



BSR Conference 2008 | Sustainability: Leadership Required

Shin-Bae Kim, SK Telecom

Plenary Session Summary

Friday, November 7, 2008 | 9-10 a.m.

Speaker

- **Shin-Bae Kim**, President & CEO, SK Telecom

Highlights

- As boundaries between countries become blurred, and the world responds to the financial crisis, corporate responsibility has never been more important for a global company.
- Corporate responsibility in telecommunications requires a serious commitment to customer satisfaction and a proactive evaluation of how services can enrich lives.

Memorable Quotes

- “CSR is no longer an option; it’s a necessity for sustainable growth.”
- “Our most important task is enhancing customers’ lives through our services.”
- “CSR is not a passive responsibility; it is the completion of customer satisfaction management.”

Overview

In light of the recent global financial crisis, Kim opened his address by stating that sustainable growth is more important now than ever. He urged, “It’s time to go back to the basics”—aligning business models with a new set of expectations and constraints.

Kim reviewed the historical developments in Korea and the successful growth of SK Telecom. Over the past decade, there have been remarkable advancements and growing competition in the Korean information technology (IT) market. SK Telecom launched CDMA cellular service in 1996 and ADSL Broadband Service in 1999, both of which have achieved more than 90 percent penetration in Korea.

Given this context, Kim went on to describe SK Telecom’s philosophy and approach to corporate responsibility, which he summarized as “seeking bold ways to harness communications technology to enrich lives.”





Business for Social Responsibility

Customer satisfaction is at the core of SK Telecom's approach. Kim described SK Telecom's key activities:

- Proactive measures to protect minors, including the removal of adult content from mobile services.
- Increasing billing predictability—preventing “bill shock” from excessive content use.
- Offering an online customer service center, where customers can fully manage their account without interacting with a customer service representative.
- Greater customer protection in social networking services through “real name verification” of users. Over half of the Korean population subscribes to SK Telecom's social networking services.
- More reliable online shopping experiences, including 100 percent customer refunds for counterfeit goods.

SK Telecom also extends its commitment to corporate responsibility when partnering in the global market. For business partners, Kim described the launch of the Win-Win Partnership Academy, an online training program to build management skills and an in-person advanced training workshop on business insights for directors in partner organizations.

Kim also discussed going beyond customer satisfaction to “capture the hearts of mindful consumers.” SK Telecom has found new ways to leverage technology to address social and environmental issues. Kim cited examples that include: mobile search technology to provide timely information on missing persons, youth counseling through text messages, and emergency SMS broadcasts. SK Telecom also works to leverage mobile services to reduce transportation and energy usage, and offers electronic billing to save paper. Kim also highlighted the SK Happiness Foundation, which hires unemployed people to make and deliver free “SK Happy Meal Boxes” to disadvantaged individuals.

Lastly, Kim summarized SK Telecom's overall commitment to corporate responsibility. In describing SK Telecom's “Wings of Happiness” framework, Kim stated, “We will soar to new heights when we achieve balance between company and customers, company and employees, company and shareholders, and company and business partners.”

Recent milestones in SK Telecom's development include joining the Global Compact, publishing their first corporate responsibility report, and setting up a corporate responsibility committee on their Board of Directors. SK Telecom was also accepted as one of the first Asian telecommunications companies to be included in the Dow Jones Sustainability Index.

* * *

This summary is also available on www.bsr.org/bsrconferences/2008/session-summaries.cfm.

