evaluation. When judging whether work between men and women is of equal value, in addition to the above four criteria, the employee's educational background, career, and years of service should be considered comprehensively.

SK Telecom & its suppliers shall pay a fair and reasonable wage to employees which is high enough to maintain a fair standard of living and which shall comply with at least legal and industry minimum standards. Overtime pay rates shall be above regular wages. SK Telecom & its Suppliers shall not use deductions from wages as disciplinary measure. Employees must be paid in a timely manner, and the basis on which employees are paid must be clearly conveyed. Suppliers shall give a pay slip detailing payment due and to be made to the employee in line with the frequency shown in the Contract of Employment.

(6)	Policies set In place		Management assurance		Interview with Related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Equal Remuneration	(Observation Result)	(Observation Result)	(Observation Result)		Average wage ratio between men and women doing equal value work		Ratio	
	(Observation Result)	(Observation Result)	(Observation Result)		Average wage ratio to the Minimum wage Guaranteed by local law		Ratio	
Fair Remuneration	(Observation Result)	(Observation Result)	(Observation Result)		Number of wage paid Under the minimum wage identified		Number	
	(Observation Result)	(Observation Result)	(Observation Result)		Number of wage deduction as a disciplinary Measure identified		Number	
	(Observation Result)	(Observation Result)	(Observation Result)					

(7) Disciplinary Practices

SK Telecom & its suppliers will treat all employees with respect and will not use corporal punishment, mental or physical coercion, or any form of abuse or harassment and threat of such treatment.

(7)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No	Number of use of corporal punishment identified	Number
Disciplinary Practices	(Observation Result)		(Observation Result)		(Observation Result)		Number of use of mental/physical coercion identified	Number

(8) Discrimination

SK Telecom & its suppliers shall not engage in or support any form of discrimination in hiring, employment terms, remuneration, access to training, promotion, termination, retirement procedures or decisions including but not limited to: race, colour, age, veteran status, gender identification, sexual orientation, pregnancy, ethnicity, disability, religion, political affiliation, trade union membership, nationality, indigenous status, medical condition, HIV status, social origin, social or marital status and union membership.

SK Telecom & its suppliers shall promote equal opportunities treatment and diversity of all employees and hired resources (e.g. temporary and outsourced).

(8)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No	Number of any form of discrimination occurred identified	Number
Discrimination	(Observation Result)		(Observation Result)		(Observation Result)			

(9) Freedom of Association & Right to Collective Bargaining

All personnel shall have the right to form, join, and organize trade unions of their choice and to bargain collectively on their behalf with the company. The company shall respect this right, and shall effectively inform personnel that they are free to join an organization of their choosing and that their doing so will not result in any negative consequences to them, or retaliation, from the company. SK Telecom & its suppliers shall not in any way interfere with the establishment, functioning, or administration of such workers' organizations or collective bargaining.

In situations where the right to freedom of association and collective bargaining are restricted under law, the company shall allow workers to freely elect their own representatives.

The company shall ensure that representatives of workers and any personnel engaged in organizing workers are not subjected to discrimination, harassment, intimidation, or retaliation for reason of their being members of a union or participating in trade union activities, and that such representatives have access to their members in the workplace.

(9)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Freedom of association & Right to collective bargaining							% of total employees covered by collective bargaining agreements	%
	(Observation Result)		(Observation Result)		(Observation Result)		Number of significant risks identified in freedom of association or collective bargaining	Number

(10) Health & Safety

SK telecom & its suppliers shall operate in accordance with international standards and local laws. SK Telecom & its suppliers shall provide its employees, contractors, partners or others who may be affected by Supplier's activities with a safe and healthy working

environment and ensure correct use of its products.

(10)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Health & Safety							% of total workforce represented in formal joint management-worker health & safety committee	%
	(Observation Result)		(Observation Result)		(Observation Result)		Type of Injury and rates of injury	%
	(Observation Result)		(Observation Result)		(Observation Result)		Workers with high incident or high risk of diseased related to occupation identified	number

(11) Freedom of Expression and Privacy

SK Telecom & its suppliers believe that access to communications technology can support greater freedom of expression, which in turn depends upon the right to privacy if it is to be exercised effectively. The rights to freedom of expression and privacy must be balanced with the protection of vulnerable groups, such as children, and the protection of public safety or security in certain exceptional circumstances.

(11)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Freedom of Expression & Privacy Protection							Number of government request	Number
	(Observation Result)		(Observation Result)		(Observation Result)		% of government request resulting in privacy data disclosure	%
	(Observation Result)		(Observation Result)		(Observation Result)		% of users whose customer data was used for secondary purposes	%
	(Observation Result)		(Observation Result)		(Observation Result)		Number of complaints received from outside parties regarding privacy protection	Number

(12) Accessibility to technology and services

In every country where SK Telecom & its suppliers operate, governments retain law

enforcement powers that impact rights to privacy and freedom of expression. These include legal powers that require telecommunications operators to provide information about customers or users, or to put in place the technical means to enable information to be obtained for law enforcement purposes, such as lawful interception. Governments also retain powers to limit network access, block access to certain sites and resources, or even switch off entire networks or services.

(12)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Accessibility to technology and services							% of underserved areas	%
							% of LTE subscribers	%
	(Observation Result)		(Observation Result)		(Observation Result)		Rate reductions for vulnerable groups	KRW
							Number of participant in ICT education program	Number

(13) Child Safety Online

SK Telecom & its suppliers support a common industry approach to child safety online.

(13)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Child safety online							Number of complaints received from outside parties regarding adult/illegal contents	Number
	(Observation Result)		(Observation Result)		(Observation Result)			

(14) Conflict of Minerals

SK Telecom & its suppliers shall identify the factual circumstances involved in the extraction, transport, handling, trading, processing, smelting, refining and alloying, manufacturing or selling of products that contain minerals originating from conflict-affected and high-risk areas; identify and assess any actual or potential risks by evaluating the factual circumstances against standards set out in the company's supply

chain policy prevent or mitigate the identified risks by adopting and implementing a risk management plan. These may result in a decision to continue trade throughout the course of risk mitigation efforts, temporarily suspend trade while pursuing ongoing risk mitigation, or disengage with a supplier either after failed attempts at mitigation or where the company deems mitigation not feasible or the risks unacceptable.

(14)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Conflict of Minerals							Number of operations using of tin, tungsten, tantalum and G Identified	Number
	(Observation Result)		(Observation Result)		(Observation Result)		% of smelters from Conflict-Affected and High-Risk Areas	%

(15) e-Waste

SK Telecom & its suppliers shall handle waste materials legally and safely.

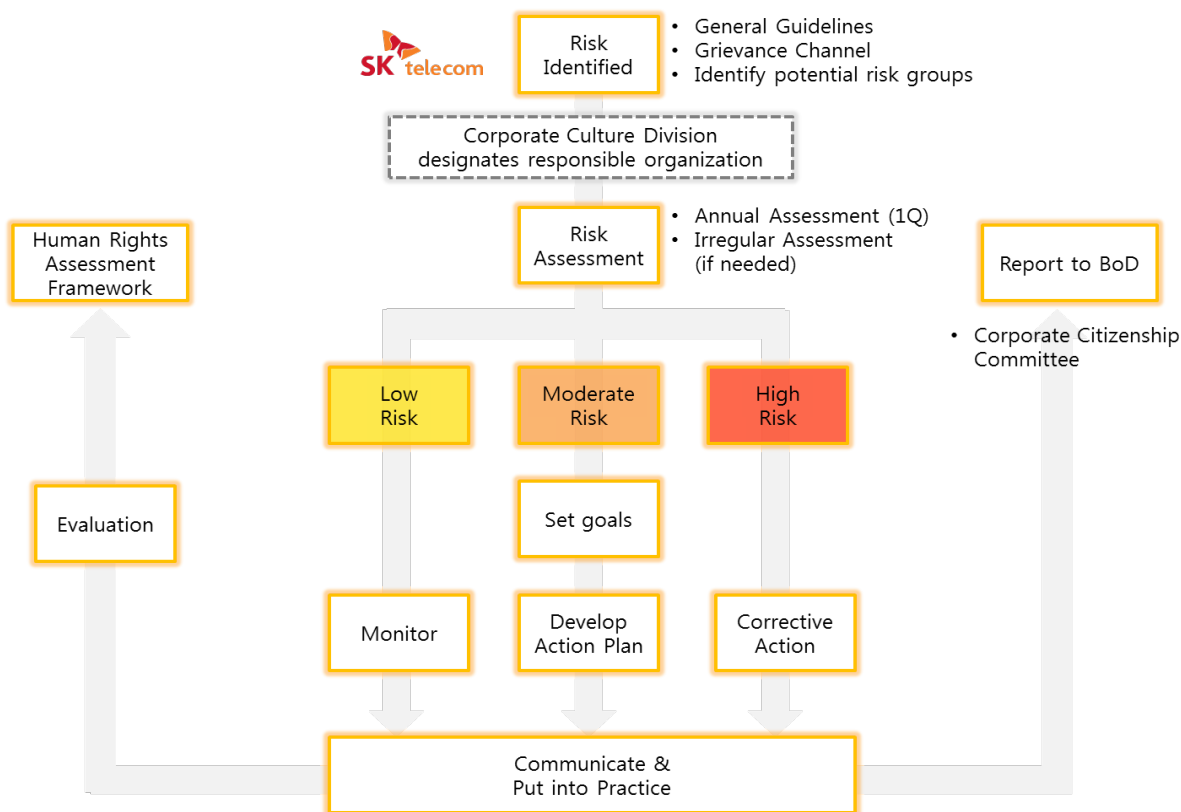
(15)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
e-Waste							Weight of collected e-waste generated	Ton
	(Observation Result)		(Observation Result)		(Observation Result)			

(16) Acquisition of Land and Assets

SK Telecom & its suppliers shall consult communities in the selection of our sites, as part of the applicable planning permissions in each market for installing antennas or other equipment.

(16)	Policies set in place		Management assurance		Interview with related personnel		Quantified Indicators Measure	
	Yes	No	Yes	No	Yes	No		
Acquisition of land and assets							Number of issues arose with land owners	Number
	(Observation Result)		(Observation Result)		(Observation Result)		Number of complaints received from outside parties regarding land uses	Number

4. Integration of the Assessment Results in SK telecom’s human rights policy



5. Reporting and Disclosures

SK Telecom is committed to fulfilling its social responsibilities and pursuing the happiness of stakeholders and pledges to take the lead in advocating and complying with the Human Rights principles. For further information on SK Telecom’s human rights policy, please visit <https://www.sktelecom.com/en/view/csr/csr.do#tab11> and for detailed annual assessment results, please refer to SK telecom’s annual report <https://www.sktelecom.com/en/investor/lib/creport.do>

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Relevant Initiatives

- Conflict Free Smelter Initiative (CFSI) ITRI Tin Supply Chain Initiative (ITSCI)
- Conflict Free Tin Initiative Public Private Alliance for Responsible Minerals Trade
- Solutions for Hope Program
- Electronic Industry Citizenship Coalition
- Company initiatives such as Joint Audit Cooperation (JAC)
- Global Framework Agreements between individual companies and trade unions (or their federations)
- IDH Electronics Program
- UNICEF Child Safety Online
- EU Safer Internet Program e.g. European Strategy for a Better Internet for Children, Safer Social Networking Principles, CEO Coalition to make the internet a safer place for kids
- ICT Coalition for the Safer Use of Connected Devices and Online Services by Children and Young People
- GSMA Mobile Alliance Against Child Sexual Abuse Content
- ITU Guidelines for Industry on Child Protection Online
- Global Initiative for Inclusive ICTs (G3ICT)
- Events, research etc. by ITU, International Disability Alliance
- Action by individual companies
- GSMA Mobile for Development Intelligence
- GSMA Pan-African mHealth initiative
- Individual company projects
- Events and research by different international organizations: World Bank, UN ICT Task Force, Global Alliance for ICT and Development