

# NEW DOOR TO THE FUTURE



# CONTENTS

## AI Company

### Business Overview

About Us	11
CEO Message	16
Business Model	20
Direction for Sustainable Management	21
Creating Economic Value	22

### Special Report

Ethics of AI	24
Advanced and Reliable Infra	28

### Interaction Movement

Stakeholder engagement	33
Double Materiality Assessment	35
Issue 1. Response to Climate Change(carbon neutrality)	41
Issue 2. Redefinition of Core Business through AI	44
Issue 3. Privacy Protection	46

### Sustainability Management

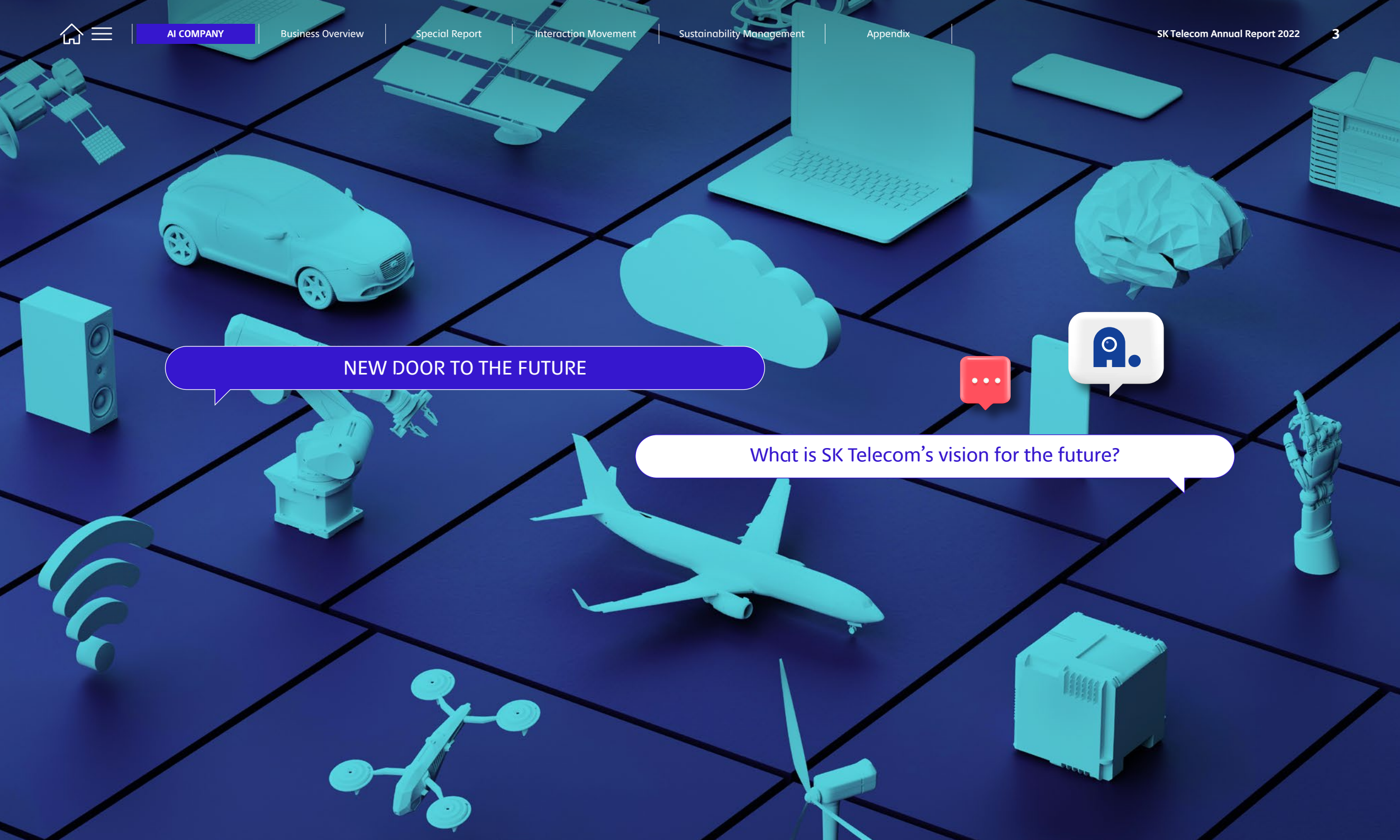
Environmental	50
- Environmental Management	51
Social	63
- Employees	64
- Occupational Safety and Health	69
- Human Rights Management	76
- Customers	79
- Cyber Security	84
- Supply Chain Management	86
- Social Contribution	93
Governance	100
- Governance	101
- Risk Management	116
- Ethical Management	122
- Compliance	126

### Appendix

Financial Statement	132
Non-financial Statement	154
Index	172
- GRI Standards Index	
- SASB	
- Industry-specific Indicators	
- TCFD	
- UN Global Compact	
- UN SDGS	
About This Report	191

NEW DOOR TO THE FUTURE

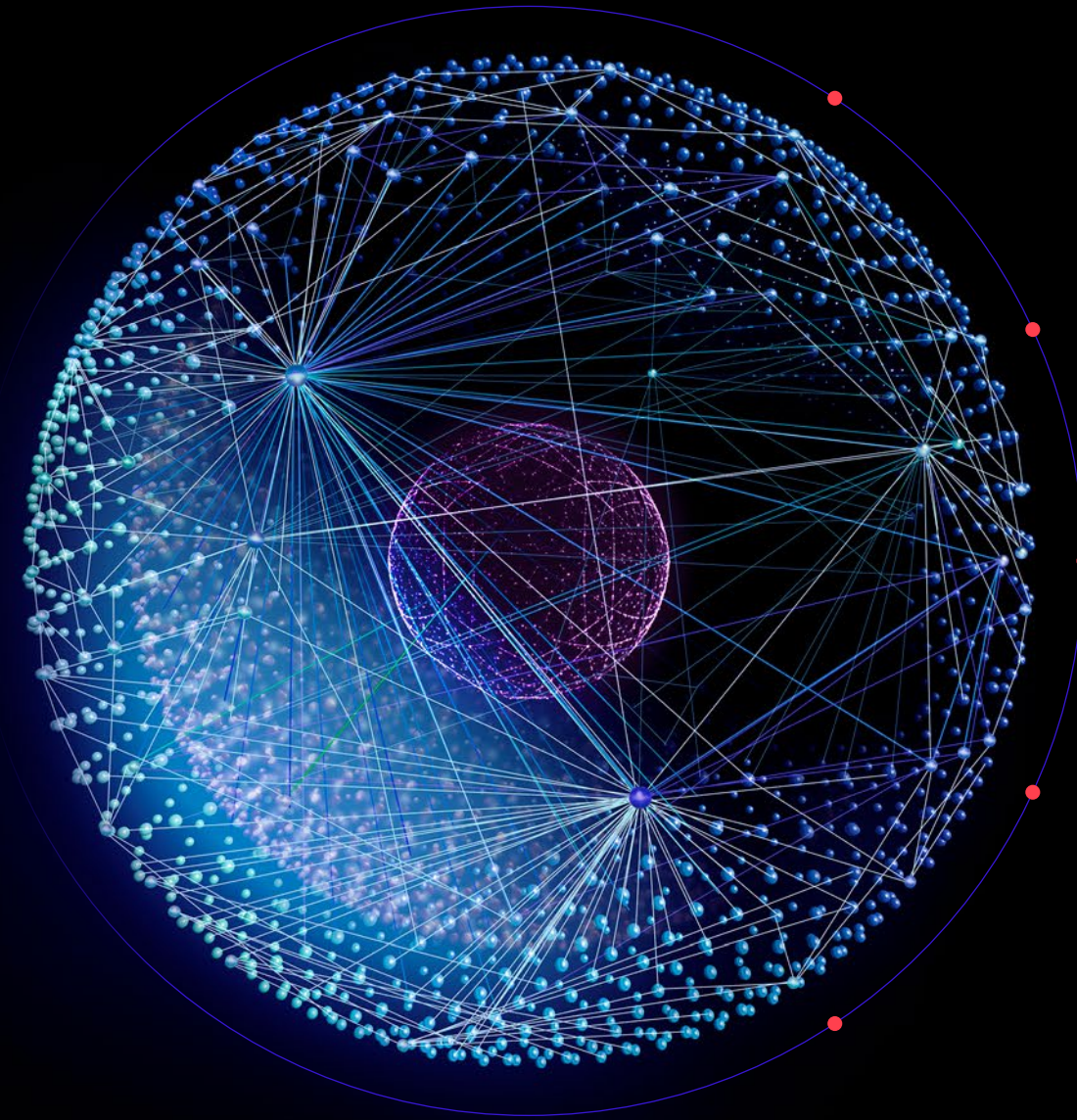
What is SK Telecom's vision for the future?





# AI to Everywhere

SK Telecom will lead the transition to a new era by connecting AI to the entire world, focusing on five areas: customer and technology, time and space, industry(AIX), core business model, and ESG.



Customer and  
Technology



Time and  
space

UAM, Autonomous driving,  
**ifland**

AIX

AI Semiconductor, Cloud,  
AdTech, Vision AI, Productivity

Core BM

MNO, Media, T Universe

ESG

AI Care, AI Call

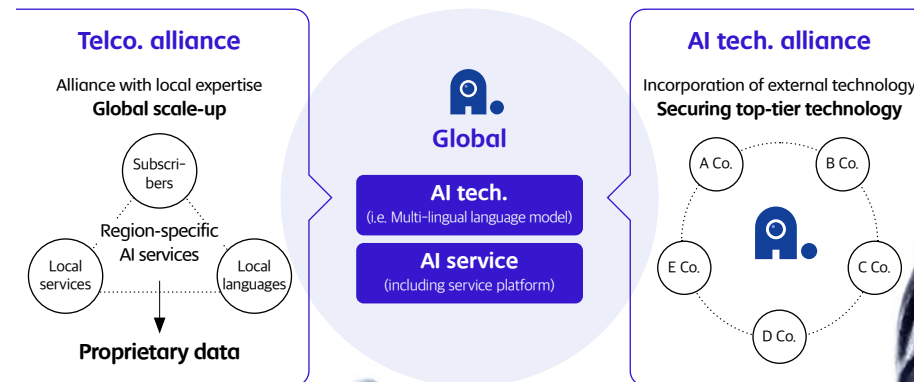


## AI to Everywhere 1

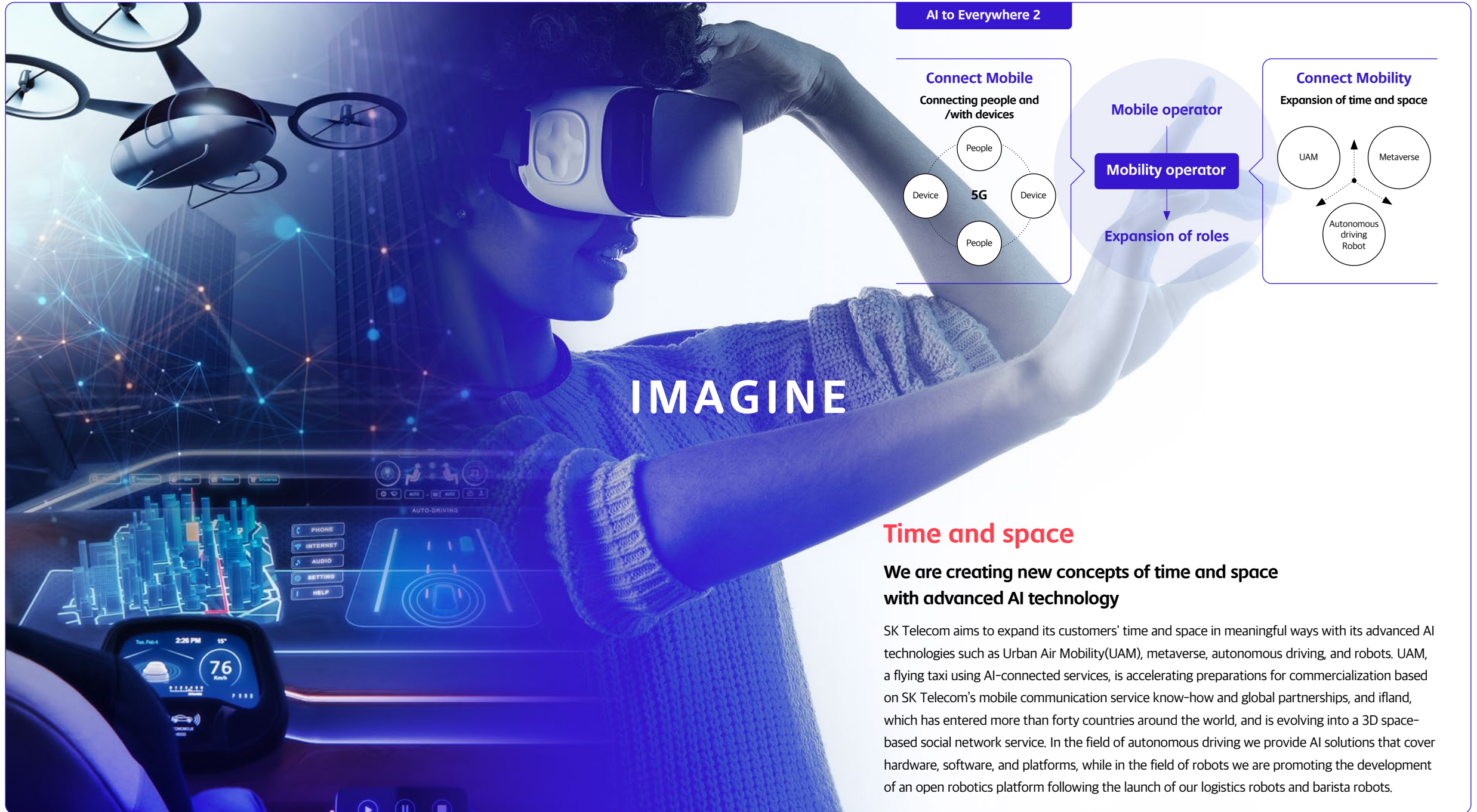
## Customer and Technology

### We aim to get closer to our customers with differentiated AI services

In May 2022, SK Telecom commercialized the world's first AI agent service A. based on a Korean giant language model utilizing AI capabilities accumulated in the fields of service, technology, and data. With its strengths of personalized characters, natural conversation, and service connections, it surpassed one million subscribers within nine months of its launch. A. is constantly advancing and getting closer to customers' daily lives through knowledge conversation, emotional conversation, and strengthened service links. In the future, we plan to provide more differentiated AI services by integrating the services and technological competencies of the global alliance in the fields of telecommunication and AI technology.



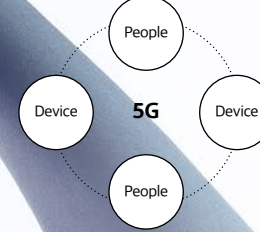




## AI to Everywhere 2

## Connect Mobile

Connecting people and /with devices



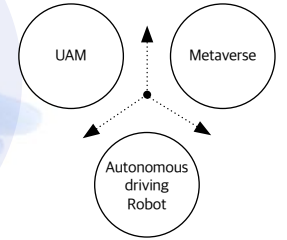
Mobile operator

Mobility operator

Expansion of roles

## Connect Mobility

Expansion of time and space



IMAGINE

## Time and space

**We are creating new concepts of time and space with advanced AI technology**

SK Telecom aims to expand its customers' time and space in meaningful ways with its advanced AI technologies such as Urban Air Mobility(UAM), metaverse, autonomous driving, and robots. UAM, a flying taxi using AI-connected services, is accelerating preparations for commercialization based on SK Telecom's mobile communication service know-how and global partnerships, and ifland, which has entered more than forty countries around the world, and is evolving into a 3D space-based social network service. In the field of autonomous driving we provide AI solutions that cover hardware, software, and platforms, while in the field of robots we are promoting the development of an open robotics platform following the launch of our logistics robots and barista robots.

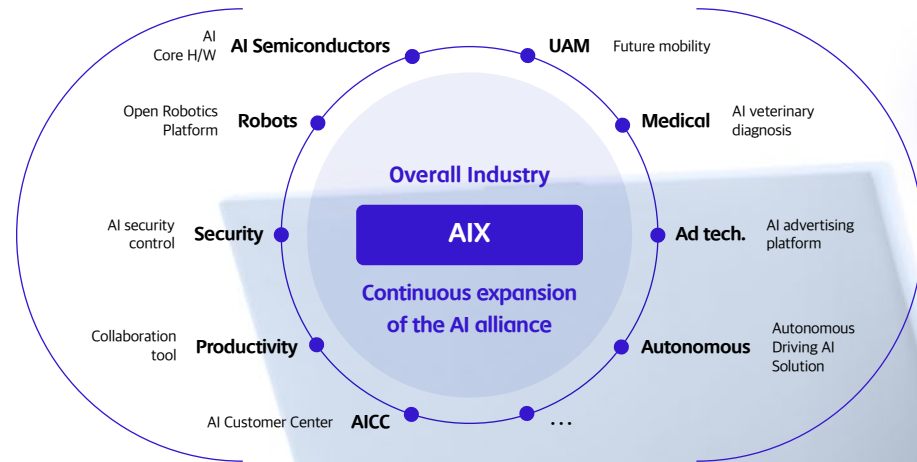


## AI to Everywhere 3

**AIX****We are leading the industry-wide AI transformation with our partners**

We are leading the industry-wide AI transformation with our partners.

SK Telecom has formed the 'K-AI Alliance' with a number of globally-recognized Korean AI tech companies and is leading the AI transformation across the overall industrial sector. We have established the 'SKT AI Tech Framework' with our partners, and are actively collaborating with them in six areas: AI semiconductors, cloud, ad tech, AI technology, productivity, and vision AI. Through these, we plan to continuously expand our business areas to security, healthcare, advertising, smart factories, business solutions and so on. In addition, we plan to further expand our alliance with those partners armed with global competitiveness in order to promote successful AI innovation in various industries.

**CONTROL**



## AI to Everywhere 4

## Core BM

### We aim to enhance the competitiveness of core businesses with AI innovation

SK Telecom is improving its growth and profitability by restructuring its core businesses, such as MNO, media, and subscription, through AI in line with changes in the digital industry environment. MNO is working to digitize customer experience based on AI and to provide hyper-personalized services and digital-specific benefits. In the media, we are introducing new items such as AI TV, AI commerce, and AI contents, and are trying AI transformation across the customer experience and value chain. In addition, for subscription, we plan to introduce a variety of new products centered on the T universe, promote unconventional partnerships with top global brands, and launch an AI-based open subscription commerce platform.

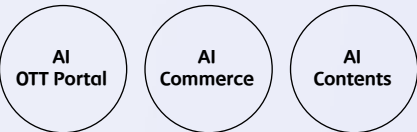


#### AI/DT innovation of MNO

Offline T world Customer Center

Extreme ease of use   Hyper-personalized data connectivity   Structural costs innovation

#### AI media evolution of Btv



#### volution of T Universe into the AI Subscription Platform

AI-based subscription commerce platform + Scale-up through partnerships with top global brands  
products, customers, partners



## AI to Everywhere 5

## ESG

## We will create a better world by adding AI to ESG

SK Telecom aims to create a better world by effectively utilizing AI technology to solve social problems and create social values. By providing services like 'Sullivan Plus', an AI-based visual aid service for the visually impaired through converging AI technologies from ESG startups such as Language AI and Vision AI, we are exercising a positive influence on society and the environment. Also, we have contributed to saving valuable lives and rescued 400 people by providing AI care and call services to 50,000 households nationwide. Furthermore, we blocked more than 4 million cases of smishing in 2022 along with our criminal text message blocking service, thereby preventing fraud damages.

Exerting a beneficial influence on society and the environment based on advanced AI technology

## CARE

## Language AI · Vision AI

Deep learning/Speech recognition/Text analytics/AI camera

## Environmental

## Green network

Integration of AI-based energy saving network equipment, development of high-efficiency communication equipment

## Happy Habit

Reducing the use of disposable cups with Vision AI

Korea's leading ESG company recognized externally

Incorporated into DJSI World (ranked in the top 5)

CDP Leadership A (Top 1.6% in the world)

AA in MSCI ESG Rating

## Social

## AI Care/Call

emergency rescue of 450 people, 50,000 elderly people living alone

## Blocking smishing

4.15 million cases in 2022

## AI care for people with developmental disabilities

AI camera-based 24-hour monitoring