SK telecom

Connect **Better**
Sustain **Together**

Building a Sustainable Future Together Through Connecting Better



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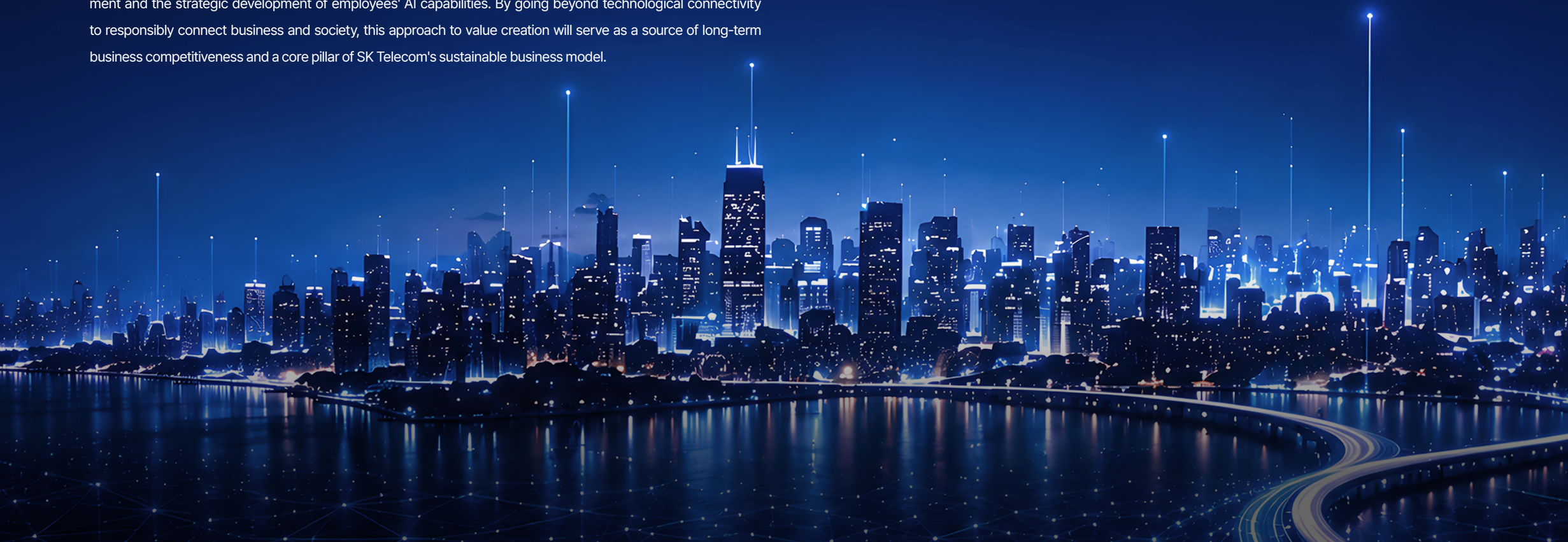
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Connect Better

SK Telecom will create better value for stakeholders through distinctive AI and telecommunications services.

SK Telecom maximizes value for all stakeholders — including customers, communities, and supply chain partners — by integrating innovative AI technology with a robust telecommunications infrastructure. Led by our AI personal assistant service, we deliver innovative customer experiences by enhancing digital accessibility and expanding barrier-free services. SK Telecom also establishes an advanced social safety net to bridge the digital divide, while fostering a shared growth ecosystem with suppliers and startups through supply chain sustainability management and the strategic development of employees' AI capabilities. By going beyond technological connectivity to responsibly connect business and society, this approach to value creation will serve as a source of long-term business competitiveness and a core pillar of SK Telecom's sustainable business model.



Sustain Together

SK Telecom is committed to driving sustainability and shared growth through responsible ESG management.

SK Telecom is solidifying its foundation for sustainable growth by embedding proactive risk management into its core operations. As for environment, guided by the 2050 Net Zero target, SK Telecom executes robust environmental management while driving environmental performance and business competitiveness through Green AI transformation and AI-driven power efficiency enhancements across our telecommunications infrastructure. In terms of information security and occupational health and safety, SK Telecom has established a Zero Trust-based information security framework and is implementing proactive personal information protection and occupational health and safety measures with the aim of becoming a trusted and safe company. Furthermore, regarding corporate governance and ethics, SK Telecom is advancing Responsible AI practices and further strengthening its AI governance framework, supported by independent, board-led management and transparent AI governance. This responsible management, which goes beyond short-term performance to fundamentally transform the way the company operates, will deepen trust and unlock a sustainable future together with stakeholders.

CEO Message

To Our Valued Stakeholders,

Today, SK Telecom is facing significant changes arising from macroeconomic uncertainty and rapid shifts in the technological paradigm. In this challenging landscape, SK Telecom is focused on building a stronger company for the long term through innovation grounded in fundamentals and principles, enabling it to remain resilient in the face of crises.

Times and technologies may change, but one thing remains constant: The customer is at the very heart of our business. Our customers are the foundation of SK Telecom today and the driving force behind our future growth. Returning to our original commitment - to see things from the customer's perspective and deliver meaningful value - is essential to building a sustainable future. This customer-first principle is also central to the way we practice sustainability management.

Truly customer-centric management is more than a slogan; it begins with the honesty and transparency that objectively demonstrate our efforts. To this end, SK Telecom is focused on transparently measuring and visualizing its ESG performance, ensuring that customers and society can fully trust and experience the progress. We established the Integrated ESG Data Platform to strengthen the reliability of our disclosures. Our inclusion in the DJ BIC[1)] World Index and first-place ranking in Asia in the WBA DIB[2)] assessment demonstrate that our efforts are aligned with global standards. Restoring customer trust is also our highest priority. We are meeting customers where they are, listening directly to their feedback, and continuing to develop ESG programs that reflect voices from the field.

Looking ahead, we are working to ensure that our technologies and services provide a safe foundation for society, while advancing a just transition in which no one is left behind. We are strengthening our security framework so that customers can use our services with a sense of security, while building a stronger foundation for trust. At the same time, we are using AI to address complex social challenges and create inclusive value for all. We will also pursue sustainable technology innovation by minimizing the environmental impact of AI data center expansion and taking the lead in reducing greenhouse gas emissions.

SK Telecom will continue to innovate, fulfill its social responsibilities, and create greater value together with our stakeholders. Our goal is to bring new possibilities to our customers' daily lives and help open a new era for Korea. I ask for your continued support and encouragement as SK Telecom moves forward on its journey toward sustainable growth.

Thank you.

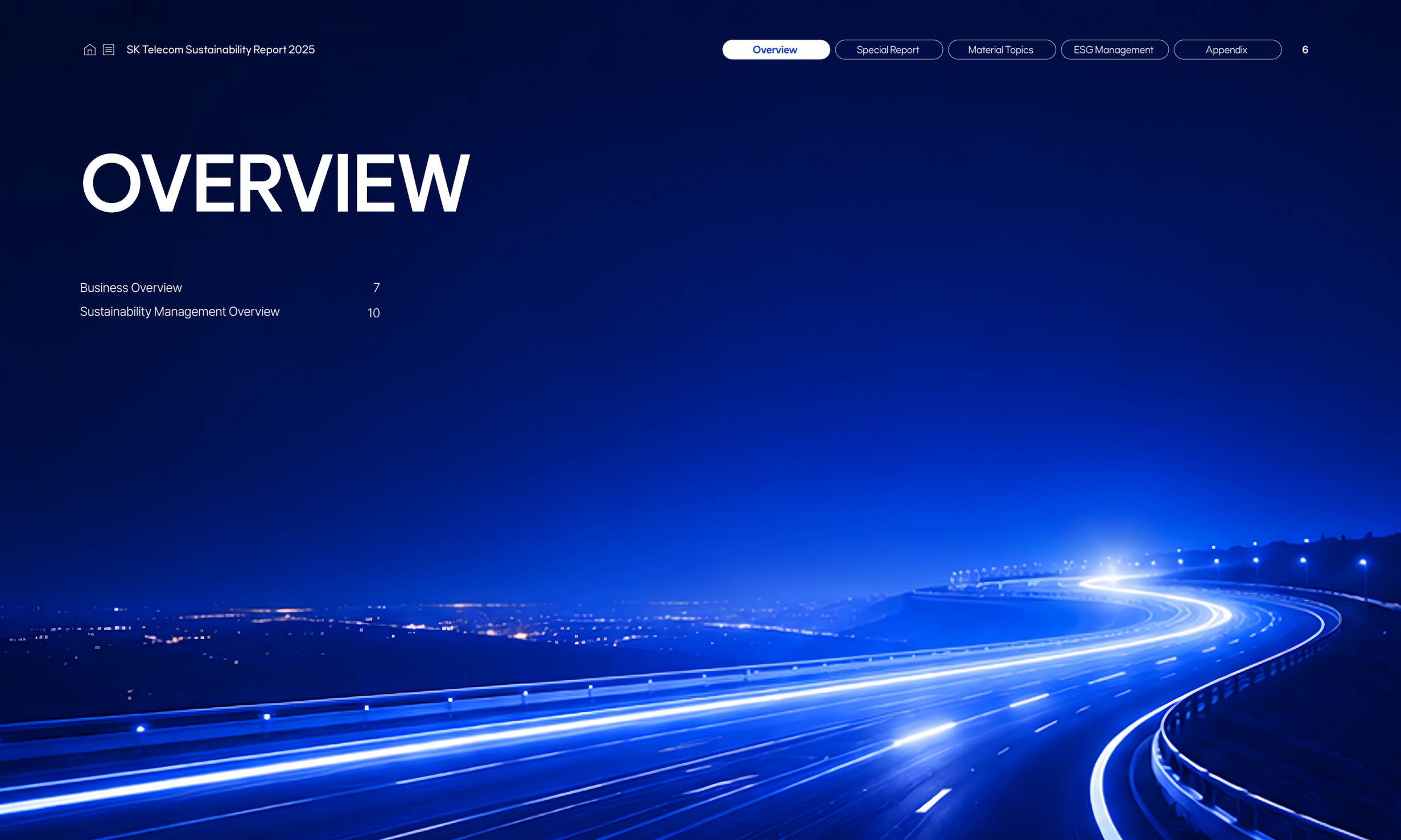
Sincerely,
President and CEO, SK Telecom
Jaihun Jung
정 재 헌



1) Dow Jones Best-in-Class
2) World Benchmarking Alliance's Digital Inclusion Benchmark

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Business Overview

Company Introduction

Company Overview

As South Korea's leading telecom operator, SK Telecom is accelerating the transition into an AI-native company. Under the fundamental principle that "customers are at the core of the business," SK Telecom is establishing a foundation for sustainable growth through a dual strategy: reinforcing the quality and reliability of the core telecommunications business while simultaneously driving AX (AI Transformation). Through AI infrastructure development and service innovation, SK Telecom aims to become a leading participant in the global AI ecosystem.

Company name	SK Telecom Co., Ltd.
Date of establishment	March 29, 1984
Number of employees	5,316
Number of consolidated subsidiaries	19
Headquarters address	65 Eulji-ro, Jung-gu, Seoul, SKT (04539)
Company website	Korean: www.sktelecom.com / English: www.sktelecom.com/index_en.html

Business Overview (Consolidated Basis)

Revenue	KRW 17,099.2 billion
Operating profit	KRW 1,073.2 billion
Net profit	KRW 375.1 billion

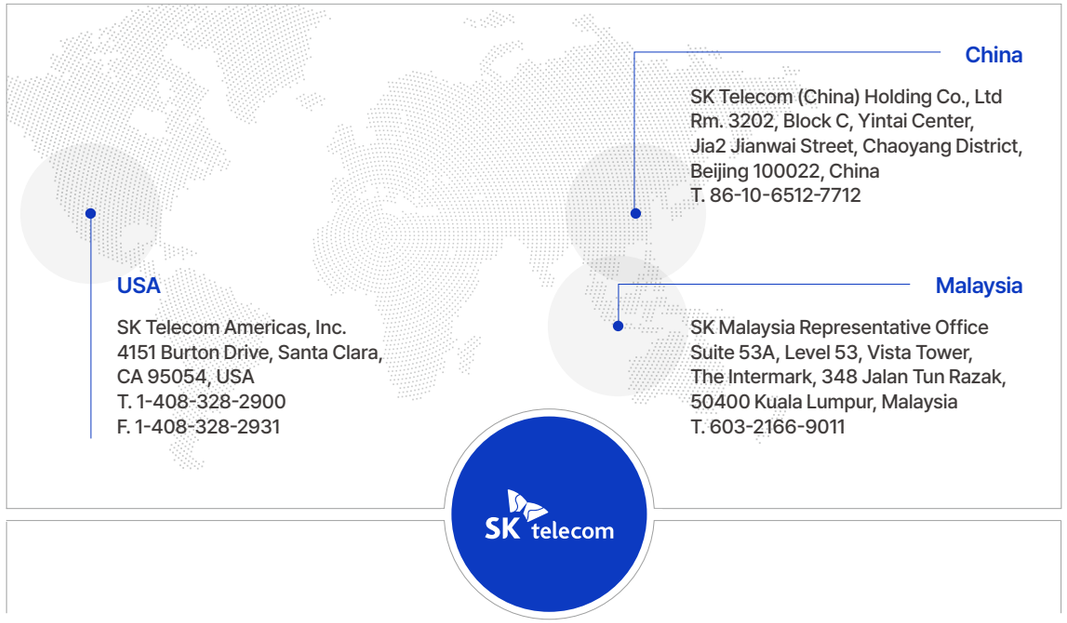
Credit Ratings

(As of end of December 2025)

Domestic*	Global (S&P)	Global (Moody's)
AAA	A-	A3

* Korea Investors Service / Korea Ratings / NICE Investors Service

Global Network



SK Telecom's Major Consolidated Subsidiaries

SK Broadband	PS&Marketing	SK O&S	SK Telink
Home & Service	SK Stoa	SERVICE ACE	SERVICE TOP

Business Introduction

SK Telecom creates differentiated value through "Customer-centric AI," which innovates customers' daily lives, and "AI for Korea," which drives the transformation of industries across South Korea.

Customer-centric AI

SK Telecom is fully integrating AI across all business areas, from infrastructure to service touchpoints, to innovate the paradigm of customers' daily life experiences. SK Telecom has established a highly reliable telecommunications foundation by building AI business systems that standardize data to be AI-friendly, along with Autonomous Networks that optimize service quality. Based on these advanced technological capabilities, SK Telecom is intuitively redesigning plan schemes, such as price plans and memberships, from the customer's perspective. SK Telecom is also driving a comprehensive AI-based customer touchpoint innovation that seamlessly connects online and offline channels. By advancing its entire value chain — from systems and networks to products and customer channels — SK Telecom delivers a distinctive sense of security and an innovative connectivity experience throughout every stage of the customer journey.



AI Business System

SK Telecom is transforming the core elements of customer service into an AI-centric architecture. SK Telecom is standardizing data and processes into a structure optimized for AI processing while ensuring seamless connectivity across all channels for customers. Furthermore, SK Telecom is strengthening system reliability through Zero Trust-based security and a modular architecture.



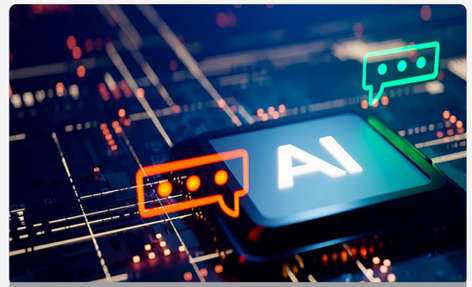
Autonomous Network

SK Telecom executes an "Autonomous Network" strategy to automate the overarching network operations through AI. SK Telecom aims to elevate customer-perceived quality by transitioning from human-centric to AI-based autonomous operations regarding wireless quality management, traffic control, telecommunications equipment and facility operations.



Product Re-design for Improved Customer Experience

SK Telecom is redesigning its customer benefit structure—including rate plans, membership programs, and roaming services—from the customer's perspective. By transitioning from complex to more intuitive plan choices and providing accurate, data-driven personalized recommendations, SK Telecom enhances perceived value and convenience in customer's everyday life.



AI-Based Innovation in Customer Touchpoints

SK Telecom provides faster and clearer solutions by connecting apps, websites, customer centers, and stores with AI. Furthermore, SK Telecom is creating an innovative telecommunication experience by introducing integrated AI agents, enhanced customer support, and highly personalized in-store curation across all services.

Business Introduction

AI for Korea

As the only company in Korea with end-to-end AI full-stack capabilities including AI infrastructure, the A.X K1 model, and the A. (A-DoT) services, SK Telecom is supporting the advancement of sovereign AI in Korea. SK Telecom aims to establish a core hub in Asia by constructing a hyper-scale AI Data Center (DC) infrastructure of over 1GW in Ulsan. SK Telecom also provides comprehensive AI DC solutions that improve energy supply and efficiency, leveraging global partnerships and synergies with SK Group. Furthermore, SK Telecom is strengthening the competitiveness with a sovereign AI foundation model with 519 billion parameters and is pursuing expansion across the B2C and B2B services. In particular, SK Telecom is leading the AI Transformation (AX) across industries by developing AI solutions specialized for manufacturing through collaboration with affiliates in core sectors such as semiconductors and batteries, while continuously enhancing user convenience in everyday life through personalized AI agent (A-DoT) services.

AI DC Infra



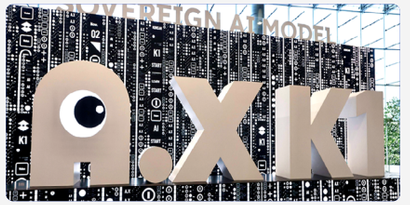
SK Telecom aims to establish hyper-scale AI Data Center (DC) infrastructure, with a total capacity of more than 1 GW nationwide. By doing so, SK Telecom intends to attract global capital investments into South Korea and establish the largest AI DC hub in Asia.

AI DC Solution



SK Telecom delivers cost-efficient AI data center solutions across the entire AI DC value chain, from infrastructure construction to cooling, servers, energy, and operations. Through this comprehensive approach, SK Telecom is delivering solutions to address the core challenges of AI infrastructure development.

AI Model



SK Telecom is strengthening its AI model competitiveness through a proprietary foundation AI model with 519 billion parameters. SK Telecom also plans to expand B2C services into everyday life, including mobility, communication, and lifestyle services, while expanding the application of B2B services across industries such as manufacturing, advertising, and the public sector.

Manufacturing AI



SK Telecom is leading the AI Transformation (AX) across industries through specialized models tailored to sectors such as semiconductors, batteries, energy, and chemicals. Through collaboration with SK manufacturing affiliates, SK Telecom aims to develop a package of "AI solutions tailored to manufacturing" and strengthen national manufacturing competitiveness in areas including semiconductors and energy.

AI Agent



SK Telecom delivers smart calling experiences through A. (A-DoT) Call, including call summaries, voice phishing detection, and real-time interpretation calls. In addition, SK Telecom continuously enhances user convenience by providing features such as note-taking, scheduling, and briefing through A-DoT, the voice-based personalized AI agent.

Sustainability Management Overview

Sustainability Management Vision

SK Telecom's sustainability management vision is to grow together with its customers and society by creating synergies between AI and ESG.
While maintaining its leadership in sustainability management, SK Telecom seeks to create synergies between AI and ESG and systematically manage sustainability across the company, thereby supporting its transition into a Global AI Company. To create positive change across society beyond the scope of its business operations, SK Telecom realizes its "DO THE GOOD AI" vision by strengthening the competitiveness of its telecommunications and technology capabilities through AI, providing AI that people can use with confidence under transparent principles, and advancing AI-enabled sustainability management.
Furthermore, under the direction "Connect Better, Sustain Together," SK Telecom will create better connectivity through technology that addresses social challenges. Together with its partners, customers, and society, SK Telecom will help build a sustainable future shared by all.

"SK Telecom leverages its unique AI and telecommunications services to create greater value for stakeholders. SK Telecom also drives shared growth and enhances sustainability through responsible ESG management."

DO THE GOOD AI

Connect Better, Sustain Together

Connect Better

"Create greater stakeholder value through AI-driven technology"

Customers	Local communities	Suppliers and startups
Deliver innovative customer experiences and enhance digital accessibility	Build social safety nets and bridge the digital divide	Drive shared growth across the supply chain, and support and collaborate with startups

Sustain Together

"Enhance sustainability through responsible ESG management "

Climate and environment	Information security and occupational health and safety	Ethics and governance
Implement environmental management to achieve the 2050 Net Zero target	Establish reliable information security and occupational health and safety management systems	Ensure transparent governance and practice Responsible AI

Sustainability Management Governance

SK Telecom leverages its unique AI and telecommunications services to create greater value for stakeholders. SK Telecom also drives shared growth and enhances sustainability through responsible ESG management. To achieve this, the ESG Committee under the Board of Directors deliberates on and approves key sustainability issues. The Sustainability Management Office serves as the central coordinating function, enabling all business units across the company to undertake sustainability initiatives with ownership based on company-wide ESG KPIs.

Sustainability Management Organization

SK Telecom has established the ESG Committee as one of the five committees under the Board of Directors. Currently composed of three independent directors, the ESG Committee reviews and advises on the direction, performance, and external communication of sustainability management.

The Head of the Sustainability Management Office oversees the operations of the sustainability organization. The Sustainability Management Office establishes and manages ESG KPIs, defines strategic directions, and facilitates cross-functional ESG collaboration. Furthermore, SK Telecom continues efforts to internalize sustainability management by regularly discussing and sharing related issues through executive-level councils.

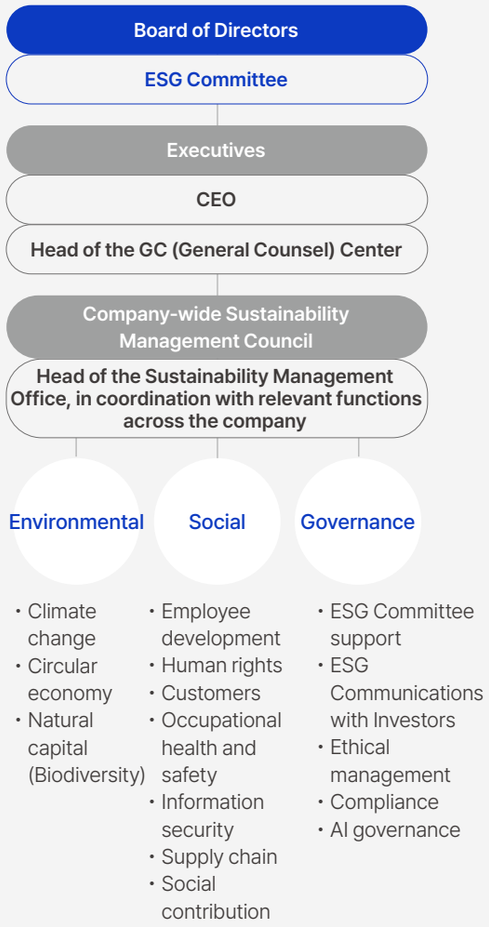
As the control tower for sustainability management, the Sustainability Management Office designs and manages ESG KPIs for each business unit, measures social value, drives related performance outcomes, and promotes a culture of sustainability. In addition to these previous activities, it establishes and executes company-wide sustainability strategies and collaborates with business units to improve sustainability performance.

The Sustainability Management Office communicates its commitment through the Annual General Meeting, analyst seminars, press conferences, and CEO messages. It also strengthens RE100 implementation by operating a circular economy task force and expanding its renewable energy procurement portfolio to continuously progress toward achieving the 2050 Net Zero target.

Furthermore, SK Telecom drives new initiatives to lead ESG management and create ESG synergies across ICT Family companies, including SK Broadband and other subsidiaries. We organize quarterly ESG seminars for ICT Family companies to assess each company's ESG management maturity, identify areas for improvement, and implement necessary actions as part of our collective efforts to embed sustainability management across the ICT Family.

Additionally, led by the Sustainability Management Office, SK Telecom launched a task force for climate disclosure involving all ICT Family companies to proactively prepare for the shift toward mandatory sustainability disclosures. Through this initiative, SK Telecom strengthens sustainability management governance by establishing a consolidated data management system.

Moving forward, the Sustainability Management Office will continue to serve as the central coordinating function for sustainability management, working closely with each business unit. SK Telecom will leverage company-wide capabilities to drive AI-driven ESG initiatives, thereby enhancing corporate value and accelerating the execution of its transition into a Global AI Company.



Sustainability Management Performance and External ESG Ratings

Sustainability Management Performance

SK Telecom drives sustainability management linked to its AI and telecommunications businesses to create social value and lead sustainable growth.
In the environmental (E) dimension, SK Telecom proactively responds to climate change regulations by achieving voluntary carbon emission reduction targets and laying the groundwork for climate-related disclosures. In addition, SK Telecom strives to realize a sustainable future by advancing its circular economy implementation framework and strengthening its execution capabilities.

In the social (S) dimension, SK Telecom prioritizes restoring customer trust to create AI-driven social value. As part of this commitment, SK Telecom carried out field-based initiatives to rebuild customer trust, including an on-site customer support service. At the same time, to transform into a company with strong security capabilities, SK Telecom is executing extensive innovations across its policies, processes, organizational capabilities, and overall systems, thereby establishing a significantly enhanced customer protection framework.

In the governance (G) dimension, SK Telecom is solidifying a transparent decision-making framework by advancing board-led responsible management. By establishing and operating an integrated ESG data platform, SK Telecom has enhanced its data-driven management capabilities. In the area of AI governance, SK Telecom established the principles of "by Telco, for Humanity, with Ethics" and developed an AI self-assessment framework to assess their implementation in practice, thereby putting in place an advanced management system designed to strengthen the reliability and safety of its AI technologies.

External ESG Assessment

As a result of these efforts, SK Telecom has secured market trust by maintaining high ratings in major domestic and international ESG assessments, including its continuous inclusion in the DJ BIC World Index.
Recognized for its dedicated sustainability efforts, SK Telecom has achieved outstanding performance in global and domestic ESG assessments. In 2025, SK Telecom was included in the DJ BIC World Index for the 17th year, joining a select group of only seven telecommunications companies worldwide. Furthermore, SK Telecom earned an A rating from MSCI ESG Ratings and an overall Grade A in the KCGS ESG Evaluation. SK Telecom also ranked first in Asia among 200 global leading ICT companies in the WBA Digital Inclusion Benchmark, further strengthening its standing as one of Korea's leading companies in sustainability management.

Sustainability Management Performance and Plans

Environmental	Social	Governance
Realizing a sustainable future	**Strengthening AI-based social value creation**	**Strengthening advanced governance**
• Achieved the 2025 carbon emissions target (1.052 million tons) • Achieved RE11 in 2025; RE65 target for 2030 • Conserving natural capital and advancing the circular-economy framework and strengthening execution	• Implemented a visiting service to rebuild customer trust • Implementing comprehensive enhancements across policies, processes, organization, capabilities, and overall systems to transition into a company with robust security capabilities	• Advancing Board-led responsible management • Establishing and operating an integrated ESG data platform to strengthen the ESG management framework • Building an AI self-assessment framework grounded in AI governance principles: "by Telco, for Humanity, with Ethics"

S&P Dow Jones Indices (A Division of S&P Global)	Included in the DJ BIC World Index for the 17th consecutive year
MSCI	MSCI ESG Rating: A
한국ESG기준원 Korea Institute of Corporate Governance and Sustainability	KCGS Overall ESG Evaluation: Grade A
World Benchmarking Alliance	Ranked 1st in Asia among 200 leading global ICT companies in the WBA Digital Inclusion Benchmark

Special Report. From Customers, Beside Customers

Cybersecurity Incident: A Renewed Commitment

"Reevaluating SK Telecom's fundamentals from an objective perspective to rebuild the essence of customer trust."



Reflecting on recent cybersecurity incidents, SK Telecom recognized that customers are both the foundation of the present and the sole driver of future growth. The incident was also a serious warning that we had not fully recognized the responsibility entrusted to us in safeguarding our customers' daily lives. SK Telecom established 2025 as the year for a shift back to customer-centric fundamentals across all SK Telecom operations.

We may have assumed that our established processes were inherently correct, but we realized that genuine trust begins with customers' sense of security towards SK Telecom in their everyday lives. SK Telecom aims to go beyond external growth milestones and to reflect on all services through an objective perspective.

This is not a superficial remedy aimed merely at resolving the recent incident. Rather, it marks the beginning of a fundamental overhaul designed to re-engineer all SK Telecom systems and corporate culture upon the foundation of customer trust. SK Telecom will remain anchored in the core principle that protecting customer data and safeguarding their daily lives is the definitive beginning and end of its business. By placing customers' sense of security above all else, SK Telecom will build a strong foundation of trust. Committed to rebuilding from the ground up, SK Telecom will reinvent itself into a company that customers can truly trust.

"Moving closer to our customers to restore their sense of security"

SK Telecom prioritized addressing the anxiety and inconvenience experienced by each and every customer above all else. Mitigating customer concerns immediately took precedence over any explanation or promise. We took every measure available to help restore our customers' sense of security and went directly to them wherever they were. To us, that was what it truly meant to provide customers with a sense of security.

Until Customers Regain Their Sense of Security

Addressing Customer Concerns First and Foremost

SK Telecom prioritized the immediate mitigation of customer concerns above all else. SK Telecom enhanced and deployed Fraud Detection System (FDS) to the highest operational level to detect and block abnormal authentication attempts in real time. A complimentary USIM protection service was also provided to all customers, preventing unauthorized network access from other devices even in the event of USIM data theft or cloning. Furthermore, SK Telecom implemented a nationwide complimentary USIM replacement program for all customers across T World stores and airport roaming centers.

SK Telecom provided Zimperium, a world-class mobile security solution, to all subscribed customers free of charge for one year, and introduced the "Cyber Compensation Guarantee System" in partnership with external organizations to support the compensation in the event of cyberattacks, such as USIM cloning. To prepare for future contingencies, SK Telecom expanded its corporate insurance coverage limit by 100-fold — from KRW 1 billion to KRW 100 billion — establishing a substantial safety net for customer protection. Furthermore, SK Telecom conducted a comprehensive inspection of all personal information processing systems within its mobile telecommunications network, and is reinforcing safety measures to ensure that customers can use services with sense of security by implementing key security enhancements, including the encryption of USIM authentication keys and critical data, as well as the optimization of firewall policies.

Extending Our Deepest Gratitude to Customers

As an expression of our gratitude and responsibility toward the customers who placed their trust in SK Telecom throughout this period, SK Telecom implemented a "Customer Appreciation Package" for all 24 million customers. SK Telecom automatically applied a 50% discount on telecommunication fees for the month of August and provided an additional 50GB of data every month through December. Furthermore, discount benefits with various T Membership partners were increased to over 50% across major brands, with monthly themed promotions sustained until the end of the year. For customers who elected to terminate their contracts following the incident, SK Telecom instituted a full waiver of all early termination fees.

The Customer Appreciation Package extended beyond mere compensation; it represented SK Telecom's sincere appreciation to each individual customer who stood by us with patience and trust. To ensure this gratitude remains more than a one-time gesture, SK Telecom will continuously drive tangible transformations that our customers can experience firsthand.

Wherever Our Customers Are

Visiting and Engaging Directly with Customers

To support elderly individuals and residents in remote island and rural areas who faced difficulties visiting T World stores, SK Telecom launched a nationwide mobile USIM replacement service in May. SK Telecom visited over 300 sites across approximately 100 remote regions, including Ongjin-gun in Incheon and Sinan-gun in South Jeolla Province, visiting senior centers, welfare facilities, and local agricultural cooperatives to facilitate USIM replacements and provide security guidance.

SK Telecom sought to minimize the inconvenience of travel for vulnerable customers with limited mobility or restricted access to retail stores, while providing them with direct assistance and reassurance. Starting from the second half of the year, SK Telecom has been operating the "On-site Safety Service" for the digitally vulnerable, including the elderly and individuals with disabilities, providing guidance on smartphone usage and mobile security services. SK Telecom is committed to reaching customers wherever they are, as this embodies the very essence of restoring confidence.

Delivering a Sense of Security Wherever Customers Are

To ensure that customers can feel secure at the retail stores they visit daily, SK Telecom operates "T Safe Stores." Any customer visiting a store marked with the T Safe Store emblem can receive cyber incident prevention services, including consultations and subscriptions for SK Telecom security services, as well as support for mobile device security settings. In the event of incidents such as phishing, smishing, or hacking, SK Telecom provides immediate assistance, including damage verification, blockage against further compromise, and guidance on reporting to relevant authorities.

Furthermore, through the "T Safe Briefing" available on the T World app and official website, customers can check their telecommunications security status at a glance. By transparently disclosing the customer's security status including FDS operational status, USIM protection service subscription, and voice spam blocking status, SK Telecom is building an environment where customers can safely use services with confidence, anytime and anywhere.

"Building Trust by Getting Closer to Our Customers."

If immediate measures to restore customer confidence were our first response, rebuilding customer trust is a long-term commitment that SK Telecom will sustain far into the future. Trust cannot be built through a single action. Overhauling SK Telecom's information security framework, directly integrating the voice of the customer into management decisions, and ensuring that customers tangibly experience these advancements — SK Telecom will not stop this process.

Building a Foundation for Trust

Restructuring the Core Framework of Security

Rebuilding trust extends beyond immediate remedies; it is achieved through structural transformation. SK Telecom announced its "Information Security Innovation Plan," planning to invest KRW 700 billion in information security over the next five years — the largest investment scale in the industry. SK Telecom is doubling the number of dedicated information security personnel and substantially expanding allocations to fortify security technologies and systems. Furthermore, SK Telecom is spearheading the revitalization of the broader information security ecosystem by contributing KRW 10 billion to a dedicated information security fund, designed to cultivate domestic talent and support promising security startups.

SK Telecom has also driven fundamental changes in terms of governance. The Chief Information Security Officer (CISO) organization was elevated directly under the CEO, accelerating the pace and amplifying the weight of security-related executive decision-making. SK Telecom has appointed security experts to the Board of Directors and established a dedicated internal Red Team to continuously identify and remediate underlying vulnerabilities. Implementing a Zero Trust-based information security framework, SK Telecom deploys rigorous authentication, strict access controls, network segmentation, and an AI-driven integrated security monitoring system. Driven by the core principle that security must not be confined to a single department but must serve as the highest priority across all management, SK Telecom has fundamentally shifted the center of gravity in its security governance. Leveraging this reinforced organizational structure, SK Telecom will complete the security enhancement measures it has committed to, including the deployment of EDR (Endpoint Detection and Response) systems for real-time monitoring and blocking.

Information Security White Paper.

Expanding Customer-Centric Transformation Across the Entire Organization

SK Telecom coordinates customer trust recovery initiatives primarily through the Customer Value Innovation Office, which reports directly to the CEO. The Customer Value Innovation Office identifies and improves service inconveniences from the customer's perspective. In late 2025, SK Telecom established a dedicated customer experience (CX) organization under the Customer Value Innovation Office to gather and analyze customer needs, drive service improvements, and develop medium- to long-term initiatives to enhance customer value. In addition, serving as a company-wide Working Group, the Customer Value Innovation Office acts as the secretariat for the Customer Trust Committee, providing executive management with performance metrics on customer and market perceptions. It will continue to play a central role in driving customer-centric changes across the entire organization of SK Telecom.

SK Telecom Will Listen, Reflect, and Drive Changes

Customer Feedback Becomes a Standard for Management Decision-Making

In May 2025, SK Telecom launched the Customer Trust Committee, an independent body composed of five external experts. Specializing in diverse fields such as consumer dispute resolution, law, psychology, and consumer science, the committee independently verifies and advises on SK Telecom's trust restoration initiatives. Operating on a two-year mandate, the committee primarily holds biweekly regular meetings, supplemented by ad-hoc sessions whenever immediate consultation is required. From its inception through early 2026, the committee held 12 regular meetings to continuously shape long-term strategies for rebuilding trust. The Customer Trust Committee continuously monitors and verifies SK Telecom's trust restoration initiatives from an external perspective, ensuring that these efforts extend beyond internal declarations to deliver tangible value to customers. The committee has played a key role in demanding a mid- to long-term roadmap for restoring customer trust and continuously questioning whether the company's strategic direction aligns with customer expectations. Through this governance and insight, SK Telecom is striving to ensure that rebuilding trust is not merely a temporary response, but a fundamental transformation in its management practices.

To directly integrate customer feedback into management, SK Telecom introduced a Customer Advisory Panel in the second half of 2025. In 2026, the panel's role was expanded and relaunched as a "customer communication platform" to foster active dialogue between customers and the company. Composed of 100 individuals representing diverse age groups and occupations — including office workers, homemakers, and university students — the advisory panel proposes service improvement ideas through monthly regular meetings. Through a "field-based feedback system" where members participate directly from the product and service planning stages, the panel helps translate customer voices into actual organizational changes.

Finding Solutions for Change in the Field with Customers

In March 2026, SK Telecom transformed its 42nd anniversary from a day of self-celebration into a "Day of Re-listening." Approximately 80 participants —including the CEO, all executive officers, and members of the Customer Trust Committee — directly visited customer touchpoints nationwide, such as on-site safety service, customer centers, retail stores, airport roaming centers, and welfare centers for the visually impaired. SK Telecom listened to customer feedback and concerns, while expressing sincere gratitude. Executives visited a senior college in Pocheon, Gyeonggi Province, to conduct digital safety training with older customers and directly hear their inconveniences and expectations. At the customer centers, management sat side-by-side with customer service representatives to listen to live customer calls, experiencing firsthand the sentiments and contexts of customers. The activities on this day were not a mere one-off event. The customer voices and insights collected from each touchpoint are shared across the organization to inform service improvements and decision-making. The customer experiences and employee feedback verified on the ground serve as standards for reviewing existing systems and processes. Building a structure that can rapidly identify and reflect customer feedback is the core direction of customer-centric management driven by SK Telecom. Moving forward, SK Telecom will continue to remember every anniversary as a day to "return to the field where our customers are."

"Building Trust by Getting Closer to Our Customers."

SK Telecom recognizes that customer trust in adopting new technologies is just as vital as the benefits delivered by technological advancement. Consequently, going beyond isolated department-level responses, SK Telecom has established an integrated framework for rebuilding customers' trust where strategy establishment, effectiveness validation, and continuous monitoring are cohesively aligned with one another.

The essence of this framework lies in the "objectification of internal perspectives." To evaluate effectiveness from the customer's viewpoint rather than a corporate standpoint, SK Telecom incorporates the objective evaluation of external experts, leverages validations from our Customer Advisory Panel, and combines these with the execution capabilities of frontline working groups. The Customer Trust Committee defines strategic directions, the Customer Advisory Panel delivers feedback on the ground, and a company-wide working group comprising 35 relevant organizations collaborates to drive collective action for customer trust.

Customer Trust Committee: Independent Oversight and Advice on Trust-Rebuilding Initiatives

The Customer Trust Committee operates as an independent body, identifying systemic blind spots that SK Telecom might overlook and serving as an objective compass for rebuilding trust.

As an independent entity, the committee closely reviews relevant initiatives to ensure that SK Telecom's customer trust enhancement strategies translate into tangible, real-world improvements in our customers' daily lives. Through regular and ad-hoc meetings, it delivers professional advisory services designed to maximize the efficacy of these programs. In 2026, leveraging the distinct expertise of its members, the committee plans to establish four specialized subcommittees — Consumer Protection, Customer Communication, Strengthening Social Responsibility, and Consumer Insights — to drive more substantial value innovation activities. The committee's recommendations and operational progress reflect SK Telecom's determination to continuously self-examine and innovate, moving beyond temporary measures. Based on this ongoing dialogue, SK Telecom is executing practical value-enhancement measures that resonate with both customers and society, while continuously monitoring their efficacy to strengthen trust.

Messages from the Customer Trust Committee



"All communication always starts from looking through our customers' eyes, and open, heartfelt conversation is the very first step to earning back their trust."

Wangi Ahn, Chairperson

"The path by which the relationship between a company and its customers deepens into true trust ultimately depends on how the company listens to and addresses customers' voices."

Jong Won Shin, Committee Member





"At the center of restoring customer trust is faithful fulfillment of promises. If the promises SK Telecom made to customers, such as information security investments and customer support, are verified through objective data and clear metrics, the company will successfully take a step forward."

Jeong Hye Son, Committee Member

"Yesterday's solutions become today's problems." In an era of rapid trend shifts, continuous self-innovation today, rather than remaining confined by yesterday's successful experiences, will drive tomorrow's growth.

Rando Kim, Committee Member





"From the excitement of the very first subscription opening to the years when eyesight begins to dim." For SK Telecom customers who share their entire life cycle with the company, corporate efforts that accommodate diverse customer conditions and needs are not merely a virtue; they represent the personal stories of their own past, present, and future. When each of these endeavors bears the fruit of execution, individual customer experiences will deepen and trust will endure.

Chai Youn Kim, Committee Member

"Building Trust by Getting Closer to Our Customers."

Customer Advisory Panel: Customer-Led Review of Trust-Building Outcomes

SK Telecom operates a Customer Advisory Panel composed of actual service users to accurately identify and address practical requirements customers experience in their daily lives.

Composed of customers currently using SK Telecom services, the panel delivers candid feedback from an end-user perspective. Rather than merely presenting individual opinions, the panel serves as a 'trust antenna' by gathering public sentiment from various touchpoints such as acquaintances and online communities and conveying it to SK Telecom, playing a pivotal role as the starting point for service improvement.

The Customer Advisory Panel recently launched its full-scale operations, and its mandate has been substantially expanded to directly propose practical solutions, moving beyond standard market reaction monitoring. In addition to reviewing whether the advice from the expert Customer Trust Committee functions effectively on the ground, the panel will directly participate in formulating specific improvement plans through a "customer-led review," thereby enhancing service completeness that customers can tangibly experience.

Messages from the Customer Advisory Panel

"Even as just one of millions of customers, I find it deeply rewarding to know that my feedback can be reflected in actual policies and services. What impressed me most was SK Telecom's sincere and sustained follow-up, which continued far longer than I had expected. Seeing my feedback lead to meaningful changes has further deepened my trust in SK Telecom."





"True customer trust isn't built overnight from a moment of satisfaction; it's earned over time through consistent accountability and sincere action. I hope SK Telecom will continue creating opportunities for open dialogue like this, becoming a company that customers naturally recommend not only to others but also to their own families, and one they can continue to trust and rely on for years to come."

SK Telecom Will Listen, Reflect, and Drive Changes

Customers' Voices Led to Services

The shift toward customer-centric management is already taking shape across various services. SK Telecom has comprehensively revamped its T Membership to enable customers to enjoy more benefits with greater convenience. SK Telecom expanded the former "0 Day" model, which previously restricted customers to selecting a single benefit on a specific day, into "0 Week," allowing users to freely access a diverse range of benefits over the first five days of each month, while also introducing exclusive benefits for VIP customers. In addition, SK Telecom continues to update "A. (A-DoT) Note" with features including diagram generation, folder management, in-app direct editing, and selective sharing, to help customers manage and share their daily records more systematically.

Moving forward, SK Telecom remains committed to addressing customer inconveniences with greater care and building services that align with customer expectations.

SK Telecom Remains Committed to Integrating Customer Feedback More Deeply into its Core Management

SK Telecom plans to continuously strengthen its structure to systematically reflect communication with customers into its management. While directly visiting customers who have been with SK Telecom for more than 40 years to express gratitude and driving service improvements such as simplifying customer service procedures and assigning dedicated customer service representatives, SK Telecom will also strengthen customized strategies for each customer type, including reflecting the opinions of the youth demographic through collaboration programs with university students. In addition, SK Telecom will precisely analyze the diverse usage patterns and demands of customers to provide personalized services, while simultaneously establishing an AI-driven data curating system that enhances personal information security.

SK Telecom is establishing a structured process to ensure that customer feedback extends beyond one-off opinion gathering to be substantially reflected across all management stages — from product and service planning to continuous improvement. Starting with listening, integrating feedback, and driving transformation: this is how SK Telecom builds lasting trust with its customers.

SK Telecom for the Long Term, Together with Customers

> SK Telecom will use this moment as an opportunity to undertake fundamental transformation and demonstrate meaningful renewal to our customers. Our competitiveness is rooted in our customers, and how they perceive us matters.
> Customer trust is both the starting point and the ultimate destination for SK Telecom. Grounded in the fundamental principle that our customers are the very essence of our business, we will make their needs the standard for our management decisions and remain fully committed to rebuilding their trust.

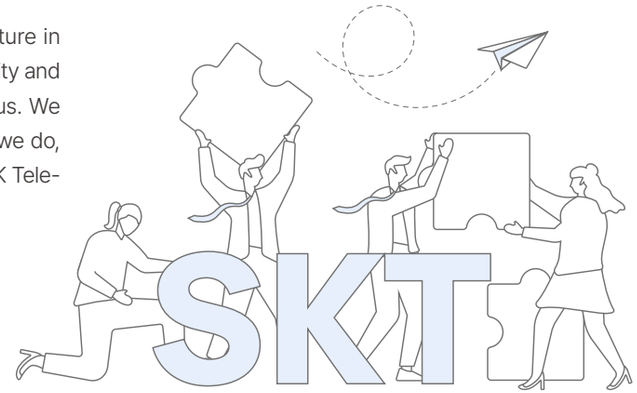
Jaihun Jung, CEO

The Future of SK Telecom

Since 2025, SK Telecom has once again stood before its customers. To help restore their sense of security, the company went directly to where its customers were and moved closer to them. SK Telecom rebuilt its security framework and incorporated customer feedback into its management decision-making through the Customer Trust Committee and the Customer Advisory Panel. Rather than simply celebrating its 42nd anniversary in 2026, the company went directly to customer touchpoints and sought to make every day spent with customers an opportunity to rebuild trust.

SK Telecom will not overlook a single word from customers, nor the slightest inconvenience reported from the field. Establishing a virtuous cycle where customer feedback drives service improvements, and those services, in turn, rebuild trust is the primary focus. SK Telecom will design management and services based on customer expectations, and respond to their needs grounded in the fundamental principles of quality, security, and safety.

SK Telecom envisions one clear future: a future in which customers experience a sense of security and trust at every moment of their journey with us. We begin with our customers, and in everything we do, we return to them. Guided by that principle, SK Telecom will continue moving forward.



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Information Security and Personal Information Protection

Governance

Oversight of the Decision-Making Body

Responsibilities and Delegated Authority of the Decision-Making Body

Under the oversight of the Board of Directors and its ESG Committee, SK Telecom operates the company-wide Risk Management (RM) Council as the highest management-level decision-making body for information security.

Chaired by the CEO, the RM Council is composed of the Chief Information Security Officer (CISO), C-level executives, and key operational officers. The council is responsible for reviewing and deliberating on the company's information security regulations, reviewing and supporting major initiatives to enhance information security, and evaluating annual information security plans and performance.

Provisions regarding information security governance operating regulations, delegated authorities, and job descriptions are explicitly defined in the Information Security Regulations, Personal Information Protection Management Regulations, and their underlying guidelines.

Capabilities of the Decision-Making Body and Future Development Plans

Capabilities

SK Telecom recognizes that information security and privacy risks may affect the Company's sustainability and identifies the expertise required at the Board level to oversee the management of those risks. Board members have relevant expertise in information security, risk management and finance, and legal and compliance matters, enabling the Board to assess the appropriateness of the information security strategy.

Capability Development Plan

To enhance understanding of the rapidly changing cyber threat environment and information security, SK Telecom conducts information security training every year for all directors, officers, and employees. SK Telecom plans to provide training so that the decision-making body can present SK Telecom's strategic direction by maintaining insight regarding information security threats.

Method and Frequency of Reporting to the Decision-Making Body

Method of Reporting

SK Telecom's Board of Directors operates a regular and ad hoc reporting system to systematically oversee the information security status. The Board receives quarterly reports from the CISO on SK Telecom's security management status and the status of sensitive information protection. If a significant information security matter has company-wide implications, the Board engages directly with the CISO and provides guidance. The CISO subsequently reports back to the Board on actions taken in response to the Board's guidance.

Decision-Making Body's Approach to Key Decisions

The Board understands that issues such as information security and personal information protection are important elements of SK Telecom's risk management system, and accordingly considers these issues as important when reviewing management strategy and goals. During the reporting period, the Board received reports on agenda items such as the results of inspections of the management and protection of personal credit information, the status of and measures for cyber breach incidents, and the progress of measures and future plans, thereby overseeing the management of information security and privacy risks.

Consideration of Trade-offs Between Information Security-Related Risks and Opportunities

SK Telecom prioritizes securing long-term business continuity by preventing sophisticated cyber threats over short-term operational expenses incurred from reinforcing security infrastructure. Even with operational constraints arising from heightened security, SK Telecom seeks a strategic balance to enhance long-term corporate value by building solid customer trust and establishing global-level security leadership through objective assessment and proactive risk mitigation.

Target Setting and Progress Monitoring

SK Telecom establishes KPIs for relevant information security functions. SK Telecom internally monitors implementation targets set for specific tasks and reports the progress and achievement status of these tasks to the Board of Directors and executive leadership. The Board of Directors reviews these reports to oversee and provide guidance, ensuring the effective operation of SK Telecom's cybersecurity program.

Governance

Oversight of Management

Delegated Roles and Oversight of Management

The CISO, possessing over 12 years of experience in information technology and over 22 years in information security, oversees SK Telecom's cybersecurity risk management procedures. To unify information security and personal information protection governance, SK Telecom operates a Security Center led by the CISO. The Security Center identifies and prevents attacks against services and systems, service disruptions, and the theft or alteration of customer and sensitive data, while protecting customers from crimes such as spam, smishing, and voice phishing, and enabling real-time response when incidents occur.

In addition, SK Telecom has established a Red Team reporting directly to the CISO. The Red Team reviews SK Telecom's infrastructure and services from an adversary perspective, conducts controlled attack simulations, and recommends improvements based on the lessons learned. Furthermore, key top management, including the CISO (Chief Information Security Officer), CPO (Chief Privacy Officer), CIO (Chief Information Officer), and CFO (Chief Financial Officer), manages company-wide risks.

Dedicated Information Security Organization

SK Telecom's overall information security strategy and governance functions are dedicated to four divisions and 13 teams under the Security Center, which oversees company-wide security activities including corporate information security policy establishment, security operations and monitoring, security threat response, security architecture management, and security technology development and application. The CPO (Chief Privacy Officer) organization is dedicated to personal information protection policy establishment and operations, with two teams under the CPO performing activities related to compliance with privacy laws and regulations, the operation of personal data processing systems, internal reviews, and incident prevention to reinforce the protection of personal data for customers and employees.

Controls and Procedures of Management

The CISO reports directly to the CEO and oversees enterprise-wide cybersecurity and digital risk management. Based on independent decision-making authority, the CISO establishes and implements security policies and reports relevant issues directly to the CEO, thereby enabling prompt control and decision-making at the executive level. These processes are integrated into the company-wide risk management framework, and the CISO regularly engages with cross-functional teams responsible for legal, human resources, facilities, and corporate risk management. SK Telecom also maintains insurance against potential losses arising from cybersecurity incidents and annually reviews the policy terms and coverage levels based on current risks. Through these efforts, SK Telecom implements company-wide risk management governance to comprehensively identify and respond to security risks across all business domains.

Information Security Governance



Strategy

Information Security-Related Risks and Opportunities

Identification of Information Security-Related Risks and Opportunities

SK Telecom has identified key risks and opportunities related to information security and personal information security that could affect its medium- and long-term sustainability. SK Telecom manages these risks and opportunities by analyzing their potential impact across overall business operations and categorizing the anticipated time horizons of impact into short-, medium-, and long-term.

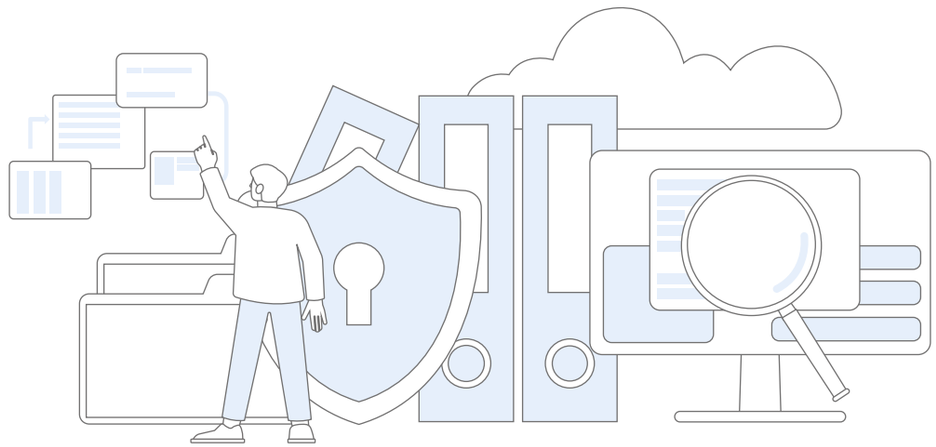
Key risk factors identified by SK Telecom encompass structural vulnerabilities associated with aging equipment that no longer receives security updates and with the adoption of new technologies, as well as threats to data and service stability arising from external attacks. Specifically, SK Telecom identifies and manages the following risks: large-scale personal data breaches from external intrusions, service disruptions from cyber incidents, and security architecture risk arising from AI and cloud transitions.

SK Telecom defines the positive outcomes gained through proactive control of information security threats as opportunities and leverages them in its business strategy. Specifically, SK Telecom has identified the following opportunities: enhanced market competitiveness through advanced security infrastructure and improved customer satisfaction through trust-based service delivery.

Category		Risks and opportunities	Expected Time Horizon		
			Short	Medium	Long
Risk	Risk 1	Large-scale personal data breaches	●	●	
	Risk 2	Service disruptions from cyber incidents	●	●	
	Risk 3	Security architecture risk arising from AI and cloud transition	●	●	
Opportunity	Opportunity 1	Enhanced market competitiveness		●	●
	Opportunity 2	Improved customer satisfaction		●	●

Expected Time Horizons of Risks and Opportunities

SK Telecom defines the time horizons over which information security risks and opportunities are reasonably expected to arise as short term (within 1 year), medium term (more than 1 year and up to 5 years), and long term (more than 5 years). The planning periods SK Telecom uses for strategic decision-making are likewise defined as short term (within 1 year), medium term (more than 1 year and up to 5 years), and long term (more than 5 years). This demonstrates the alignment between SK Telecom's business strategy decision-making timelines and the time horizons over which information security risks and opportunities may materialize.



Strategy

Business Model and Value Chain

Current and Anticipated Effects

SK Telecom identifies the current and anticipated effects of information security- and personal-information-protection-related risks and opportunities on SK Telecom's business model and value chain. Accordingly, SK Telecom derives strategies to respond to risks and opportunities and strengthens its risk management capabilities.

Effects on the Business Model

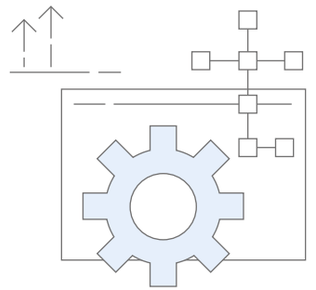
Category	Risks and Opportunities	Current Effect	Anticipated Effect
Risk	Large-scale personal data breaches	Increased allocation of internal resources and personnel for rapid response	Opportunity cost arising from financial loss and decline in brand value
	Service disruptions from cyber incidents	Maintenance costs for backup system and disaster recovery system	Resource input in the service recovery process
	Security architecture risk arising from AI and cloud transition	Increased capital expenditure for advancing security infrastructure and building the ecosystem	Increased operating costs for continuous improvement for strengthened security functions
Opportunity	Enhanced market competitiveness	Strategic investments in proactive security technology and credible certifications	Expanding business opportunities and improving the profit structure for industries with high security requirements, using an advanced security framework as a core competitive advantage
	Improved customer satisfaction	Input of development resource to improve customer satisfaction	Reduced customer churn from improved reliability, thereby cutting marketing and new customer acquisition costs

Effects on the Value Chain

Category	Risks and Opportunities	Current Effect	Anticipated Effect
Risk	Large-scale personal data breaches	Temporary overload of relevant organizations for incident response	Strengthened process for reviewing suppliers' security practices
	Service disruptions from cyber incidents	Strengthened requirements for strict screening and quality control of suppliers	Increased possibility of compensation for business interruption damage due to service outages
	Security architecture risk arising from AI and cloud transition	Security costs arising from the transition to new technologies	Emergence of security blind spots due to increased architectural complexity
Opportunity	Enhanced market competitiveness	Strengthened cooperation system to raise and standardize the security level across the value chain	Strengthened strategic cooperation with external stakeholders and strengthened market position based on a reliable service supply chain
	Improved customer satisfaction	Costs for strengthening security training and incident prevention activities within the value chain	Joint revenue generation through secure data ecosystem

Concentrated Impact

Given its management of vast volumes of customer data and operation of critical national infrastructure, the telecommunications industry carries an inherently public responsibility, making information security and personal information protection directly tied to corporate sustainability. As industry-wide digital transformation accelerates, strengthening security reliability at customer touchpoints and enhancing security management frameworks to respond proactively to evolving legal and regulatory requirements have been identified as pivotal management priorities. In light of these industry characteristics, SK Telecom allocates strategic resources toward optimizing end-to-end operational processes across its value chain and enhancing user protection systems. Recognizing that these factors may have material impacts on both short-term financial performance and long-term corporate value, SK Telecom mobilizes organization-wide capabilities to effectively address them.



Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Personal information protection Process

SK Telecom complies with the Personal Information Protection Act and all related personal information regulations. In accordance with these regulations, SK Telecom ensures that customers can easily access its privacy policy at any time via its official website.

Risk 1

Customer's personal data collected by SK Telecom is used strictly for service delivery and quality improvement purposes. SK Telecom employs appropriate technical and administrative safeguards to ensure the secure management of this data in line with relevant legal standards.

Information Security Activities

- Reinforcement of company-wide security governance through strategic information security investments, risk management, security performance tracking, and regulatory compliance.
- Establish a data and personal information protection framework through measures including the identification and encryption of personal and critical information and the management of access rights.
- Modernization of security architecture — encompassing networks, systems, cloud environments, Identity and Access Management (IAM), and Zero Trust frameworks — to fortify the security of IT infrastructure and services.
- Strengthening risk and compliance management through continuous information security management system certifications, audits, and cross-checking activities by internal and external stakeholders, including ISMS, ISMS-P, and critical information and communications infrastructure security inspections.
- Continuous enhancement of security change management and training across key personnel and employees by raising leadership and employee awareness, expanding technical training for developers and operators, and operating dedicated security courses to build capabilities within portfolio companies.
- Enhancement of threat detection and response capabilities by deploying advanced mechanisms to detect, analyze, and block sophisticated cyber threats, alongside operating a 24/7/365 integrated security operations center.
- Conduct regular scenario-based incident response exercises, backup and recovery exercises, and disaster recovery exercises to strengthen incident response capabilities and resilience.
- Proactive mitigation of security threats in emerging technology environments through AI-driven security operations, external dissemination of internally developed AI security technologies, and the advancement of AI-driven anti-fraud technologies.

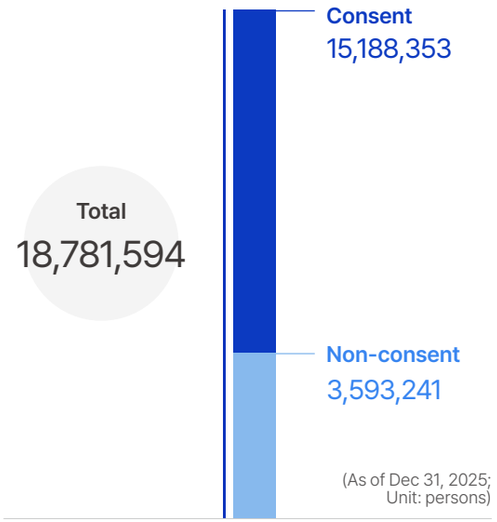
Collection of Personal Data

SK Telecom collects personal data only within the scope consented to by subscribers, based on their prior opt-in consent, where such collection is required for service provision. In compliance with applicable laws and regulations, all subscribers are informed of the specific categories of personal data collected, the intended purposes of collection, and the retention periods. Collected personal data is used solely within the specified purposes and is destroyed without delay once those purposes are fulfilled.

Risk 1

Disclosure of customer data to third parties is permitted only with the customer's consent or where separately authorized by applicable law. The use of personal data for purposes other than complying with legal requirements, conducting transactions, or providing services is strictly prohibited. Additionally, when outsourcing personal data processing operations, SK Telecom transparently discloses the relevant details through its privacy policy.

Status of Consent to Receive Informational and Advertising Communications[1)]



1) Based on currently active and suspended mobile services

Personal Information Protection Issue – Notification Details

- **Customer's ability to determine how their personal data is collected, used, retained, and processed**
  - Availability of opt-out
  - Opt-in consent required
  - Request access to data held by the company
  - Request data transfer to another service provider
  - Request data correction
  - Request data deletion
- **Nature of the information captured**
- **Purpose of collected information**
- **Data retention period within company systems**
- **Methods of information security**
- **Third-party disclosure policy (private and public entities)**

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Security Awareness Training

Risk 1

SK Telecom conducts mandatory annual information security training for all employees, including executives, contractual employees, and dispatched workers. Through regular education, SK Telecom fosters a culture that elevates awareness and promotes active practice of information security and data privacy in daily workflows.

In particular, SK Telecom provides role-specific specialized training to personnel in positions with elevated privacy risks or information security responsibilities such as personal data managers, location data handlers, pseudonymous/anonymous data processors, and software developers in order to strengthen technical security capabilities. Additionally, SK Telecom publishes regular information security newsletters to share and highlight emerging or urgent security threats across the organization.

Status of Legally Mandatory Information Security Training in 2025

Training program	Personal Information Protection and Information Security Training
Period	Apr 6–Apr 29 (Refresher training Nov 12–Dec 5, Dec 8–Dec 31)
Method	Online training on the SK Group training platform (mySUNI)
Results	5,028 of 5,265 completed (completion rate: 95.5%)

Security training completion rate

95.5%

Status of Job-Specific Specialized Information Security Training in 2025

Job function	Training program	Completion rate (Completed/Eligible)
Information security manager	Offline specialized information security training	100% (103/103)
Location information handler	Online location information protection training	100% (29/29)
Pseudonymized/anonymized information handler	Online pseudonymized information training	100% (15/15)
SOC[1] developer/operator[2]	Online security training[3]	100% (2,339/2,339)
Web/mobile app developer[2]	Online security training[4]	75% (1,586/2,120)

1) Security Operations Center
2) Includes partner companies
3) Covers the Personal Information Protection Act, SK Telecom's security policies, work protocols/procedures, etc.
4) Includes the latest attack techniques and secure coding guidelines

Guaranteeing the Right to Self-Determine Personal Information

Risk 1

SK Telecom regularly updates its privacy policy to reflect current practices and clearly inform users and legal guardians of their personal data rights and how to exercise them. Users can access, modify, or delete their personal information at any time through the "myT" page on the T world website or by contacting the 114 customer center. They may also request access to their data, and unless otherwise stipulated by law, request to suspend processing. Consent to collect and use personal data can be withdrawn by terminating a service agreement or deactivating membership.

Strengthening Personal Information Protection for Children and Adolescents

Risk 1

SK Telecom takes proactive measures to ensure children and adolescents can use services safely and responsibly. In compliance with relevant laws, when collecting and using personal data from children under the age of 14, the company obtains consent from their legal guardians. Additionally, if a guardian requests access, disclosure, or correction of the child's personal information, SK Telecom responds within the legally mandated timeframe.

Response to Government Data Requests

Risk 1

In accordance with the Telecommunications Business Act (Article 83) and the Protection of Communications Secrets Act (Article 13), SK Telecom discloses relevant data to government agencies only in accordance with statutory criteria and procedures and reports related statistics to the Ministry of Science and ICT semiannually. SK Telecom also conducts additional reviews and internal human rights due diligence to identify and mitigate potential adverse impacts on users' rights arising from such disclosures.

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Automation of Security-Related Workflows Risk 2

To maximize the speed of response to cybersecurity incidents and reduce human error, SK Telecom is automating cyber incident simulations and response workflows. Based on confirmed Indicators of Compromise (IOCs), automated triggers and standardized rules connect the full workflow from emergency security checks and situational assessment through response and mitigation actions. The system minimizes human intervention from incident identification through completion of response actions.

Preventing Security Breaches Through Advanced Security Operations Risk 2

SK Telecom operates a comprehensive hacking detection, analysis, and blocking framework to proactively respond to increasingly sophisticated cyber security threats. Through 24/7/365 security monitoring, SK Telecom identifies anomalies in real time and takes swift corrective action according to predefined response protocols whenever major security events occur. Going forward, SK Telecom is preparing to integrate data across security systems using SOAR (Security Orchestration, Automation, and Response) technology, enabling automated analysis, dissemination, and response to threat detection results based on standardized playbooks.

Proactive Threat Mitigation Through Red Teaming Risk 2

SK Telecom continuously strengthens company-wide security by proactively identifying and remediating potential vulnerabilities through system security assessments and regular penetration testing that simulates real-world hacker Tactics, Techniques, and Procedures (TTPs).

Advancing Information Security Based on Zero Trust Risk 2

Through an integrated Identity and Access Management (IAM) solution, SK Telecom strengthens authentication and authorization, while using Endpoint detection and Response (EDR) to enhance endpoint threat detection and response. It also implements micro segmentation to segment networks, prevent unnecessary access, and limit the spread of security incidents.

Incident Response Manuals and Protocols Risk 2

SK Telecom establishes scenario-based incident response manuals and conducts simulations to ensure rapid, coordinated responses during cyber security incidents. SK Telecom has standardized the end-to-end incident response lifecycle, covering incident identification, investigation, response, recovery, and post-incident reporting — and defined detailed action plans tailored to major threat types, including ransomware, data breaches, and Distributed Denial of Service (DDoS) attacks. Crucially, SK Telecom ensures operational effectiveness by developing runbooks that enable responders to immediately clarify and execute their roles and responsibilities. For instance, SK Telecom tested its incident response capabilities under simulated operational conditions involving ransomware infection and data exfiltration on core network equipment, continually enhancing service recovery capabilities during critical situations.

Strengthening Resilience Through Advanced Backup Risk 2

SK Telecom deploys anomaly detection across its databases and storage systems to safeguard core data against cyber attacks. Additionally, SK Telecom conducts regular off-site database backups and has upgraded its management framework by deploying dedicated backup storage devices with enhanced security controls. Furthermore, SK Telecom regularly carries out data recovery exercises based on cyber attack scenarios to test real-world recovery effectiveness and ensure continuous data availability.

Strategy

Strategy and Decision-making

Strengthening Information Security of AI Services

Risk 3

Aiming to evolve into an AI Company, SK Telecom prioritizes information security by establishing and distributing Privacy Guidelines for AI Services. Through these guidelines, SK Telecom is driving initiatives to elevate privacy standards and reinforce privacy and security across its AI services. To ensure the secure handling of training data during AI development, SK Telecom plans to establish de-identification standards and operational protocols. Furthermore, in alignment with its AI governance principles, "T.H.E. AI," SK Telecom regularly reviews and improves the security of its AI services.

Strengthening the Cloud Security Framework

Risk 3

To address security architecture risks arising from the expansion of cloud-based services, SK Telecom is reinforcing its cloud security governance and protection frameworks. SK Telecom utilizes an integrated Cloud Native Application Protection Platform (CNAPP) solution to comprehensively audit cloud assets, configurations, access permissions, workloads, and vulnerabilities, proactively identifying and remediating security risks. Additionally, SK Telecom continuously monitors major risk factors such as cloud configuration errors, excessive permissions, and vulnerable workloads, thereby enhancing security throughout the service development and operational lifecycles. These measures mitigate security risks inherent in cloud transition while reinforcing SK Telecom's digital service infrastructure.

Financial Position, Financial Performance, and Cash Flows

Current Financial Effects

SK Telecom is analyzing the financial impact pathways resulting from identified risks and opportunities. In the event that a material cybersecurity attack occurs, or market perception regarding the effectiveness of SK Telecom's cybersecurity policies is severely compromised, SK Telecom could face significant legal liabilities and financial losses. These may include legal claims, regulatory fines and penalties, monetary compensation, reputational damage, and loss of confidence of customers, any of which could have a material adverse effect on SK Telecom's financial condition, results of operations, and business. During the reporting period, a fine of KRW 134,791 million and administrative penalty of KRW 9.6 million were imposed in connection with the USIM information leakage incident. SK Telecom has determined that cybersecurity threats, including past cyber incidents, have had no material impact on its business, financial condition, or results of operations.

Anticipated Financial Effects

If risks and opportunities related to information security and personal information protection are realized, they are expected to exert a mid- to long-term financial impact beyond short-term effects through the financial impact pathways analyzed earlier. However, as of now, there are limitations to quantitatively measuring the current and anticipated financial effects. SK Telecom plans to continuously advance its analytical framework in the future to evaluate the effect on its financial positions and cash flows with greater precision.

Information Security Investment Plan

Over the five-year period starting from 2025, SK Telecom plans to execute the industry's largest information security investment, totaling KRW 700 billion (based on information security disclosures). By expanding its security investment, SK Telecom intends to double its workforce of security experts compared to current levels — both by recruiting top-tier information security professionals and cultivating internal dedicated personnel — while significantly increasing capital expenditure to reinforce security technologies and systems.

Strategy

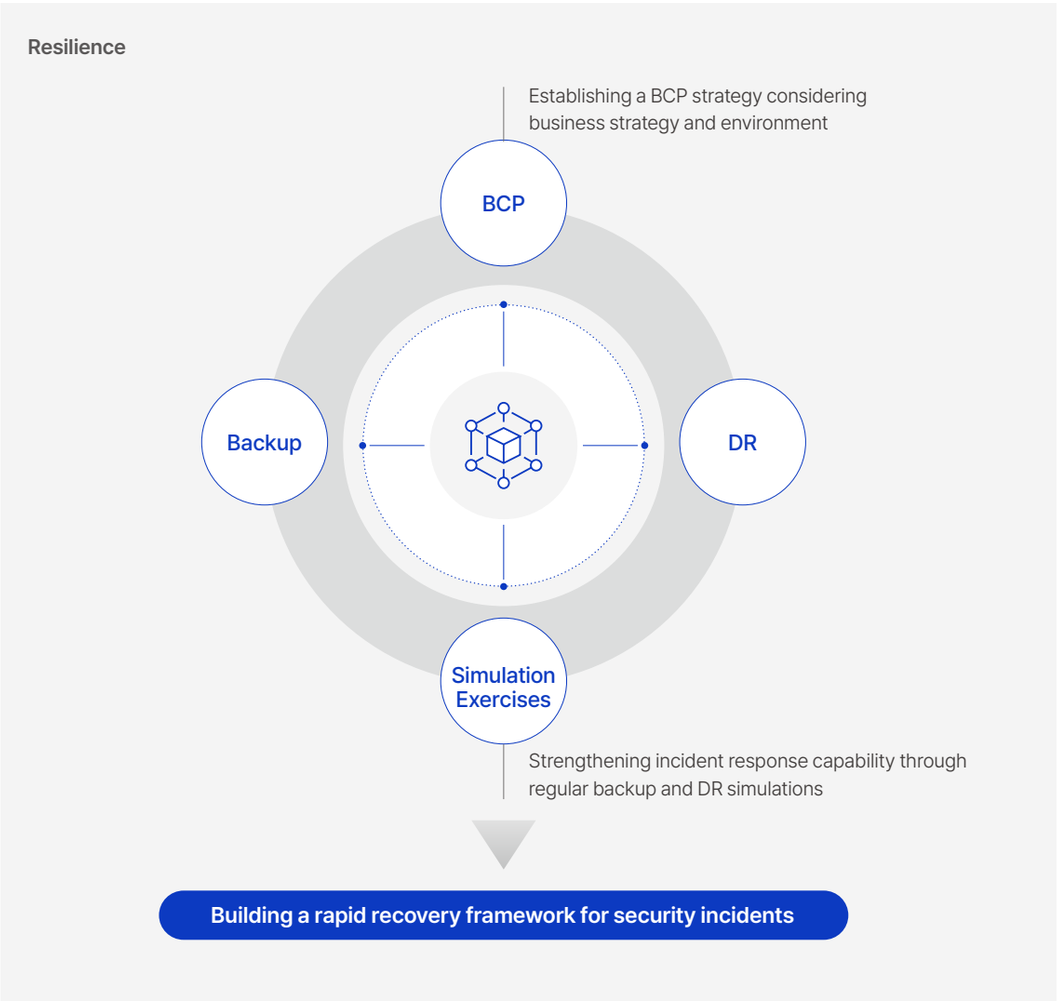
Information Security Resilience

Information Security Resilience Assessment

SK Telecom conducts annual resilience assessments to minimize business disruptions and rapidly restore services in the event of an unexpected security incident. Beyond evaluating defensive frameworks, these assessments analyze whether SK Telecom's recovery capabilities align with its Business Continuity Plan (BCP) and overall business environment during actual security breaches. The resilience assessment is executed through a self-assessment methodology, focusing on validating the operational effectiveness of backup and Disaster Recovery (DR) systems. Based on the evaluation findings, SK Telecom reviews the appropriateness of its recovery strategies. Any identified deficiencies are directly addressed through security resource allocation and procedural enhancements, systematically managing company-wide crisis response readiness.

Scenario Analysis Methodology

SK Telecom conducts quarterly recovery exercises based on runbooks and defined scenarios. For example, under a hypothetical scenario where system operations are halted due to a ransomware infection, SK Telecom evaluates both the time required to restore services using backup data and the underlying data integrity. If recovery is not achieved within targeted timeframes during an exercise, SK Telecom conducts root cause analyses and repeats training to meet the recovery targets and strengthen real-world incident response capabilities. Notably, SK Telecom is internalizing its recovery competencies by automating service recovery workflows during security incidents and integrating them with scenario-based simulations. By regularly conducting backup and Disaster Recovery (DR) exercises across diverse cyber incident scenarios, SK Telecom builds a robust operational resilience framework that enables responders to execute immediate, protocol-driven actions during actual crises.



Risk Management

Management of Information-Security-Related Risks and Opportunities

Process and Polices to Manage Information Security Risks

To proactively identify and effectively mitigate cybersecurity threats, SK Telecom maintains comprehensive information security policies and management standards. SK Telecom establishes and operates security controls tailored to each operational domain to ensure the confidentiality, integrity, and availability (CIA) of its information assets. Furthermore, SK Telecom continuously manages security risks through multi-faceted initiatives, including threat detection and response, vendor data privacy management, and official information security certifications. SK Telecom also periodically reviews compliance with applicable laws and internal regulations and uses independent verification by external specialists to strengthen the effectiveness of its security controls.

Information Security Management Areas

Under its robust security governance structure, SK Telecom enforces security systems and operational processes that go beyond statutory and regulatory standards across all technological domains, including applications, infrastructure, data, cloud, and AI.

Information Security Threat Detection Process

Through a threat-intelligence-based detection and response processes, SK Telecom identifies potential information security risks. By leveraging threat intelligence, SK Telecom continuously collects up-to-date threat data, including malicious URLs, code samples, and predictive CVE severity metrics, to power its proactive detection architecture. Additionally, SK Telecom continuously monitors for abnormal behavior and indicators of compromise in real time, continually reinforcing its ability to detect sophisticated malicious activities.

Information security Management Areas

Infrastructure security	• Undergo annual national inspections for key telecommunications infrastructure such as mobile operations • Maintain ISMS certification annually as part of the corporate information security compliance • Perform both technical and administrative vulnerability assessments on key servers and network equipment • Secure cloud visibility via CNAPP optimization
Data security	• Obtain ISMS and ISMS-P certifications (Information Security and Personal Information Protection Management Systems certified by the Ministry of Science and ICT and the Personal Information Protection Commission) • Encrypt critical data such as unique identifiers to minimize leakage risks • Restrict and log server/DB access to pre-authorized personnel using access control solutions • Apply up-to-date antivirus software, security patches, and network separation measures
Service security	• Conduct security vulnerability checks, penetration tests, and mock drills for all new or modified services to maintain a secure service environment • Conduct continuous service security audits via Red Team • Establish company-wide security guardrails for safe AI use

Strengthening Personal Information Protection in Partner Operations

SK Telecom conducts regular, in-depth risk assessments of its partners to protect customer's personal information and privacy, and prevent data breaches. Along with regular audits of distribution networks and targeted evaluations using data analytics, SK Telecom continually reviews and enhances its customer data handling workflows while providing dedicated training programs to raise awareness of personal information protection. Furthermore, SK Telecom performs sampling and in-depth privacy audits across all partner operations and distribution channels to identify potential blind spots and implement corrective actions.

Since 2015, SK Telecom has conducted privacy risk assessments across its authorized retail stores, supplemented by weekly remote assessments on PCs handling customer personal data. To support objectivity and independence, SK Telecom engaged third-party external organizations, including SK Shieldus, to perform all planned customer-information audits of its distribution network. In 2025, SK Telecom implemented corrective actions for 190 risk items identified through sampling assessments.

Information Security System Certifications

In February 2026, SK Telecom reorganized its security governance framework to combine ISO 27001 and ISO 27002 and strengthen execution. Based on this framework, SK Telecom has obtained Information Security Management System (ISMS) and Personal Information & Information Security Management System (ISMS-P) certifications across relevant domains, renewing them on an annual basis.



ISMS Certification: Acquired and Renewed Annually (Corporate Information Security Certification Program supervised by the Ministry of Science and ICT)



ISMS-P Certification: Acquired and Renewed Annually (Corporate Personal Information Protection Certification Program supervised by the Personal Information Protection Commission)



ISMS Certification: Acquired and Renewed Annually (Corporate Information Security Certification Program supervised by the Ministry of Science and ICT)

Sampling Assessment of Customer Information Protection in Distribution Channels

Category	Number of assessments	Cases with identified issues & mitigation measures	Remarks
Customer information protection assessment in distribution channels[1)]	2,527	190	Risk identification and improvement measures across distribution channels

1) A regular assessment conducted by listing all offline distribution channels and sampling stores by division for inspection.

Metrics and Targets

Metrics

Information Security Metrics

Customer Information Leaks and DDoS Incidents

Category	Unit	2023	2024	2025
Customer information leakage	Cases	0	0	1[1)]
System intrusion		0	0	1[1)]
DDoS breach		0	0	0

1) Refers to the incident involving the leakage of certain USIM information following a malware attack on SK Telecom's information technology infrastructure on April 19, 2025. For further details, please refer to the Business Report.

In-Depth Assessment of Customer Information Protection in Distribution Channels

Category	Unit	2023	2024	2025
Inspection coverage of total distribution channels	%	100	100	100
Number of security issues requiring improvement	Cases	169	167	190
Mitigation rate for identified security issues	%	100	100	100
Mitigation measures – Short-term measures completed	Cases	169	167	190
Mitigation measures – Long-term measures completed		0	0	0

Government Requests for Customer Information

Category		Unit	2023	2024	2025
Requests Received	Telecommunications subscriber information[1)]	Cases	315,585	242,095	242,586
	Communications confirmation data[2)]		48,356	46,671	45,513
Requests Resulting in Disclosure	Telecommunications subscriber information		315,585	242,095	242,586
	Percentage of Requests Resulting in Disclosure	%	100	100	100
	Communications confirmation data	Cases	48,356	46,671	45,513
	Percentage of Requests Resulting in Disclosure	%	100	100	100

1) Telecommunications subscriber information: Includes user's name, resident registration number, address, phone number, user ID, subscription and termination dates. Under the Telecommunications Business Act, courts, prosecutors, and investigative agencies may request this information for purposes such as criminal investigations, sentence execution, and trials.
2) Communications confirmation data: Includes counterparty phone numbers and log records (date, time, etc.), classified as "communication records" under the Protection of Communications Secrets Act. Investigative agencies must submit an official request along with the reason for request, the relationship to the subscriber, the scope of needed data, and court authorization.

Metrics and Targets

Targets

Mid- to Long-Term Information Security Targets

SK Telecom is committed to enhancing its information security and its protection framework.

Progress and Performance against Targets

In 2025, SK Telecom expanded the scope of its Information Security and Personal Information Protection Management System (ISMS/ISMS-P) certifications to encompass mobile customer management, AI services, and major platform. SK Telecom also enhanced its company-wide security by completing annual information security audits for products, services, and subcontractors, as well as on-site inspections across its sales channels. Furthermore, SK Telecom strengthened its cyber threat response capabilities by conducting internal and external penetration tests and deploying malware response systems powered by antivirus and Endpoint Detection and Response (EDR) solutions.

Information Security Targets by Year

	2026 Strengthen Information Security Foundations	2027 Advance Zero Trust Framework	2028 Establish Top-Tier Domestic Security Capabilities
Governance	• Restructure policy based on ISO/IEC 27002 • Enhance security via Red Team and penetration testing • Quarterly regular simulation exercises	• Establish AI security governance frameworks • Maintain consolidated ISMS-P certification and regular audits • Strengthen collaboration and joint response systems with security specialists	• Advance supply chain security governance • Manage AI-driven security operations key performance indicators (KPIs)
Architecture	• Redesign and implement information security architecture • Establish company-wide asset management system and strengthen supply chain security • Strengthen service network security (e.g., EDR, network interlocking)	• Advance asset management systems and automate threat detection and response • Expand the implementation of Micro-Segmentation • Operate an integrated Cloud Native Application Protection Platform (CNAPP)	• Establish an AI Agent-based SOC operational system • Complete and externally expand company-wide Identity and Access Management (IAM) solution system implementation
Security technology	• Develop security technologies to internalize AX security • Develop AI-driven cybersecurity technologies • Strengthen security for core infrastructure and media	• Structurally integrate and manage distributed Trust Infra • Expand Passwordless technology • Build next-generation authentication systems	• Promote external adoption of proprietary AI security technologies • Advance AI-driven anti-fraud technologies
Personal information protection targets	• Establish a privacy portal and AI Privacy Bot • Develop AX-based agents for personal information flow management • Improve procurement processes and supply chain privacy management • Conduct annual privacy audits for products, services, and subcontractors • Conduct annual privacy audits for distribution channels (100% completion across around 3,200 authorized dealerships)	• Establish a Privacy by Design (PbD) Best Practice sharing framework • Institutionalize privacy review processes in on-site quality inspection stages • Advance privacy collaboration frameworks across group affiliates • Conduct annual privacy audits for products, services, and subcontractors • Conduct annual privacy audits for distribution channels (100% completion across around 3,200 authorized dealerships)	• Complete an AI-driven predictive and autonomous privacy operational system • Establish a framework to leverage privacy as an external trust asset • Respond to regulatory environments and ensure global compliance alignment • Conduct annual privacy audits for products, services, and subcontractors • Conduct annual privacy audits for distribution channels (100% completion across around 3,200 authorized dealerships)

Technology Innovation (AI)

Governance

Oversight of the Decision-Making Body

Responsibilities and Delegated Authority of the Decision-Making Body

Under the oversight of the Board of Directors, SK Telecom's key executives, including the Head of the AI CIC, drive technological innovation. The Board has established a governance framework to review strategic direction and oversee associated risks. The Board reviews strategies and priorities for technological innovation, makes final decisions, and oversees implementation, including the assessment of potential risks. Throughout this process, the Board ensures that innovative technologies are adopted and used in ways that support SK Telecom's long-term value creation and serve the public interest. The Board regularly receives updates on technological innovation initiatives and risk management activities from key organizational units, including the AI CIC and the Integrated Security Center. The Board also provides guidance and advice to ensure that technological capabilities are effectively incorporated into SK Telecom's medium- to long-term business strategy.



Capabilities of the Decision-Making Body and Future Development Plans

Capabilities

SK Telecom continues to appoint directors with expertise in AI, ICT, and data to strengthen the Board's decision-making capabilities and enable effective oversight amid a rapidly evolving technological landscape. To objectively assess the Board's expertise, the ESG Committee designates AI as a core element of the Board Skills Matrix (BSM) and systematically evaluates and manages relevant capabilities. For independent directors in particular, the ESG Committee assesses practical experience and expertise in the business application of AI technologies and data governance. Through this approach to competency management, SK Telecom aims to further strengthen the Board's oversight of technological innovation.

Capability Development Plan

SK Telecom provides the Board with regular updates on technological innovation, information security, AI ethics, and other key developments. SK Telecom also prepares market intelligence briefs on AI and ICT industry trends and key issues and provides written updates to directors as needed. These updates enable the Board to promptly identify relevant developments, request necessary information or action from management, and apply the insights to decision-making and risk oversight. SK Telecom will continue to expand regular and ad hoc reporting and provide expert-led training where necessary to maintain the Board's capabilities for strategic decision-making.

Method and Frequency of Reporting to the Decision-Making Body

To promote transparency and strategic alignment throughout the technological innovation process, the AI Strategy Team reports annually to the Board on the strategic direction for technological innovation, organizational restructuring, medium- to long-term priorities, and business growth opportunities. Based on these updates and the Board's oversight, SK Telecom advances sustainable technology innovation governance that goes beyond securing technological capabilities to create both social value and business competitiveness.

Decision-Making Body's Approach to Key Decisions

SK Telecom's decision-making body views AI-driven technological innovation as a key opportunity to strengthen business competitiveness while strategically addressing potential risks arising from rapid changes in the technology landscape. The Board regularly receives reports on the risks and opportunities associated with technological innovation and reviews SK Telecom's strategies and objectives accordingly.

Consideration of Trade-offs Between Technology-Innovation-Related Risks and Opportunities

SK Telecom views AI-driven technological innovation as a key opportunity to strengthen business competitiveness while strategically addressing potential risks that may arise during technology adoption. SK Telecom recognizes the complex risks involved in creating value through AI, including those related to AI ethics and security. Ultimately, SK Telecom pursues responsible technological innovation by maximizing opportunities while proactively managing risks.

Target Setting and Progress Monitoring

SK Telecom establishes and monitors targets for technological innovation across various AI fields. To this end, SK Telecom regularly reviews and evaluates progress based on quantitative indicators, such as revenue from AI B2B/B2C and AI DC businesses and the cumulative number of AI service subscribers, as well as qualitative indicators for each AI business.

Governance

Oversight of Management

Delegated Roles and Oversight of Management

SK Telecom's management secures the momentum needed to ensure that technological innovation delivers not only short-term results but also customer trust and social value. Management leads technological innovation by reviewing strategic directions established by the relevant organizations.

The CEO has made the achievement of tangible results from AI businesses a key management priority and focuses on establishing optimal work practices and decision-making frameworks tailored to the characteristics of each business. To strengthen accountable management and organizational agility, SK Telecom has streamlined the executive structure and makes personnel appointments as needed in line with strategic priorities. Management also oversees the company-wide execution of technological innovation. In addition, SK Telecom has strengthened decision-making support for key executives and fostered a management environment conducive to technological innovation through the newly established General Counsel Center and the Corporate Center, which integrates strategic functions with the existing CFO role.

Through the co-head structure of the AI CIC, SK Telecom establishes a virtuous cycle between AI services and technologies and delivers tangible business outcomes. SK Telecom consolidates capabilities across key business areas, ranging from B2C AI centered on A. to AI DC and AI Cloud. In particular, SK Telecom is responsible for establishing and managing an agile, execution-focused structure that accelerates the AI business by streamlining and minimizing reporting and approval lines to expedite decision-making.

Dedicated Technology Innovation Organization

In April 2026, SK Telecom reorganized the AI CIC into accountable organizational units by business area and established the AI Tech Center as a dedicated technological innovation unit. The AI Tech Center is designed to proactively respond to rapidly evolving technology paradigms, secure company-wide technology leadership, and significantly strengthen technical support for the AI CIC and all other business areas across SK Telecom.

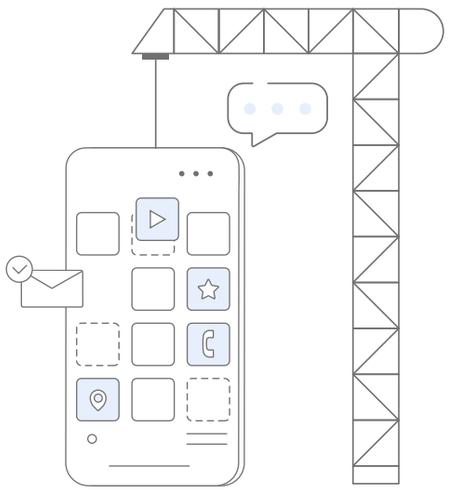
AI-Related Business Areas

A.	A. Call
A. Biz	A. Divergence
Physical AI platform	Manufacturing AI Data platform
B2B AI Solutions	Proprietary AI foundation model
Model application and dissemination	AI DC construction and expansion
AI DC Solution	GPUaaS business

Controls and Procedures of Management

To establish the strategic direction of technological innovation, SK Telecom continues to operate CEO- and CTO-led management committees that facilitate C-level reporting and decision-making.

SK Telecom also designates responsible personnel for each business unit in coordination with the dedicated risk management organization. Through this framework, SK Telecom proactively prevents risks associated with technological innovation and establishes and implements corrective measures.



Strategy

Technology-Innovation-Related Risks and Opportunities

Identification of Technology-Innovation-Related Risks and Opportunities

SK Telecom defines the essence of technological innovation as creating new value by seamlessly integrating core assets with AI capabilities. Accordingly, SK Telecom is strengthening the technological foundation for sustainable growth across both services and infrastructure.

SK Telecom identifies risks and opportunities related to technological innovation and manages each factor according to the short-, medium-, or long-term period over which the factor may affect SK Telecom.

SK Telecom has identified security architecture risks arising from the transition to AI and cloud technologies. For further details, please refer to the Information Security and Personal Information Protection section of this report (p. 22).

Key opportunities include growing demand for hyper-personalized services driven by advances in AI technology, expanded provision of customized solutions for AI transformation across various industries, and increasing demand for the development and operation of high-performance intelligent infrastructure. SK Telecom strives to apply differentiated AI capabilities across both everyday life and industrial settings by capitalizing on these opportunities.

Expected Time Horizons of Risks and Opportunities

SK Telecom defines the time horizons over which impacts can reasonably be expected to occur as short term (within one year), medium term (more than one year and up to five years), and long term (more than five years). These time horizons align with SK Telecom's planning periods for business strategy and decision-making, enabling the results of risk and opportunity identification to be incorporated into business strategy development.

Category		Risks and Opportunities	Expected Time Horizon*		
			Short term	Medium term	Long term
Risk	Risk 1	Security architecture risks arising from the transition to AI and cloud technologies	●	●	●
Opportunity	Opportunity 1	Growing demand for hyper-personalized services driven by advances in AI technology	●	●	●
	Opportunity 2	Expanded provision of customized solutions for AI transformation across industries	●	●	●
	Opportunity 3	Growing demand for the development and operation of high-performance intelligent infrastructure	●	●	●

* Each item represents an ongoing risk or opportunity, with the anticipated time horizon encompassing the short, medium, and long term.

Business Model and Value Chain

Current and Anticipated Effects

SK Telecom identifies the current and anticipated impacts of technological innovation-related risks and opportunities on SK Telecom's business model and value chain. Based on this assessment, SK Telecom develops strategies to address these risks and opportunities and continues to strengthen risk management capabilities.

Concentrated Effects

The primary areas in which the impacts of technological innovation-related risks and opportunities are concentrated have been identified as B2B and B2C industries undergoing accelerated AI transformation (AX). SK Telecom plans to closely monitor these areas and proactively manage risks through strategic resource allocation across the organization and an advanced AI governance framework.

Effects on the Business Model

Category	Risks and Opportunities	Current Effect	Anticipated Effect
Risk	Security architecture risks arising from the transition to AI and cloud technologies	Increased capital expenditure to upgrade security infrastructure and foster a security ecosystem	Increased operating expenses for continuous enhancements to security capabilities
Opportunity	Growing demand for hyper-personalized services driven by advances in AI technology	Establishment of a foundation for B2C AI agent services centered on A.	Expansion into personalized subscription services integrating personal data and an A2A trust infrastructure model
	Expanded provision of customized solutions for AI transformation across industries	Development of a B2B revenue structure centered on cloud and enterprise solutions	Establishment of leadership in AI B2B through integrated AI offerings for diverse industries
	Growing demand for the development and operation of high-performance intelligent infrastructure	Concentration of internal capabilities on expanding AI data center infrastructure	Diversification of AI data center business models

Effects on the Value Chain

Category	Risks and Opportunities	Current Effect	Anticipated Effect
Risk	Security architecture risks arising from the transition to AI and cloud technologies	Costs associated with strengthening technical security support for business partners	Security blind spots arising from increased architectural complexity
Opportunity	Growing demand for hyper-personalized services driven by advances in AI technology	Collection of personalized data through voice recognition and analysis and application of the data to services	Enhancement of services across all customer touchpoints through the integration of multimodal technologies
	Expanded provision of customized solutions for AI transformation across industries	Improved operational efficiency for enterprise customers through AI	Stronger AX partnerships through the provision of industry-specific AI models
	Growing demand for the development and operation of high-performance intelligent infrastructure	Strengthened technology stack through the development of low-latency, high-performance infrastructure	Reduced service operating costs and enhanced stability through self-sufficient full-stack AI infrastructure

Strategy

Strategy and Decision-making

Response to Risks and Opportunities

SK Telecom establishes strategies and implements corresponding measures to manage risks and opportunities related to technological innovation. For further details on measures to address security architecture risks arising from the transition to AI and cloud technologies, please refer to the Information Security and Personal Information Protection section of this report (p. 27).

A. Opportunity 1

A. provides everyday AI agent experiences to a cumulative subscriber base of more than 11 million. With voice technology capabilities and personalized memory technology as key differentiators, A. continues to enhance features for everyday life and mobility, including Voice Notes, schedule management, personalized briefings, and A. Auto. Building on these capabilities, A. is expanding the AI service experience across app, PC, and in-vehicle environments. A. provides services tailored to individual users based on the context of service use accumulated on the platform and plans to deliver more advanced personalized experiences. SK Telecom will continue to develop A. into an AI agent service that customers can use regularly, supported by personalized memory and voice technologies.

A. Call Opportunity 1

A. Call is an AI-powered calling service that combines SK Telecom's telecommunications capabilities with voice communication technology. A. Call offers features that enhance call convenience and safety, including AI-powered call summaries, real-time call interpretation, and AI phishing detection. AI-powered call summaries allow users to easily review key points from conversations. AI also suggests calendar entries based on schedules mentioned during calls, improving convenience after each call. AI phishing detection analyzes call- and text-based threats, including voice phishing and smishing, and alerts users to enhance safety throughout the service experience. Based on data-driven insights into customer context and advanced voice recognition and analysis technologies, A. Call plans to increase the added value of calling services and evolve into a more convenient and secure AI communication service.

Expanding the B2C Base of AI Models Opportunity 1

As the lead company of the consortium, SK Telecom unveiled A.X K1, Korea's first AI model with 500 billion parameters. SK Telecom is working to achieve target performance through a large-scale model architecture and utilization framework. Trained on a large Korean-language dataset, A.X K1 provides high-quality responses optimized for the Korean cultural context. SK Telecom is driving broader service adoption by deploying and validating A.X K1 through A., which has more than 11 million cumulative subscribers. SK Telecom is also exploring applications across various B2C business areas and building a track record of proven use cases. By the end of 2026, SK Telecom plans to advance derivative models that expand into modalities such as voice and images, building on the proprietary hyperscale AI model already developed. To this end, SK Telecom is implementing the "AI for All" strategy to expand everyday AI experiences by leveraging A. and partnerships with global companies. Through this strategy, SK Telecom plans to proactively capture the market opportunity presented by growing demand for hyper-personalized services and strengthen the technological foundation for delivering value tailored to individual users.

A. Biz Opportunity 2

A. Biz is SK Telecom's B2B AI service and an enterprise AI agent that supports AI-driven innovation in work practices and improves productivity. A. Biz integrates AI into office tools through features such as real-time meeting transcription, Multi-LLM search, and AI report generation. A. Biz also supports workflow automation through a no-code agent builder and A. Cowork, which autonomously develops plans and performs complex tasks using coding-based capabilities. Integration with internal systems and alignment with enterprise-specific security policies enable each organization to use AI capabilities reliably within the existing work environment. As of March 2026, A. Biz had been adopted by 18 SK Group member companies, establishing a proven track record in improving operational efficiency. SK Telecom will focus on expanding adoption among SK Group member companies within 2026 and subsequently extend A. Biz to external customers. SK Telecom also plans to enhance industry-specific capabilities by serving a broad range of sectors, including telecommunications and IT, manufacturing, and petrochemicals. Through these efforts, A. Biz will evolve into an enterprise AI service that supports AI transformation across industries.

Strategy

Strategy and Decision-making

Industry-Specialized AI Models

Opportunity 2

SK Telecom is driving AI transformation across industries through models tailored to sectors such as manufacturing, finance, and the public sector. SK Telecom is already developing validated use cases in manufacturing through collaboration with SK hynix and SK AX. SK Telecom also plans to use the hyperscale AI model A.X as a core foundation model for industry-specific AI transformation.

In particular, SK Telecom is generating tangible business outcomes by continuously identifying use cases for A.X LLM and developing specialized models for large enterprise customers. SK Telecom also plans to strengthen model-serving capabilities within the platform and expand integrated AI offerings for industries including finance, the public sector, and retail.

SK Telecom is further enhancing specialized capabilities for document and technical drawing comprehension, research support, and coding by incorporating multimodal functionality that processes voice, images, and video. SK Telecom plans to apply model compression and quantization technologies optimized for diverse B2B and B2G environments, including defense and finance. SK Telecom will concurrently develop the K2 series with enhanced industrial applicability to provide enterprise customers with optimized intelligent solutions.

Physical AI and B2B AI

Opportunity 2

Reflecting B2B customer demand for integrated packages rather than the separate adoption of infrastructure, models, and solutions, SK Telecom is developing an integrated business model that combines digital twins with AI data analytics solutions. SK Telecom is advancing the transition to next-generation manufacturing AI infrastructure, with SK hynix at the center of the initiative. In semiconductor manufacturing, SK Telecom is working to commercialize the Manufacturing Physical AI Platform based on proven digital twin and robot learning use cases. SK Telecom plans to extend the validated platform capabilities to SK Group member companies and external manufacturers, thereby diversifying the business portfolio.

SK Telecom will also continue to identify and implement Industrial AI initiatives that combine manufacturing equipment and smart devices with AI capabilities to transform operations from on-site tasks to end-to-end production processes.

AI Data Center (AI DC)

Opportunity 3

AI data centers (AI DCs) provide deep learning-based infrastructure essential for large-scale data processing and the delivery of generative AI services. AI DC capacity is widely regarded as a key indicator of national AI competitiveness. In response to growing demand, SK Telecom is expanding AI DC infrastructure and addressing key AI infrastructure challenges through an integrated approach.

Expansion of AI DC Infrastructure

SK Telecom is expanding the scale of AI DC operations in line with a roadmap to secure more than 300 MW of cumulative capacity by 2030. In 2025, SK Telecom completed the acquisition of the Pangyo Data Center and began developing Korea's largest AI DC in Ulsan in partnership with Amazon Web Services (AWS). Serving as a base for an AI hub in the Asia-Pacific region, the Ulsan AI DC will initially operate as a standalone hyperscale data center. SK Telecom plans to expand the facility into a gigawatt-scale hyperscale cluster through global partnerships. SK Telecom is also building additional infrastructure in Seoul and the southwestern region to create a robust "AI Belt" connecting the eastern and western parts of the Korean Peninsula. In addition, SK Telecom supports the national sovereign AI foundation model project through Haein, Korea's largest virtualized GPU resource cluster.

Advancement of AI DC Solutions and Business

Beyond expanding infrastructure capacity, SK Telecom is strengthening in-house solution capabilities and partnerships to maximize development and operational efficiency. In collaboration with SK Group member companies, including SK ecoplant and SK Innovation, as well as global partners, SK Telecom is developing methodologies to shorten construction timelines and optimize energy efficiency.

SK Telecom has developed and validated Petasus AI Cloud, a virtualization solution that flexibly allocates large-scale GPU resources. Building on this achievement, SK Telecom is expanding the global Neocloud business. SK Telecom is also developing an inference optimization solution for Token Factory services that maximizes token output per watt, improving both GPU resource efficiency and service profitability. In addition, SK Telecom plans to establish an intelligent operating framework through an integrated AI data center infrastructure management (DCIM) platform. By gradually expanding the revenue base through synergies with the submarine cable business, SK Telecom aims to set a new standard for total cost of ownership (TCO) optimization.

Progress Against Plans Disclosed in Previous Reporting Periods

For progress against SK Telecom's implementation plans related to technological innovation, please refer to the "Metrics and Targets" section.

Trade-offs Between Technology-Innovation-Related Risks and Opportunities

Please refer to the previously disclosed discussion on the "Consideration of Trade-offs Between Technology-Innovation-Related Risks and Opportunities" under "Decision-Making Body's Approach to Key Decisions" in the Governance section.

Strategy

Financial Position, Financial Performance, and Cash Flows

Current Financial Effects

SK Telecom analyzes the pathways through which identified risks and opportunities may result in financial impacts. Security architecture risks arising from the transition to AI and cloud technologies may require additional infrastructure investment and generate system redevelopment costs. Conversely, growing demand for hyper-personalized services driven by advances in AI technology may increase new subscription revenue through hyper-personalized services centered on A. Expanded provision of customized solutions for AI transformation across industries may increase B2B revenue by broadening the delivery of industry-specific solutions. Growing demand for the development and operation of high-performance intelligent infrastructure may also increase revenue from next-generation AI data centers (AI DCs) and expand the overall earnings base.

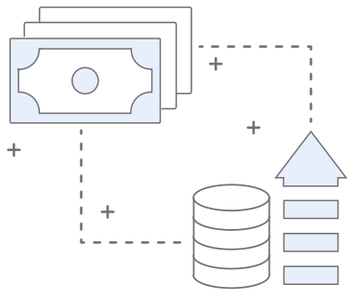
Anticipated Financial Effects

If technological innovation-related risks and opportunities materialize, SK Telecom expects the financial impact pathways described above to result in medium- to long-term financial impacts beyond the short term.

However, SK Telecom currently faces limitations in quantitatively estimating current and anticipated financial impacts. SK Telecom plans to continuously enhance the analytical framework and more accurately assess the impacts on financial position and cash flows.

Resource Allocation Plan

SK Telecom implements systematic resource mobilization and investment strategies to manage technological innovation-related risks and translate identified opportunities into tangible outcomes. In the short term, SK Telecom seeks to strengthen profitability by optimizing the cost structure and maintaining operational discipline. At the same time, SK Telecom will continue to invest actively by concentrating resources on essential areas that will drive medium- to long-term growth, including advanced AI infrastructure and the acquisition of core technologies.



Technology Innovation Resilience

Technology Innovation Resilience Assessment

SK Telecom seeks to assess whether SK Telecom's strategy and business model can continue to operate effectively if identified technological innovation-related risks and opportunities materialize. To this end, SK Telecom reviews structural strengths and adaptive capacity based on full-stack AI capabilities. The resilience assessment factors and SK Telecom's adaptive capacity are outlined below.

Factor	SK Telecom's adaptive capacity
Full-Stack AI Integration Capabilities	Integrated capabilities across three layers: Infrastructure (AI DC), Models (A.X), and Services (AI Agents). A multilayered defense structure prevents external shocks affecting a specific layer from directly spreading across SK Telecom's overall business operations.
Scale and Diversification of AI Infrastructure	Development of an AI Belt connecting the eastern and western regions of the Korean Peninsula. Key assets include the Ulsan AI DC, with planned expansion from 100 MW to a 1 GW hyperscale facility; the Southwestern AI DC, developed in collaboration with global technology companies; Haein, Korea's largest GPUaaS cluster; and a manufacturing-focused AI cloud.
Proprietary Foundation Model	Independent development of the 500-billion-parameter A.X K1, which ranks among the world's top four open-source models and demonstrates strong Korean-language performance. A.X K1 passed the first-stage evaluation under the government's sovereign AI foundation model initiative, helping reduce technological dependence.
Service Based on 10 Million Customer Touchpoints	Extensive real-world validation through three major AI agents: A., A. Call, and A. Biz. These services cover both B2C and B2B markets.

Scenario Analysis Methodology

SK Telecom plans to conduct scenario analysis to assess resilience to technological innovation-related risks and opportunities. SK Telecom currently performs qualitative assessments based on changes in the global AI market environment and an analysis of SK Telecom's full-stack AI capabilities across infrastructure, models, and services. SK Telecom plans to gradually advance this approach toward quantitative scenario analysis across short-, medium-, and long-term time horizons and incorporate the results into technological innovation strategies.

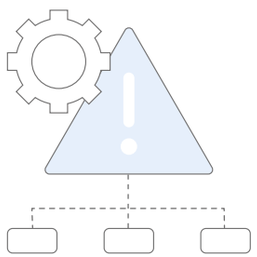
Risk Management

Management of Technology-Innovation-Related Risks and Opportunities

Process and Policies to Manage Technology-Innovation-Related Risks

SK Telecom proactively identifies and addresses complex risks arising from the shift toward AI- and cloud-centric technology paradigms. In particular, risks related to data security, the design of new security architectures, and the protection of unstructured data during AI transformation are closely linked to SK Telecom's organization-wide security policies.

For further details on the management of risks related to network infrastructure, data security, and other areas closely associated with technological innovation, please refer to the Information Security and Personal Information Protection section of this report (p. 29).



Process and Policies to Manage Technology-Innovation-Related Opportunities

Under the AI CIC structure, SK Telecom identifies technological innovation opportunities by realigning the business portfolio around core businesses that can leverage SK Telecom's assets and capabilities. SK Telecom prioritizes initiatives based on their likelihood of success and potential to generate tangible outcomes. In 2026, SK Telecom plans to concentrate resources on selected core initiatives while optimizing the cost structure to reinforce disciplined, profitability-focused management.

As a key growth driver, the AI DC business continues to expand through broader global partnerships and the development of new sites. Beyond infrastructure expansion, SK Telecom continuously explores business model diversification to increase revenue and profitability. Through these efforts, SK Telecom is establishing an opportunity management framework that translates identified opportunities into tangible financial performance.

Integration into the Enterprise Risk-Management Process

SK Telecom integrates technology-innovation-related risks into its enterprise risk-management system.

Metrics and Targets

Metrics

Technology Innovation Metrics

Metric	Unit	2023	2024	2025
Cumulative A. Subscribers	Million Subscribers	-	8.3	11.2
AI DC Business Revenue	KRW 100 million	2,020	3,853	5,199

Targets

Mid- to Long-Term Technology Innovation Targets

Mid- to Long-Term Targets (2026-)

B2C

- A.: Strengthen specialized voice capabilities to differentiate A. from global technology companies.
- AI Models: Develop models that achieve 95% of the performance of leading global open-source models.
  – Develop lightweight and quantized models for diverse use cases and provide a sovereign AI platform that can be deployed across B2C, B2B, and B2G markets.

B2B

- A. Biz: First establish a track record of deployment among major SK Group member companies and subsequently expand adoption among external enterprises.
- B2B AI: Pursue integrated offerings by leveraging SK Telecom's full-stack AI capabilities across infrastructure, models, platforms, and services.
  – Utilize AI technology to strengthen the competitiveness of fixed and mobile B2B businesses and expand market presence, while pursuing business opportunities in the public and defense sectors.

AI DC

- AI DC: Secure more than 300 MW of cumulative capacity by 2030, validate the business potential of AI DC solutions, and gradually expand the submarine cable business.
  – Continue expanding AI DC capacity as planned, including the Ulsan AI DC, while pursuing discussions with global partners based on SK Telecom's business experience and capabilities.

Climate Change Response

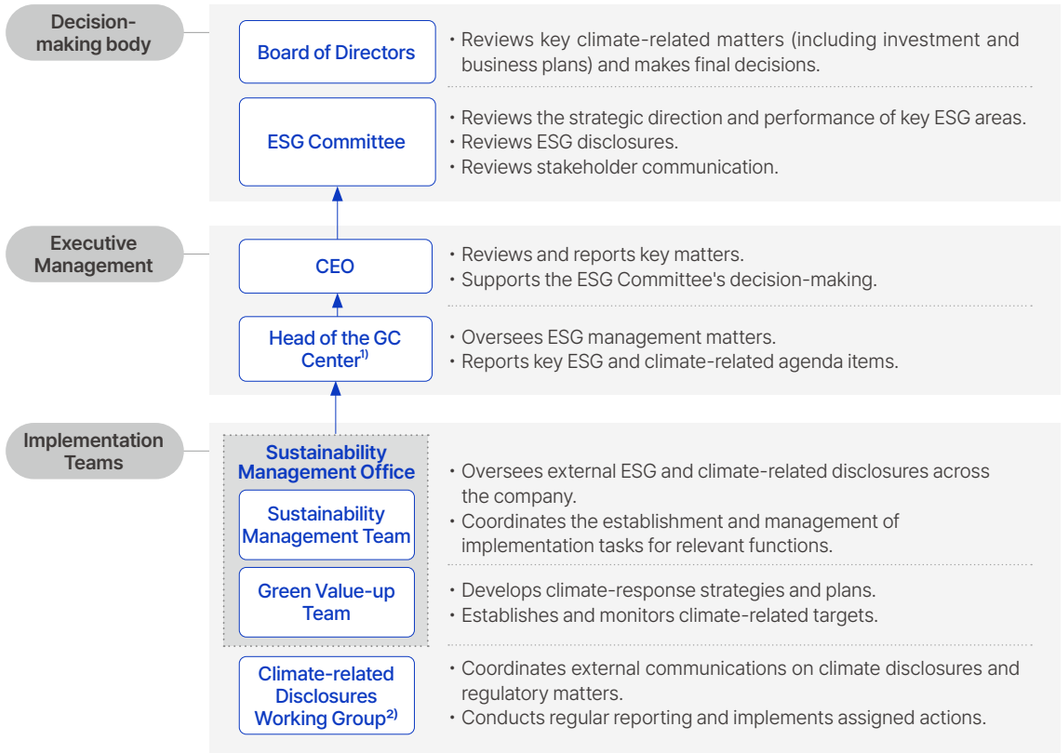
Governance

Climate Governance

Climate-Related Decision-Making Framework

SK Telecom operates a three-tier governance framework comprising governing bodies, executive management, and implementation teams to integrate climate-related risks and opportunities into strategy, capital allocation, and financial planning. The respective roles and responsibilities are set out below.

Climate Governance Structure



1) Head of the GC (General Counsel) Center: A C-suite executive responsible for SK Telecom's legal, compliance, and sustainability management functions.
2) Climate Disclosure Working Group: A climate-response working group comprising representatives from relevant functions at SK Telecom and its major subsidiaries.

Decision-Making Body

In terms of climate change response, SK Telecom's decision-making bodies are the Board of Directors and the ESG Committee under the Board of Directors. For detailed information on the governance and oversight roles of these decision-making bodies, please refer to section "1.1 Oversight of the Decision-Making Body" in "SK Telecom Climate-related Disclosure Report 2025-2026."

Management Responsibility and Implementation Support

At the executive level, responsibility for managing climate-related risks and opportunities is assigned to the CEO and the Head of the GC Center, who oversees ESG. Both executives consider the expectations of stakeholders — including customers, investors, and government authorities — in decisions concerning ESG management, including climate-related matters. Implementation teams support management decision-making on key climate-related agenda items. For further details, please refer to section 1.2, "Oversight of Management," of the SK Telecom Climate-related Disclosure Report 2025–2026.

Management KPIs and Compensation

Performance Indicator (KPI)	Description	Compensation Weighting
Performance Against Key ESG KPIs	Evaluates priority initiatives requiring proactive management to improve ESG performance.	1.0%
Performance Against the Key Net-Zero KPI	Measures achievement of the annual GHG emissions target established in support of the 2050 Net-Zero target.	1.0%

Climate-related Disclosure Report

Strategy

Climate-Related Risks and Opportunities

Identification of Climate-Related Risks and Opportunities (Materiality Assessment)

In 2026, SK Telecom identified climate-related risks and opportunities across three areas: transition risks, physical risks, and climate-related opportunities. Transition risks were assessed across policy and legal, technology, market, and reputation categories; physical risks as acute or chronic; and opportunities across resource efficiency, energy source, products and services, and markets.

Major Risk and Opportunity Factors

Area	Type	Description
Transition	Policy and Legal	- Potential financial loss arising from climate-related carbon regulations, laws, and policy measures
	Technology	- Potential financial loss arising from advances in decarbonization technologies or the displacement of carbon-intensive technologies.
	Market	- Potential financial loss arising from shifts in stakeholder preferences and behavior.
	Reputation	- Potential loss of trust arising from shifts in climate-related perceptions and public sentiment.
Physical	Acute	- Potential risks arising from event-driven natural hazards.
	Chronic	- Potential risks arising from longer-term shifts in climate patterns.
Opportunity	Resource Efficiency	- Opportunities to reduce costs through more efficient use of raw materials or expanded recycling.
	Energy Source	- Opportunities arising from the transition to lower-carbon energy sources and secure energy procurement.
	Products and Services	- Opportunities to generate new revenue through environmental technologies and solutions and low-carbon products.
	Markets	- Opportunities to access new customer segments or financing from governments and investors.

Expected Time Horizons of Risks and Opportunities

In 2026, SK Telecom identified 24 climate-related risk and opportunity factors and assessed them across the time horizons over which impacts could reasonably be expected to arise: short term (one year or less), medium term (more than one year and up to five years), and long term (more than five years)[1]. The factors were based on the Climate-related Disclosure Report 2025, and the materiality-assessment framework was updated to reflect recent industry trends, peer practices, and new business areas.

Transition risks are classified into four categories — policy and legal, technology, market, and reputation — and comprise seven factors. The core factors from the prior year were retained, and "Strengthening the Supply Chain Risk Management Framework" and "Increased Electricity Demand from AI Data Center Development" were added to reflect recent industry trends.

Physical risks are classified as chronic or acute, and the assessment retained the same nine factors as in the prior year. In view of the increasing frequency and severity of climate-related extreme weather, the analysis focused on potential impacts on domestic assets.

Climate-related opportunities are classified across resource efficiency, energy source, products and services, and markets, comprising eight factors. "Adoption of Energy-Efficiency Technologies" was newly added under resource efficiency, and the assessment reflects AI-data-center-based new business opportunities being pursued by consolidated entities as part of the transition to a low-carbon economy.

SK Telecom reassesses climate-related risks and opportunities annually and updates the framework to link materiality-assessment results with strategic decision-making.

Assessment Periods

SK Telecom applies the following time horizons in its materiality assessment: short term (one year or less), medium term (more than one year and up to five years), and long term (more than five years).[1] The company applies the same horizons to strategic planning, thereby aligning its business-planning periods with the periods over which climate-related risks and opportunities may have effects.

1) Reflects the time-horizon classifications and periods specified in KSSB Sustainability Disclosure Standard No. 2, "Climate-related Disclosures."

Strategy

Climate-Related Risks and Opportunities

Expected Time Horizons of Risks and Opportunities

Transition Risks

○: Not Material, ◐: Material, ●: Highly Material

Type	Risk or Opportunity Factor	Expected Time Horizon		
		Short Term	Medium Term	Long Term
Policies, laws, and regulations	Rising GHG Emissions Allowance Prices	○	○	◐
	Tightening Energy-Efficiency Regulations	○	○	◐
Market	Increased Electricity Demand from AI Data Center Development	◐	●	●
	Rising Electricity Prices	○	●	●

Physical Risks

○: Not Material, ◐: Material, ●: Highly Material

Type	Risk or Opportunity Factor	Expected Time Horizon		
		Short Term	Medium Term	Long Term
Acute	Typhoon	○	○	◐
	Wildfire	○	◐	◐
Chronic	Heatwave	○	○	◐
	Heavy rainfall	○	◐	◐

Opportunities

○: Not Material, ◐: Material, ●: Highly Material

Type	Risk or Opportunity Factor	Expected Time Horizon		
		Short Term	Medium Term	Long Term
Products and services	AI Data Center Development and Operations	◐	●	●

Climate-Related Materiality Assessment Results

SK Telecom conducted a materiality assessment with internal and external stakeholders by evaluating the likelihood and potential impact of the identified risk and opportunity factors. As of FY2025, the three highest-ranked climate-related risks and opportunities for each of the short-, medium-, and long-term horizons are presented below.

The assessment identified increased electricity demand associated with AI data center development and rising electricity prices as key transition-risk factors across the short, medium, and long term. Higher costs for low-carbon AI technology development were highly material in the short term but became progressively less material over the medium and long term. By contrast, tightening energy-efficiency regulations and rising GHG emissions allowance prices were assessed as increasingly material over the medium and long term. This appears to reflect the combined effects of increasing electricity demand from AI-business expansion and tighter external regulation.

Wildfires and typhoons were identified as key acute physical risks, while heavy rainfall and heat waves were identified as key chronic physical risks. Relative to transition risks and opportunities, however, their materiality declined from the prior year. AI data center development and operations, adoption of energy-efficiency technologies, and growing demand for AI-based solutions were assessed as key opportunities across all time horizons. Demand for AI-based solutions is expected to become more material over the long term.

Category	Materiality ranking	Short term	Medium term	Long term
Transition risk	1	Increased Electricity Demand from AI Data Center Development	Increased Electricity Demand from AI Data Center Development	Increased Electricity Demand from AI Data Center Development
	2	Rising Electricity Prices	Rising Electricity Prices	Rising Electricity Prices
	3	Higher Costs for Low-Carbon AI Technology Development	Higher Costs for Low-Carbon AI Technology Development	Rising GHG Emissions Allowance Prices
Physical risk	1	Wildfire	Wildfire	Heavy rainfall
	2	Heavy rainfall	Heavy rainfall	Wildfire
	3	Typhoon	Typhoon	Heatwave
Opportunity	1	AI Data Center Development and Operations	AI Data Center Development and Operations	AI Data Center Development and Operations
	2	Adoption of energy efficiency technologies	Adoption of energy efficiency technologies	Growing demand for AI-driven solutions
	3	Growing demand for AI-driven solutions	Growing demand for AI-driven solutions	Adoption of energy efficiency technologies

Anticipated Effects on the Business Model and Value Chain

SK Telecom assesses that the climate-related risks and opportunities identified at this time are unlikely to cause significant changes to its overall business model or value chain. However, transition risks — such as GHG emissions regulations and rising electricity prices — as well as physical risks could have gradual effects. For further details, please refer to section 2.2, "Business Model and Value Chain," of the SK Telecom Climate-related Disclosure Report 2025–2026.

Climate-related Disclosure Report



Strategy

Strategy and Decision-making

Response to Risks and Opportunities

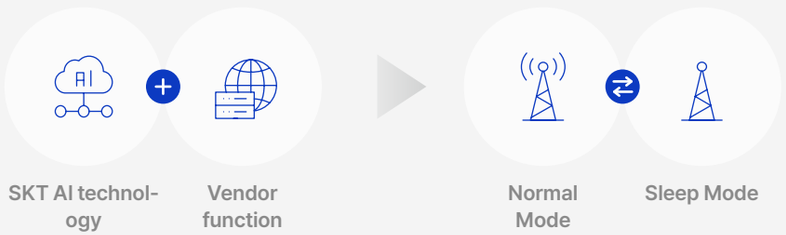
Response to Transition Risks

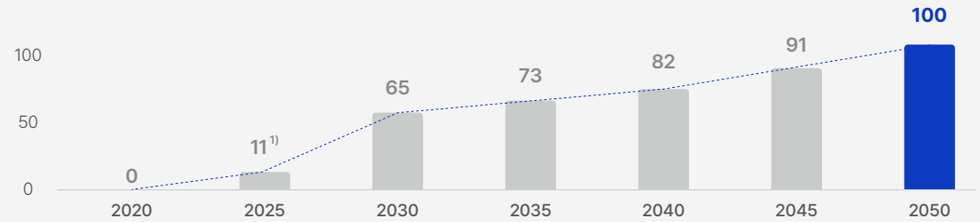
SK Telecom maintains a framework for continuously monitoring and complying with applicable legal and regulatory requirements to address increasingly stringent climate-related disclosure requirements, including the KSSB standards, and to mitigate climate-related litigation risk.

The costs of transitioning to or developing low-carbon AI technologies are also a material transition risk. SK Telecom uses green and low-carbon ICT technologies to reduce energy consumption, deploys Single-RAN technology to improve power efficiency, and conducts R&D on energy-efficient AI models. To address rising electricity-price risk, the company has installed 4.9 MW of on-site solar-generation capacity and plans to expand its use of PPAs to mitigate future electricity-price increases.

SK Telecom's Response to Transition Risks

Risk Factors	Costs of Transitioning to or Developing Low-Carbon AI Technologies	Rising Electricity Prices
Details	Use of AI in Energy Efficiency Management	SK Telecom's RE100 Target (Unit: %)
Current Efforts	• Reduce data center electricity consumption using green and low-carbon ICT technologies and AI-based traffic diagnostics. • Improve network energy efficiency through Single-RAN deployment.	• Entered into Green Premium contracts for 284 GWh of renewable electricity. • Entered into a 50 MW renewable-energy PPA, with electricity supply scheduled to begin in the second half of 2027.
Expected Efforts	• Pursue in-house development and deployment of energy-efficient AI models.	• Pursue the 2030 renewable-energy-use target. • Expand renewable-energy facilities and enter into new procurement contracts, including solar PPAs. • Optimize facility performance through effective maintenance of solar energy management systems (EMS) and upgrades to smart distribution boards





1) Considering renewable-energy market and regulatory conditions, including limited domestic renewable-energy supply, SK Telecom revised its 2025 target downward in 2024.

Strategy

Strategy and Decision-making

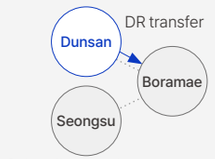
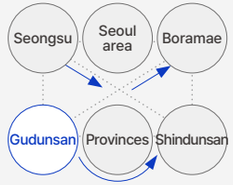
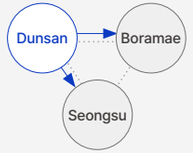
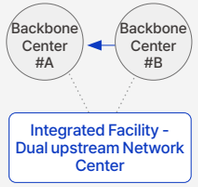
Response to Risks and Opportunities

Response to Physical Risks

As a telecommunications service provider, SK Telecom's network assets installed nationwide are exposed to a range of physical climate risks. To address these risks, the company has strengthened network resilience and established a disaster recovery (DR) framework with redundant core telecommunications facilities. It also operates a joint disaster-roaming framework with Korea's other two mobile network operators to maintain a minimum level of service during emergencies. These measures support physical-risk mitigation and adaptation.

As climate change intensifies, SK Telecom is working with the central government and local governments to improve its disaster response protocols, and is continuing its partnership with the two other largest Korean mobile carriers. The physical risks of climate change include wildfires, typhoons, and heavy rainfalls. In the face of these threats, SK Telecom is making its communications equipment and other assets more durable through the application of automatic fire extinguishing systems, heat-blocking tape, and reinforced antenna support lines. Moving forward, SK Telecom's advanced response to climate change will see the installation of temporary communications networks, including a mobile base station that can be installed rapidly.

SK Telecom's Response to Physical Risks

	Disaster Recovery system	Response to acute and chronic physical risks (wildfires, typhoons, heavy rainfall, etc.)
Risk Factors		
Details	**Voice and Subscriber-Management Services** The DR configuration enables all subscribers served by an affected telecommunications facility to be accommodated by backup facilities during an outage.  Subscriber service at normal times **Switching and Backbone Facilities** Route redundancy among Seongsu, Boramae, Shindunsan, and Gudunsan enables traffic to be rerouted to another facility if a specific site fails.  **Data Services** A distributed service architecture enables traffic and subscribers to be reallocated during a facility outage.  Traffic distribution in service interruptions **Integrated Facilities** Dual upstream network centers are being implemented for each integrated facility 	 Fire Barriers at Equipment Bases  Reinforced Guy Wires  Flood Barriers
Current Efforts	• Operate a disaster recovery framework to strengthen network resilience. • Maintain redundant connection routes and core telecommunications facilities. • Operate joint disaster roaming among Korea's three mobile network operators to maintain a minimum level of service during emergencies	• Install automatic fire-suppression systems and flame-retardant fire-suppression blankets inside power enclosures, and weed-control mats and caps at the bases of telecommunications poles. • Use flame-retardant cables, fire-barrier blankets, heat-blocking tape, and heat-resistant coatings to improve fire and heat resistance. • Reinforce guy wires, raise equipment on platforms, and install flood barriers as preventive flood-protection measures
Expected Efforts	• Strengthen disaster-response protocols in cooperation with central and local governments. • Continue collaboration with Korea's other two mobile network operators and establish a joint task force	• Enhance rapidly deployable temporary communications networks, including mobile base stations

Strategy

Strategy and Decision-making

Response to Risks and Opportunities

Response to Climate-Related Opportunities

As part of its emissions-reduction and RE100 strategies, SK Telecom entered into a renewable power purchase agreement (PPA)[1] with SK Innovation E&S in June 2024. Under the 20-year agreement, the company is scheduled to receive electricity generated by a 50 MW solar power plant from July 2027 through June 2047. The agreement is expected to provide approximately 64 GWh of renewable electricity annually.

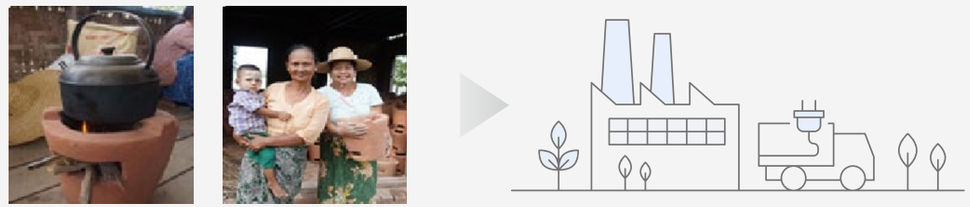
Because the PPA provides renewable electricity at a fixed price for 20 years, it can help mitigate exposure to rising electricity prices, reduce future electricity costs, and provide a stable long-term source of renewable electricity.

SK Telecom also plans to expand renewable-energy use through additional PPAs, Green Premium purchases, and on-site solar generation to achieve its RE100 target by 2050.

Since 2018, the company has distributed high-efficiency cookstoves to residents of developing countries in Southeast Asia to generate carbon credits. By replacing traditional cookstoves, the high-efficiency stoves reduce carbon emissions and fuelwood use and shorten cooking time. SK Telecom plans to use the resulting carbon credits in support of its future emissions-reduction targets.

1) PPA: Power Purchase Agreement

SK Telecom's Response to Climate-Related Opportunities

Opportunity Factors	Emissions Reductions and Economic Benefits from Renewable-Energy Use: PPAs and RE100 Implementation	Participation in Carbon Markets: GHG-Reduction Projects in Developing Countries in Southeast Asia
Details	PPA Structure: Renewable-Energy Supplier (SK Innovation E&S) ◀◀ Power Purchase Agreement ▶▶ RE100 Electricity Buyer (SK Telecom)	
Current Efforts	• Entered into a 50 MW renewable PPA with SK Innovation E&S. • Operate 4.9 MW of solar-generation capacity at office buildings, base-station rooftops, parking areas, and other unused sites nationwide. • Green Premium volumes: 209 GWh in 2023, 232 GWh in 2024, and 284 GWh in 2025.	• Conduct GHG-reduction projects for residents of developing countries in Southeast Asia, ongoing since 2018. • Secure carbon credits through those projects and pursue reductions in emissions-allowance purchase costs.
Expected Efforts	• Enter into additional PPAs to mitigate exposure to rising electricity prices and reduce electricity costs.	• Develop and implement new GHG-reduction project models.

Strategy

Strategy and Decision-making

Response to Risks and Opportunities

Climate-Related Transition Plan

SK Telecom established its net-zero target in 2021 in line with the Science Based Targets initiative (SBTi) criteria and formally declared its 2050 Net-Zero commitment at the 38th Annual General Meeting of Shareholders in 2022. In July 2022, it became the first telecommunications operator in Korea to obtain SBTi validation of its emissions-reduction targets, supporting the credibility and international alignment of the commitment. Taking into account the SBTi and RE100 criteria, SK Telecom set 2030 targets to reduce Scope 1 and Scope 2 emissions by 47.7% and Scope 3 emissions by 22.3% from the 2020 base year. The company plans to achieve net-zero GHG emissions by 2050 by improving the energy efficiency of telecommunications equipment to minimize electricity consumption and progressively increasing the share of renewable electricity.

Climate-Related Target Implementation Plan

Three Green Strategies for Net Zero

SK Telecom is implementing its 2050 Net-Zero target through three Green strategies — Green Operation, Green Energy, and Green Asset — to achieve its climate-related targets.

Green Operation

Green Operation is designed to reduce projected electricity consumption in 2050 by 25% through AI-enabled energy-efficiency improvements. Measures include AI-based reductions in base-station electricity use, deployment of low-power telecommunications equipment, implementation and enhancement of intelligent cooling-control systems, replacement of aging cooling units with high-efficiency models, shared 5G networks, and Single-RAN deployment. Through these measures, SK Telecom continues to reduce energy consumed in its operations.

Green Energy

Green Energy supports the RE100 goal by replacing grid electricity used in operations — which accounts for most of SK Telecom's company-wide GHG emissions — with renewable electricity. Since joining RE100 in 2020, SK Telecom has set targets to increase the share of renewable electricity to 65% by 2030 and 100% by 2050. Measures include on-site solar generation, Green Premium contracts with the Korea Electric Power Corporation (KEPCO), and power purchase agreements (PPAs) with renewable-energy suppliers.

Green Asset

Green Asset is a strategy to secure carbon-credit assets through GHG-reduction projects and use them to offset unavoidable residual emissions. SK Telecom is implementing EV-related GHG-reduction projects in Korea and cookstove and electric-scooter projects in developing countries in Southeast Asia. It is also pursuing afforestation, reforestation, and forest-resource conservation activities.

Three Green Strategies for Net Zero

1. Green Operation	2. Green Energy	3. Green Asset
Operational Efficiency	**Energy Transition**	**Carbon-Credit Asset Development and Offsetting**
- AI-Based Reduction in Base-Station Electricity Use - Intelligent Cooling Control - Shared 5G Network - Single-RAN Deployment - Replacement of Aging Cooling Equipment and Operational Improvements - Deployment of Low-Power Telecommunications Equipment	- On-Site Solar Generation - Green Premium - PPA - Deployment of Electric Vehicles	- Domestic EV GHG-Reduction Projects - GHG-Reduction Projects Using Local-Government LEMS in Korea - High-Efficiency Cookstove Distribution Projects in Southeast Asia - Electric-Scooter Distribution Projects in Southeast Asia - Domestic and International Afforestation and Forest-Restoration Projects

Strategy

Climate Resilience

Climate Scenario Analysis Methodology

Transition Risk Scenarios

SK Telecom selects scenarios aligned with current international climate agreements to assess its resilience to transition risks. The assessment covers 2026–2050 and is conducted for SK Telecom on a stand-alone basis.

The analysis addresses rising GHG emissions allowance prices, rising electricity prices, and costs associated with RE100 implementation, using authoritative data to quantify potential financial impacts. SK Telecom seeks to provide stakeholders with quantitative information on its net-zero transition strategy and climate resilience. The results are subject to material uncertainty arising from changes in climate policy and the underlying assumptions.

Analysis Scope and Key Assumptions

Transition risk	Reason for selection	Definition	Key hypotheses
Rising Electricity Prices and RE100 Implementation	• High proportion of GHG emissions attributable to electricity use; a material transition risk identified through the climate-related materiality assessment	Higher electricity prices resulting from tighter climate policy and incremental costs associated with RE100 implementation.	• Domestic electricity-price projections under the NGFS scenarios • Historical electricity-price increases by product or tariff type • Reductions in electricity purchased from KEPCO resulting from RE100 implementation • Incremental costs by renewable-energy procurement option
Carbon-Emissions Regulation	• A major transition risk identified in climate-related materiality assessments	Costs or proceeds arising from the purchase or sale of GHG emissions allowances under carbon-emissions regulations.	• Domestic carbon-price projections under the IEA and NGFS scenarios • Emissions reductions from internal abatement measures and RE100 implementation • An increasing share of paid allowance allocation — 15% in 2030, 30% in 2040, and 50% in 2050 • Application of an allowance allocation adjustment factor reaching 90% by 2050

Transition Scenarios

Issuer	Scenario		Reason for selection of scenario	Source
IEA[1]	STEPS (Stated Policies Scenario)	Reflect current policies and targets and progress in their implementation, including relevant private-sector developments.	• Core scenarios presented in the IEA World Energy Outlook • Provision of quantitative carbon-price data • Scenarios referenced in TCFD guidance and widely used by major institutions.	WEO 2024[3]
	APS (Announced Pledges Scenario)	Assumes that announced climate commitments, including NDCs and long-term emissions targets, are achieved.		
	NZE (Net Zero Emissions by 2050 Scenario)	Assumes that the global energy sector reaches net-zero emissions by 2050 and that the increase in global average temperature is limited to 1.5°C by 2100.		
NGFS[2]	NDCs (Nationally Determined Contributions)	Assumes implementation of the nationally determined contributions established by countries to address climate change.	• Includes scenarios aligned with or close to a 1.5°C pathway • Provides quantitative electricity-price data.	NGFS Phase 4.0
	Below 2°C	Assumes that the increase in global average temperature is limited to below 2°C above pre-industrial levels by 2100.		
	Net Zero 2050 (NZE 2050)	Assumes achievement of net zero by 2050.		

Analytical Process

Step 1. Select Analysis Subjects

- Rising electricity prices and RE100 implementation
- Carbon-emissions regulation
- Review and confirmation of key assumptions

Step 2. Select Scenarios and Collect Data

- Review and select IEA and NGFS scenarios
- Collect carbon-price and industrial electricity-price data

Step 3. Develop the Analytical Model

- Develop a transition-risk model based on SK Telecom's Net-Zero Roadmap
  - estimate future electricity demand
  - establish baseline electricity prices
  - review the RE100 implementation plan
  - estimate electricity purchases from KEPCO
  - review the paid-allocation share and allowance allocation adjustment factor
- Refine carbon-price and electricity-price assumptions.

Step 4. Analyze Potential Financial Impacts

- Estimate minimum and maximum impacts under each scenario
- Review the results and response framework

1) International Energy Agency (IEA): Provides forward-looking energy-system data under key scenarios, including carbon prices and GHG-abatement costs.

2) Network for Greening the Financial System (NGFS): Provides carbon-price and electricity-price data under seven scenarios reflecting energy, commodity, and other flows, using the Global Change Analysis Model (GCAM), an integrated assessment model.

3) World Energy Outlook (WEO): An annual IEA report presenting future energy outlooks under different scenarios.

Strategy

Climate Resilience

Climate Resilience Assessment

Potential Financial Impacts of Rising Electricity Prices and RE100 Implementation

As a telecommunications service provider, SK Telecom generates most of its GHG emissions from electricity use and expects additional electricity demand as it expands AI-related products and services. To estimate the potential financial impacts, the company incorporated projected domestic electricity prices under the NGFS scenarios, historical average increases in electricity prices, and the incremental costs of each renewable-energy procurement option.

SK Telecom applied the NDCs, Below 2°C, and Net Zero 2050 scenarios, reflecting different levels of climate-policy stringency.

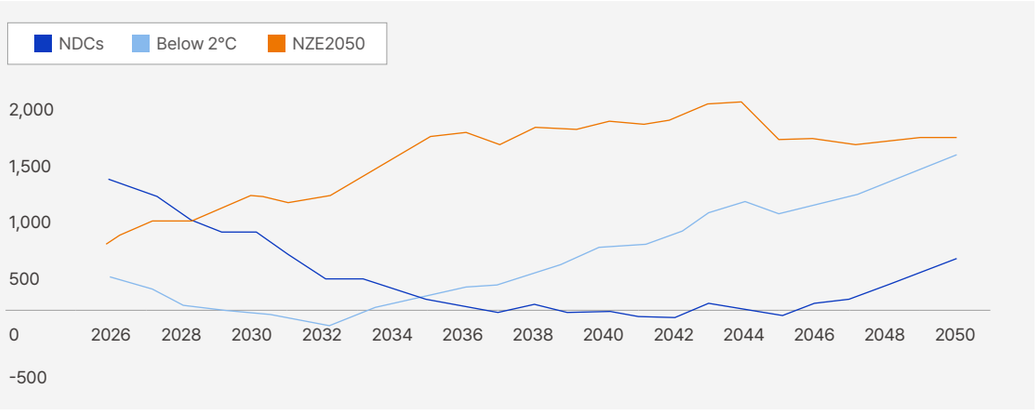
The analysis estimates that, from 2026 through 2050, the annual average financial impact will range from KRW 27.1 billion under the NDCs scenario to KRW 136.2 billion under Net Zero 2050. The maximum impact in a single year is estimated at KRW 180.9 billion under Net Zero 2050 in 2044.

To address rising electricity prices, SK Telecom plans to invest in energy efficiency, analyze and optimize electricity-consumption patterns, expand renewable-energy use, and diversify energy procurement. These measures are expected to be funded with internally retained funds.

Estimated Costs of Potential Financial Impacts from Rising Electricity Prices and RE100 Implementation

Transition Risk Factor	Scenario	Financial Impact (Unit: KRW 100 million)			Response	Funding Method
		Annual Average, 2026–2050	Maximum	Minimum		
Rising Electricity Prices and RE100 Implementation Costs	NDCs	271	1,114	-50	• Invest in the energy efficiency of electricity-consuming equipment • Analyze and optimize electricity-consumption patterns • Expand renewable-energy use and diversify energy procurement	• Use internally retained funds to enter into renewable-energy supply agreements • Invest in energy-efficiency improvements to electricity-consuming equipment
	Below 2°C	465	1,360	-131		
	NZE2050	1,362	1,809	664		

Estimated Potential Financial Impacts of Rising Electricity Prices and RE100 Implementation



Under KRW 100 billion | Under KRW 500 billion | Under KRW 1 trillion | KRW 1 trillion or more

(Cumulative value per time frame, Unit: KRW 100 million)

Scenario	Short Term (through 2026)	Medium Term (2027–2030)	Long Term (2031–2050)
NDCs			
Below 2°C			
NZE2050			

Strategy

Climate Resilience

Climate Resilience Assessment

Potential Financial Impacts of Rising GHG Emissions Allowance Prices

SK Telecom expects prices for GHG emissions allowances under Korea's emissions regulations to rise. Although GHG emissions are expected to decline as the company implements its 2050 Net-Zero target and RE100 commitment, the analysis assumes that the share of paid allowance allocation will increase to 15% in 2030, 30% in 2040, and 50% in 2050, and that the allowance allocation adjustment factor will reach 90% by 2050. Based on these assumptions, SK Telecom estimated the financial impacts using projected domestic allowance prices and surplus allowances resulting from internal emissions reductions.

The analysis applies the IEA STEPS, APS, and NZE scenarios.

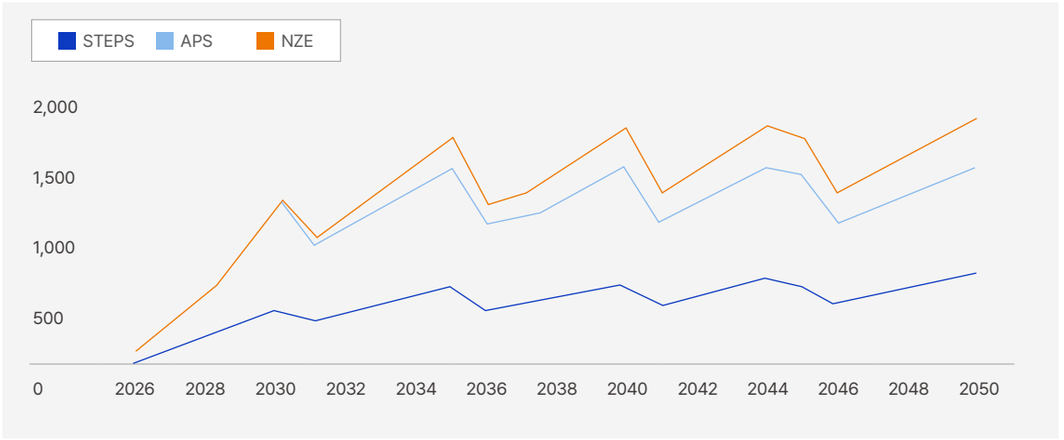
The analysis indicates that emissions reductions resulting from RE100 implementation could generate proceeds from sales of surplus GHG emissions allowances from 2021 through 2050. For 2026–2050, the estimated annual average benefit ranges from KRW 37.8 billion under STEPS to KRW 114.6 billion under NZE. The maximum benefit in a single year is estimated at KRW 164.2 billion under NZE in 2050.

To address allowance-price risk, SK Telecom plans to reduce GHG emissions, implement PPAs, and advance RE100, using internally retained funds.

Estimated Financial Benefits from Rising GHG Emissions Allowance Prices

Transition Risk Factor	Scenario	Financial Impact (Unit: KRW 100 million)			Response	Funding Method
		Annual Average, 2026–2050	Maximum	Minimum		
Rising GHG Emissions Allowance Prices	STEPS	378	585	26	• Reduce GHG emissions to lower required allowance purchases • Analyze and forecast allowance prices to minimize ETS compliance costs	• Use internally retained funds to deploy emissions-reduction technologies
	APS	991	1,359	67		
	NZE	1,146	1,642	69		

Estimated Financial Benefits from Rising GHG Emissions Allowance Prices



Under KRW 100 billion | Under KRW 500 billion
Under KRW 1 trillion | KRW 1 trillion or more

(Cumulative value per time frame, Unit: KRW 100 million)

Scenario	Short Term (through 2026)	Medium Term (2027–2030)	Long Term (2031–2050)
STEPS			
APS			
NZE			

Strategy

Climate Resilience

Climate Scenario Analysis Methodology

Physical Risk Scenarios

SK Telecom used scenarios aligned with current international climate agreements to assess its resilience to physical climate risks. The assessment covers 2026–2050 and is conducted for SK Telecom on a stand-alone basis.

The company classifies nine physical climate hazards into five chronic and four acute hazards and estimates the potential financial impact of each. The analysis uses the IPCC Shared Socioeconomic Pathways (SSPs[1]) and physical-risk assessment data provided by MSCI to develop an in-house analytical model. The model estimates hazard levels and asset loss rates and quantifies the financial impacts as cumulative asset impairment or operating losses.

The models used to estimate the occurrence and impacts of physical hazards are based on the severity and losses associated with historical events. Actual future events may differ materially in both occurrence and impact. SK Telecom therefore plans in advance for the maximum potential financial impacts identified by the analysis and seeks to strengthen resilience to future climate conditions.

1) SSP: Shared Socioeconomic Pathways

Hazards Analyzed and Key Assumptions

Risk Type	Hazard	Definition	Key Hypotheses
Chronic	Heat Waves	Number of days per year on which the average wet-bulb temperature exceeds the applicable threshold[2] within the 10°C–37°C range.	Industry-based operating losses associated with the number of days above or below the applicable thresholds.
	Extreme Cold	Number of days per year below the applicable 0°C or 10°C threshold.	
	Heavy Rainfall	Number of days per year with daily precipitation above 20 mm or 50 mm.	
	Heavy Snowfall	Number of days per year with daily snowfall above 5 cm or 20 cm.	
	Strong Winds	Number of days per year with wind speeds above 24.3 m/s or 27.8 m/s.	
Acute	Coastal Flooding	Assessment of asset inundation based on global sea-level-rise models.	Asset impairment and operating losses reflecting projected sea-level rise.
	Riverine Flooding		
	Typhoons	Site-specific wind-damage estimates based on historical typhoon data.	Asset impairment estimated using regional adjustment factors.
	Wildfires	Annual probability of wildfire occurrence.	Asset impairment and operating losses estimated using historical wildfire statistics.

Physical Scenarios

Issuer	Scenario[3]	Description of scenario[3]	Reason for selection of scenario	Source
IPCC	SSP1-2.6	Assumes a transition centered on low-carbon industries and achievement of policy targets, with substantial reductions in energy use and GHG emissions.	Scenarios presented in the IPCC Sixth Assessment Report (AR6).	IPCC AR6
	SSP2-4.5	Assumes implementation of current environmental and energy-policy targets, with low-carbon industry, manufacturing, and fossil-fuel use broadly maintained at current levels while energy use and GHG emissions decline.		
	SSP3-7.0	Assumes a slow transition to low-carbon industries and renewable energy, with only limited reductions in energy use and GHG emissions.		
	SSP5-8.5	Assumes continued fossil-fuel use and limited implementation of mitigation policies, resulting in higher energy use and GHG emissions.		

2) MSCI applies two threshold levels to differentiate loss impacts.
3) SSP scenarios are classified based on assumptions regarding future energy use, GHG emissions, and global policy conditions, incorporating socioeconomic factors such as population, economic development, technology, lifestyles, and land use.

Analytical Process

Step 1. Select Hazards and Collect Asset Information

- Acute hazards — typhoons, coastal flooding, riverine flooding, and wildfires
- Chronic hazards — heat waves, extreme cold, heavy rainfall, heavy snowfall, and strong winds.
- Collect information on domestic office buildings and telecommunications equipment, including asset type, employees, area, location, carrying amount, and operating profit.

Step 2. Select IPCC SSP Scenarios

- SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5.

Step 3. Develop the Analytical Model

- Extract and process MSCI data[4]
- Analyze industry impacts using GICS
- Incorporate SK Telecom's projected cost of capital by year
- Apply hazard-specific risk scores and expected loss rates to domestic office buildings and telecommunications equipment
- Apply annual weighting factors and the weighted average cost of capital (WACC)

Step 4. Analyze Potential Financial Impacts

- Estimate risk levels and losses under each scenario by asset and hazard
- Review the results and response framework.

4) The spatial resolution of the physical-risk data varies by hazard, ranging from 90m to 56km.

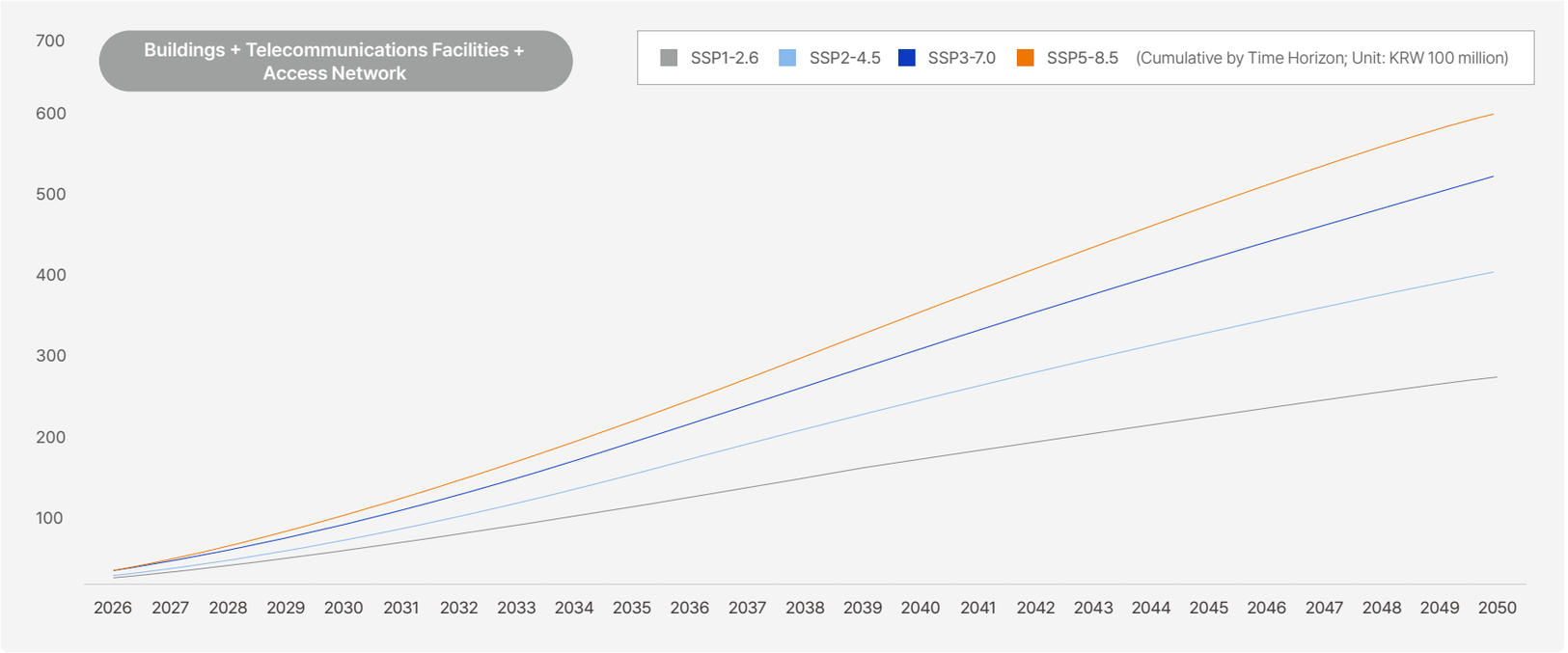
Strategy

Financial Position, Financial Performance, and Cash Flows

SK Telecom identified nine physical climate risks, classified as chronic or acute, and analyzed each risk's potential financial impact under different scenarios. The cumulative impact increases as the analysis shifts from the lower-emissions SSP1-2.6 pathway to the higher-emissions SSP5-8.5 pathway.

Under SSP1-2.6, the cumulative impact through 2050 is estimated at approximately KRW 26.3 billion. Under SSP5-8.5, it is estimated at approximately KRW 59.5 billion, indicating that financial exposure could increase substantially as climate change intensifies and underscoring the need for long-term preparedness.

SK Telecom uses these estimates to develop scenario-specific measures to strengthen climate resilience and diversify risk. The company seeks to reduce adverse financial impacts and maintain financial stability if a higher-emissions scenario materializes.



Assessment of Financial Impacts of Physical Risks

SK Telecom continually analyzes physical climate risks affecting its business and assesses their potential financial impacts.

Using MSCI data, the company estimates cumulative asset impairment and operating losses for assets exposed to nine physical hazards. Given that a substantial portion of its telecommunications equipment is installed outdoors, the assessment incorporates the carrying amounts of those assets.

SK Telecom recognizes that changes in input data and uncertainty in the factors influencing climate outcomes may cause the estimated financial impacts to vary.

The company plans to expand the assessment to a consolidated basis, including subsidiaries worldwide, and to apply and refine the methodology in line with the timetable for future climate-related disclosures.

Strategy

Financial Position, Financial Performance, and Cash Flows

Potential Financial Impacts of Chronic Physical Risks

Chronic physical risks arise from longer-term shifts in climate patterns. Using MSCI data, SK Telecom analyzed heat waves, extreme cold, heavy rainfall, heavy snowfall, and strong winds. Heat waves and heavy rainfall produced the largest estimated financial impacts, calculated as the sum of asset impairment and operating losses.

The cumulative impact of heat waves and extreme cold through 2050 is estimated to range from KRW 3.5 billion under SSP1-2.6 to KRW 13.9 billion under SSP5-8.5. Over the same period, the impact of heavy rainfall is estimated to range from KRW 5.2 billion to KRW 8.8 billion.

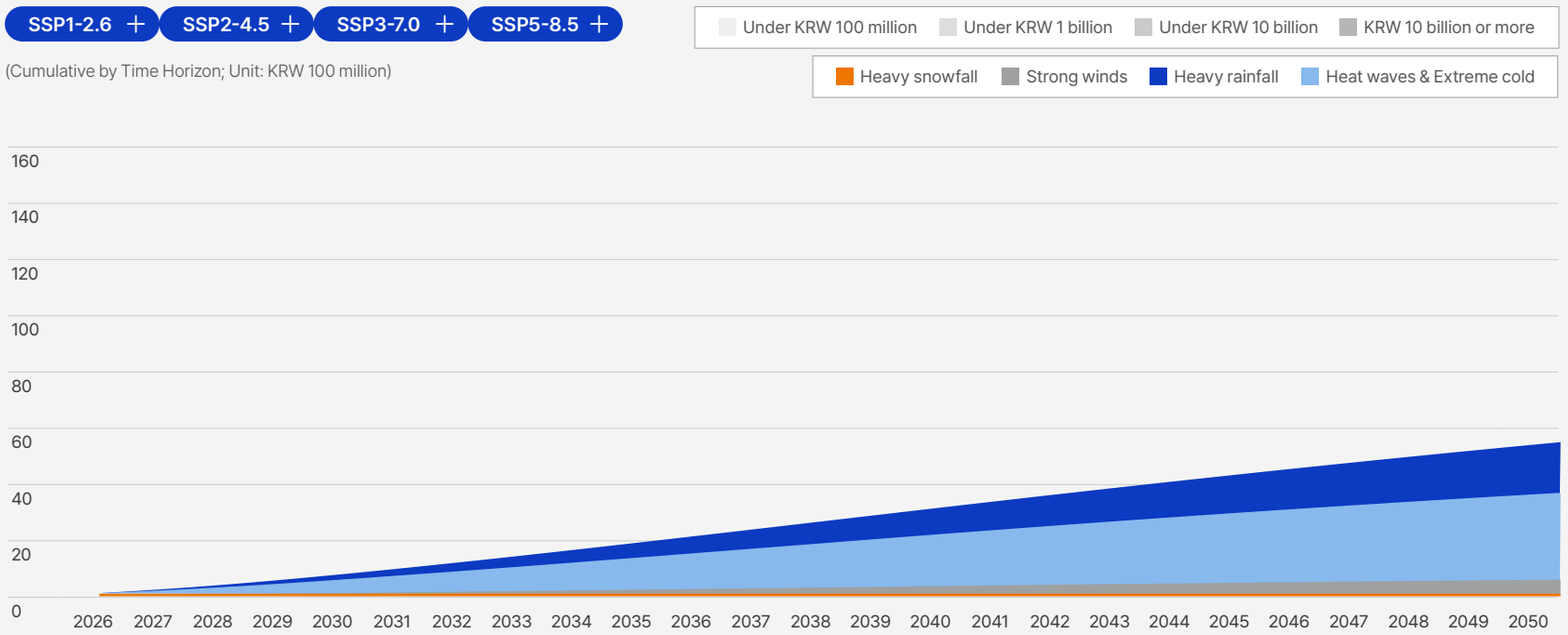
The cumulative impact of heavy snowfall across all time horizons is estimated at less than KRW 100 million.

To address heat-wave risk, SK Telecom is inspecting and upgrading cooling systems and establishing emergency power-support systems. To address heavy-rainfall risk, it plans to strengthen disaster roaming among Korea's three mobile network operators, distribute equipment across locations, and establish multiple backup systems. These measures are expected to be funded with internally retained funds.

Estimation of Potential Financial Impacts of Chronic Physical Risks

SSP1-2.6 + | SSP2-4.5 + | SSP3-7.0 + | SSP5-8.5 +

(Cumulative by Time Horizon; Unit: KRW 100 million)



Chronic risk	Short Term (through 2026)	Medium Term (2027–2030)	Long Term (2031–2050)
Heat Waves and Extreme Cold			
Heavy Rainfall			
Heavy Snowfall			
Strong Winds			

Strategy

Financial Position, Financial Performance, and Cash Flows

Potential Financial Impacts of Acute Physical Risks

Acute physical risks arise from event-driven climate hazards. Using MSCI data, SK Telecom analyzed coastal flooding, riverine flooding, typhoons, and wildfires. Typhoons and riverine flooding produced the largest estimated financial impacts, calculated as the sum of asset impairment and operating losses.

The cumulative impact of typhoons through 2050 is estimated to range from KRW 15.9 billion under SSP1-2.6 to KRW 33.2 billion under SSP5-8.5. The impact of riverine flooding is estimated to range from KRW 900 million to KRW 1.9 billion, while the cumulative impact of wildfires across all time horizons is estimated at less than KRW 100 million.

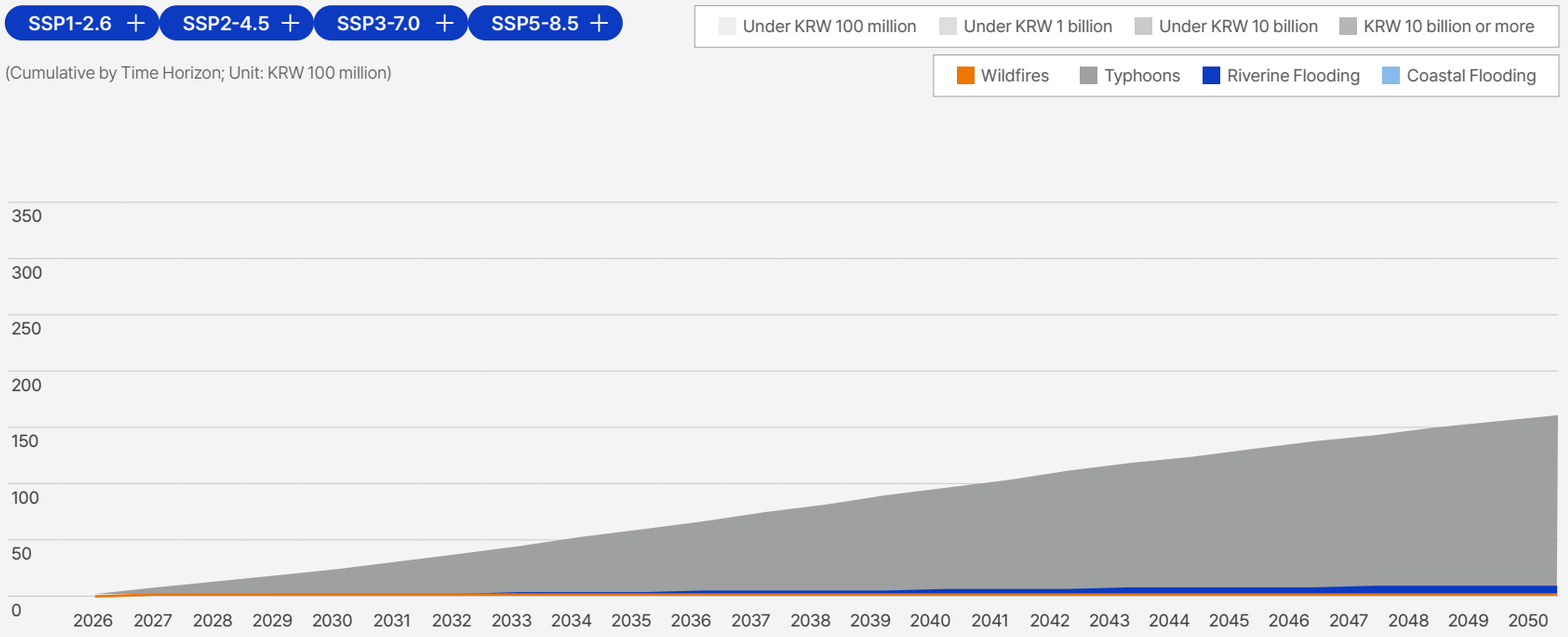
To address typhoon risk, SK Telecom is strengthening wind-resistance measures and disaster-recovery systems and establishing alternative power-supply systems.

It also plans to continuously monitor risks to telecommunications equipment nationwide and expand targeted management measures, including energy-efficiency improvements, to maintain reliable telecommunications services.

Estimation of Potential Financial Impacts of Acute Physical Risks

SSP1-2.6 + SSP2-4.5 + SSP3-7.0 + SSP5-8.5 +

(Cumulative by Time Horizon; Unit: KRW 100 million)



Acute risk	Short Term (through 2026)	Medium Term (2027–2030)	Long Term (2031–2050)
Coastal Flooding			
Riverine Flooding			
Typhoons			
Wildfires			

Strategy

Financial Position, Financial Performance, and Cash Flows

Climate Resilience Assessment

Areas of Significant Uncertainty Considered in the Resilience Assessment

SK Telecom considers a range of uncertainties that could materially affect its long-term sustainability and financial stability in assessing climate resilience. Extreme weather events, including typhoons and floods, could impair the reliability of telecommunications equipment and network operations, resulting in equipment damage, higher electricity use, and service disruptions; these effects could erode customer trust and cause financial and non-financial losses. Electricity-price volatility and uncertainty in renewable-energy procurement directly affect electricity-intensive operations, including networks and data centers, and increase uncertainty in costs and profitability. Regulatory changes — including higher GHG emissions allowance prices, an increased share of paid allocation, and application of an allowance allocation adjustment factor — could increase long-term emissions-management costs. Instability in global financial and economic conditions could also constrain the pace of capital investment and R&D required for the low-carbon transition. SK Telecom systematically assesses and manages these uncertainties to strengthen climate resilience and support sustainable growth.

Availability and Usefulness of Existing Financial Resources in Response to Impacts

SK Telecom considers the availability and flexibility of existing financial resources when funding its climate-related strategies. As the parent company, it primarily uses internally retained funds for key climate-response projects, including improving network-equipment efficiency, developing environmentally sustainable data centers, and transitioning to renewable energy, thereby limiting the financial burden associated with external borrowing. Over the longer term, SK Telecom continues to explore opportunities to use green finance.

Ability to Relocate, Repurpose, Upgrade, or Decommission Existing Assets

SK Telecom assesses the feasibility of relocating, repurposing, upgrading, or decommissioning existing assets in response to climate-related transition and physical risks, thereby strengthening the flexibility and resilience of its operating structure. It is progressively replacing aging infrastructure and inefficient equipment across base stations, repeaters, office buildings, and data centers; using AI-based traffic-management technology to consolidate and optimize assets; and improving the operating configurations of data centers and telecommunications facilities as renewable-energy use expands. Where necessary, selected assets may be downsized or decommissioned to align the asset portfolio with the long-term emissions-reduction strategy.

Impact of Current and Planned Investments

Based on the K-Taxonomy Guidelines, SK Telecom continues to invest in R&D for low-carbon technology development and to purchase environmentally preferable products to strengthen its climate-response capabilities. Related revenue totaled KRW 45.31 billion. Capital expenditure associated with the relevant purchases totaled KRW 1.88 billion, and operating expenditure totaled KRW 31.41 billion.

Risk Management

Management of Climate-Related Risks and Opportunities

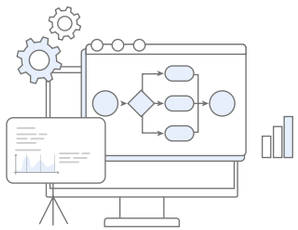
Processes and Policies for Managing Climate-Related Risks and Opportunities

SK Telecom has established processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities and integrates them into its enterprise-wide risk management framework.

Based on its materiality assessment, the company maintains processes and policies for managing the identified risks and opportunities and assessing climate-related impacts. It also strengthens its company-wide response by operating an internal carbon pricing mechanism that incorporates climate risk.

For further details on the management of climate-related risks and opportunities, please refer to "3.1 Management of Climate-Related Risks and Opportunities," in the "SK Telecom Climate-related Disclosure Report 2025–2026."

Climate-related Disclosure Report



Integration of Risk Management Processes Across the Company

SK Telecom integrates climate-related risks into its enterprise-wide risk management framework. The company systematically identifies and assesses potential financial impacts, prioritizes risks by materiality, and develops response strategies. The process is linked to existing financial, operational, strategic, and regulatory risk-management processes and informs decision-making across the company. Through this integrated approach, SK Telecom, as the parent company, manages potential short-, medium-, and long-term impacts and incorporates the results into strategic decisions supporting sustainable growth.

Climate Risk Management Framework

SK Telecom has established the following climate-risk management process to manage climate-related risks systematically as a material business issue.

Climate Risk Identification

- Analyze climate-related data to identify risk factors.
- Identify ESG issues and material impacts, risks, and opportunities across the business model and value chain.
- Continuously update the risk inventory.

Climate Risk Assessment

- Assess materiality based on likelihood and impact.
- Quantify the potential effects of climate risks on financial performance and operations.

Prioritization

- Use a likelihood-and-impact matrix to prioritize risks.
- Compare response costs with expected financial impacts when developing risk-management strategies.
- Select material matters and link them to response strategies

Monitoring, Management, and Supervision

- Establish KPIs for risk monitoring.
- Focus monitoring on high-risk areas and reassess risks regularly.
- Report risk-management status transparently to stakeholders

Metrics and Targets

Metrics

Greenhouse Gas Emissions

Scope 1 and Scope 2 Emissions and Management Plan

SK Telecom's total location-based Scope 1 and Scope 2 GHG emissions in 2025 were 1,173,904 tCO_2e, an increase of approximately 0.6% from 2024. The increase was attributable to higher electricity consumption and Scope 2 emissions[1] resulting from the expansion of telecommunications equipment required to provide reliable 5G services. Total market-based Scope 1 and Scope 2 emissions were 1,043,431 tCO_2e after accounting for 284 GWh of renewable electricity procured through the Green Premium program, representing a 1.6% year-on-year decrease. SK Telecom plans to reduce emissions further by improving energy efficiency and increasing renewable-energy use.

Given that more than 99% of SK Telecom's GHG emissions are attributable to electricity use, the company recognizes the transition to renewable electricity as central to achieving its 2050 Net-Zero target. Accordingly, it has established medium- and long-term renewable-electricity targets[2] — 65% by 2030, 82.5% by 2040, and 100% by 2050 — taking into account RE100 recommendations. It is operationalizing those targets through an annual renewable-energy procurement portfolio.

Additional indicators, including GHG emissions, energy consumption, Scope 3 emissions, and renewable-energy use, are presented in the Environmental Data section.

1) As of 2025, indirect emissions (Scope 2) accounted for approximately 99.5% of total greenhouse gas emissions (1,167,979 tCO_2e).
2) 65% by 2030, 82.5% by 2040, and 100% by 2050.

Scope 3 Emissions and Management Plan

SK Telecom also manages Scope 3 emissions, which arise across the value chain, including the supply chain, transportation, product use, and end-of-life treatment, and are classified into 15 categories. Given the nature of its telecommunications business, SK Telecom excludes categories that have limited relevance to its activities or for which no emissions arise.

The company calculates Scope 3 emissions in accordance with the principles of the WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard, The Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and the 2006 IPCC Guidelines, and discloses the three most recent years, including the reporting year.

SK Telecom's Scope 3 emissions totaled 2,584,221 tCO_2e in 2025. Purchased goods and services (Category 1), capital goods (Category 2), and investments (Category 15) accounted for approximately 91.4% of the total. Scope 3 data are subject to greater uncertainty than Scope 1 and Scope 2 data because they cover the value chain. Since its initial Scope 3 calculation and target setting, SK Telecom has refined its data and calculation methodologies, materially reducing reported emissions.

In 2025, the company reported Scope 3 emissions 19.5% lower than in 2024 while continuing to manage upstream and downstream activities. It plans to use actual activity data for category-level calculations and strengthen data validity and reliability through third-party verification.

GHG Emissions Calculation Methodology

In accordance with international standards and Korean regulations, SK Telecom calculates, manages, and discloses total GHG emissions using both location-based and market-based Scope 2 accounting methods. The location-based total includes Scope 2 emissions calculated using the national-grid emission factor in accordance with guidance under the Korea Emissions Trading Scheme (K-ETS)[3] and is used for K-ETS compliance. The market-based total is calculated in accordance with the GHG Protocol and reflects renewable electricity purchased through the Green Premium program; it is used to set and track performance against SK Telecom's 2050 Net-Zero target. The difference between the two methods is whether the emissions reduction associated with Green Premium purchases is reflected: it is not reflected in the location-based total but is reflected in the market-based total.

This report generally presents key data on a market-based basis and labels location-based data where disclosed. The organizational boundary includes emissions from SK Telecom's nationwide network but excludes subsidiaries and the supply chain. GHG emissions intensity is calculated by dividing total GHG emissions by SK Telecom's stand-alone revenue.

3) The guidelines on the operation of GHG ETS (greenhouse gas emission trading scheme) (Notification No. 2025-64, Korean Ministry of Environment) and the verification guideline for GHG ETS (Notification No. 2025-165, Korean Ministry of Environment) based on ISO 14064-3.

Matters related to the Residual Mix Emission Factor

Recently, Some of the NGOs (Non-Governmental Organizations) have raised concerns regarding the calculation of GHG reductions under the Green Premium program and have emphasized the need to apply a residual-mix emission factor consistent with international standards. Because Korea does not yet have a sufficiently developed residual-mix framework or supporting data, proxy factors, including the national-average grid emission factor, are currently used. As the relevant framework and data develop, calculation methods consistent with international standards may become applicable. SK Telecom follows government guidance and seeks to manage its reported GHG-reduction performance transparently and responsibly.

Metrics and Targets

Metrics

Internal Carbon Pricing

Internal Carbon Pricing Mechanism

SK Telecom operates an internal carbon pricing mechanism to manage short-, medium-, and long-term progress toward its 2050 Net-Zero target and strengthen climate-risk management. The mechanism evaluates projected emissions from existing and new businesses and applies an internal carbon price, using a shadow-price approach, to estimate associated costs or revenues and inform the development and review of emissions-reduction plans. Prices are set for short-, medium-, and long-term horizons with reference to the IEA Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS), and are adjusted for domestic market conditions and emissions-reduction targets.

Scope of the Application of Internal Carbon Pricing

SK Telecom applies internal carbon pricing to all existing and new businesses expected to generate material GHG emissions. When implementing detailed measures under its internal emissions-reduction targets, the relevant functions review projected emissions and potential effects of the internal carbon price in advance to support ongoing climate-risk management.

Setting of Internal Carbon Prices

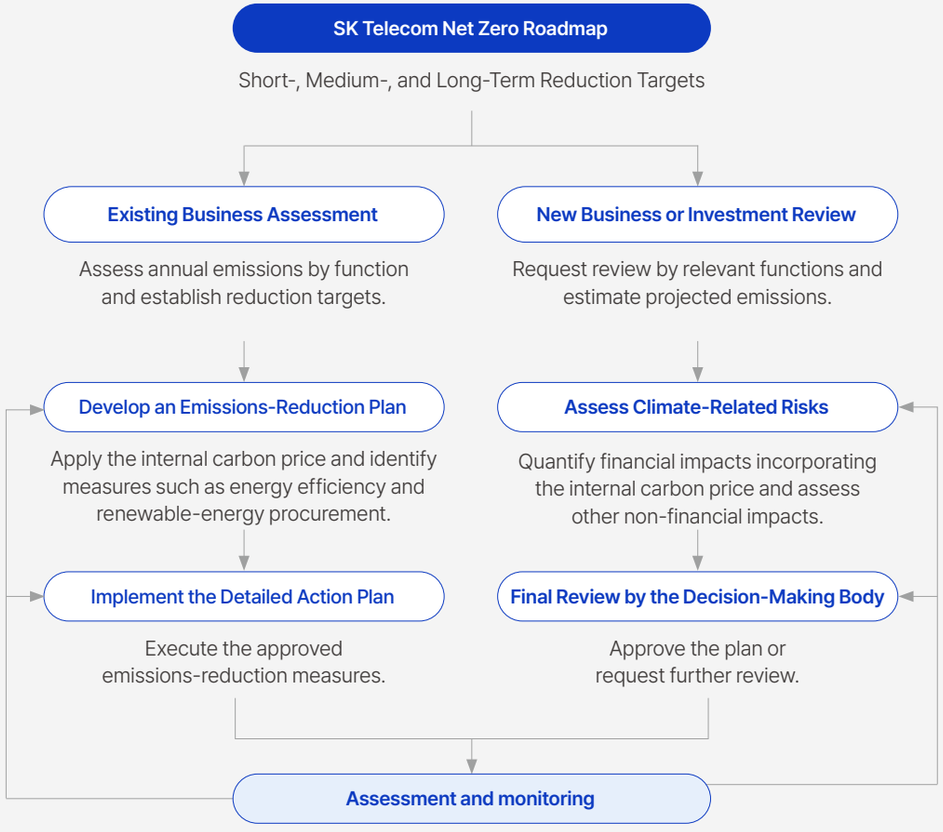
SK Telecom sets its internal carbon prices with reference to the IEA NZE and APS scenarios and adjusts them for its emissions-reduction targets, domestic market volatility, and the practical acceptability of the prices to relevant functions.

Internal Carbon Price[1)] (Unit: KRW per tCO_2e)

Short term	44,000
Medium term	78,000
Long term	150,000

1) The prices represent the average applied in each short-, medium-, and long-term period and may change in response to the 2050 Net-Zero target, implementation plans, and domestic and international policy and market developments. The maximum price is KRW 188,000.

Internal Carbon Price Application Process



Metrics and Targets

Targets

Climate-Target-Related Information

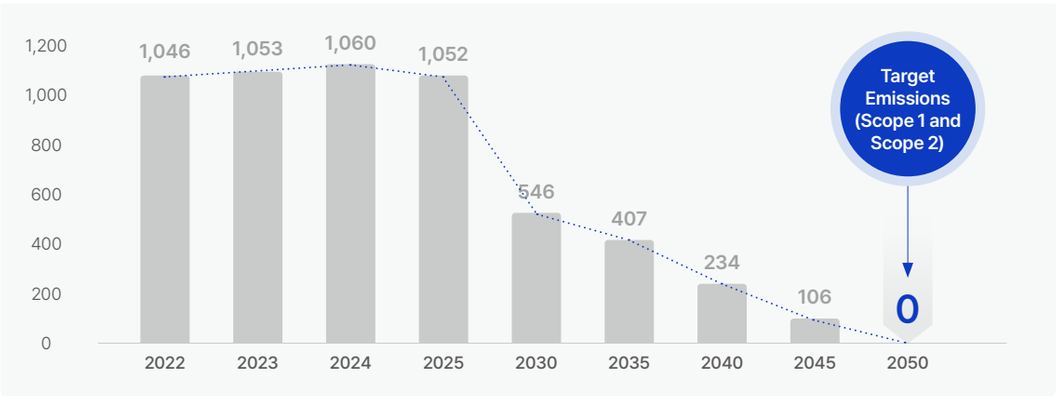
SK Telecom's 2050 Net Zero Target

SK Telecom established a 2050 Net-Zero target in response to the growing global emphasis on GHG reduction and carbon neutrality. To implement the target, the company established an environmental management strategy and joined RE100. As a near-term milestone, SK Telecom aims to reduce Scope 1 and Scope 2 emissions by 47.7% and Scope 3 emissions by 22.3% by 2030 from a 2020 base year. By 2050, it plans to achieve zero market-based Scope 2 emissions — which account for approximately 99% of total emissions — through energy-efficiency measures and renewable electricity under RE100, and to offset residual emissions that cannot be further reduced. It also plans to reduce Scope 3 emissions by 66.9% from the 2020 base year by 2050.

SK Telecom's 2030 market-based Scope 1 and Scope 2 emissions target is 0.55 million tCO_2e, a reduction of 0.5 million tCO_2e from 1.05 million tCO_2e in 2025. To achieve the target, the company plans to minimize electricity consumption through Single-RAN deployment, AI-based power-saving technologies, and shared 5G networks, while increasing the renewable-electricity share through Green Premium purchases, external procurement agreements such as PPAs, and on-site solar generation. SK Telecom reviews its annual emissions-reduction plan and plans to refine the Net-Zero Roadmap in response to evolving climate-related issues and market conditions.

SK Telecom 2050 Net Zero Roadmap — Market-Based

(Unit: thousand tCO_2e)



Information Related to Greenhouse Gas Emissions Targets

Greenhouse Gas Reduction Efforts

SK Telecom implements a range of measures to reduce GHG emissions and energy consumption, including network-equipment consolidation, development and deployment of high-efficiency telecommunications equipment, replacement of aging cooling systems, adjustment of heating and cooling in office buildings, and an increase in the share of environmentally friendly company vehicles[1]. It also became the first telecommunications company in Korea to receive government recognition for a GHG-reduction methodology in the telecommunications sector. However, despite these efforts, greenhouse gas emissions continue to increase annually due to the inherent characteristics of the telecommunications industry. Given the structural characteristics of the industry, the company continues to invest in energy efficiency, renewable energy, and other emissions-reduction technologies to address electricity use, which accounts for approximately 99% of total emissions. SK Telecom was the first company in Korea to join RE100, discloses its progress annually through CDP, and plans to transition 100% of its electricity use to renewable electricity by 2050.

1) In 2025, SK Telecom operated 180 environmentally friendly vehicles, representing 62.9% of the total 286 company vehicles. SK Telecom also installed 101 electric vehicle charging stations at 23 office buildings nationwide, including SK T-Tower.

Securing Carbon Credits

Since 2018, SK Telecom has distributed high-efficiency cookstoves to communities in developing countries in Southeast Asia to generate carbon credits and plans to continue the project through 2030. In collaboration with SK Rent-a-Car, it began an EV-based domestic GHG-reduction pilot project on Jeju Island in 2020, expanded it nationwide in 2023, and obtained final approval from the Ministry of Environment as an external GHG-reduction project using electric vehicles. The project quantifies and certifies GHG reductions associated with 280,000 EVs that SK Rent-a-Car plans to purchase and operate under its K-EV100 Roadmap. The ten-year project runs through 2033 and is expected to generate approximately 390,000 tCO_2e of GHG reductions for the two companies. OBD (On Board Diagnostics) devices installed in the EVs transmit total distance traveled and cumulative battery-charging data, while SK Telecom's dedicated IoT network and Cat.M1 based monitoring technology are used to quantify reductions relative to comparable internal-combustion-engine vehicles.

Metrics and Targets

Targets

Information Related to Greenhouse Gas Emissions Targets

Energy Consumption Reduction

SK Telecom implements measures to reduce energy consumption and support the development of the future energy industry, including expanding renewable-energy facilities. Energy data cover 42 major business sites and exclude subsidiaries and the supply chain. Consumption is managed in accordance with Korean ETS emissions-calculation and reporting guidance and compiled from energy-use statements provided by energy suppliers. Energy intensity is calculated by dividing total energy consumption by SK Telecom's stand-alone revenue. Performance data for free-cooling systems and renewable-energy generation are compiled from measured data and renewable-energy procurement records.

SK Telecom has implemented measures including improved heat dissipation from main and ancillary equipment to reduce cooling-energy use, consolidation of base stations, repeaters, and other network equipment, and replacement of aging cooling systems. Furthermore, given the structural characteristics of the industry, indirect energy consumption from electricity use accounts for 99% of the total, and SK Telecom continues its dedicated efforts to enhance energy efficiency.

It is also strengthening energy management at office buildings through network-architecture improvements and network streamlining, jointly developing and managing energy-efficiency indicators with equipment manufacturers, and conducting R&D on technologies such as immersion cooling. In addition, Korea's three mobile network operators — SK Telecom, KT, and LG Uplus — divide responsibility for network deployment in sparsely populated rural and fishing areas and share the resulting networks. This approach reduces duplicative infrastructure investment and contributes directly to lower electricity consumption and GHG emissions.

SK Telecom continues to implement energy-consumption reduction measures. However, telecommunications is a critical infrastructure industry subject to direct and indirect government regulation, and the continued expansion of network equipment is necessary to maintain reliable service. Because equipment cannot be suspended at the company's discretion, the sector is subject to a structural constraint that can increase energy consumption. Following the introduction of 5G, substantial equipment was deployed over a relatively short period to maintain service quality and coverage. As a result, SK Telecom's energy consumption increased by 0.5% year on year in 2025.

Expansion of Renewable Energy Use

To increase its use of renewable electricity, SK Telecom has installed 4.9 MW of on-site solar-generation capacity for self-consumption on unused areas at office buildings, base-station rooftops, parking facilities, and other sites nationwide. These facilities generated 5,565 MWh in 2025. Following Green Premium purchases of 209.2 GWh in 2023 and 232 GWh in 2024, the company entered into a Green Premium contract with KEPCO covering 284 GWh of renewable electricity in 2025, equivalent to 11.4% of total electricity consumption. Given current policy support and market conditions in Korea, SK Telecom assesses the Green Premium program as the most cost-effective short-term RE100 implementation option relative to PPAs and renewable energy certificates (RECs). It plans to monitor policy and market developments and use an appropriate combination of Green Premium purchases, PPAs, RECs, and other options to meet its RE100 commitment.

In June 2024, SK Telecom entered into a 50 MW renewable power purchase agreement with SK Innovation E&S. Under the agreement, it plans to procure approximately 64 GWh of renewable electricity annually from July 2027 through June 2047. The company plans to pursue additional PPAs while recognizing challenges arising from uncertainty in Korea's electricity and renewable-energy markets and limited renewable-energy supply. The current PPA framework permits PPAs only for high-voltage loads; consequently, SK Telecom cannot cover the low-voltage telecommunications loads installed nationwide through PPAs. The company has therefore requested that the government, the Korea Electric Power Corporation (KEPCO), and the Korea Power Exchange (KPX) amend the framework to extend PPA eligibility to low-voltage loads.

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Environmental Management

Environmental Management Strategy

SK Telecom recognizes environmental issues, including climate change, as material matters for key stakeholders, including customers and investors, and as factors that can materially affect corporate value. In particular, stakeholders, most notably institutional investors, are calling for concrete responses to the climate crisis. To respond to these expectations, the CEO announced SK Telecom's "2050 Net Zero[1]" target at the 2022 Annual General Meeting of Shareholders and committed the company to reducing greenhouse gas (GHG) emissions. Based on this target, SK Telecom is advancing a company-wide green transition. In addition, SK Telecom shares its environmental management activities through its website and social media channels to raise the awareness of both internal and external stakeholders regarding its environmental management policy and environmental impacts.

SK Telecom Environmental Management Policy

To achieve its 2050 Net-Zero target, SK Telecom has established an environmental management strategy comprising three strategic priorities: climate-change response, enhancement of the Environmental Management System (EMS), and the fostering of a Green Culture. The company manages GHG emissions and monitors water use and waste generation and treatment data to address climate change, conserve natural capital, and advance a circular economy. SK Telecom also continues to obtain environmental management system certifications and to develop eco-friendly products and services. Meanwhile, Net-Zero-related KPIs apply to the CEO and relevant business-unit managers. Financial compensation is linked to performance against ESG KPIs, including climate-change response, to strengthen management accountability and implementation. In addition, SK Telecom actively promotes a range of eco-friendly activities in which employees participate, such as turning off meeting-room lights after use, deleting old emails, and water-saving campaigns in restrooms and showers, thereby working to establish and spread a company-wide green culture.

1) Net zero is achieved when the net balance of GHG emissions and GHG reductions equals zero.

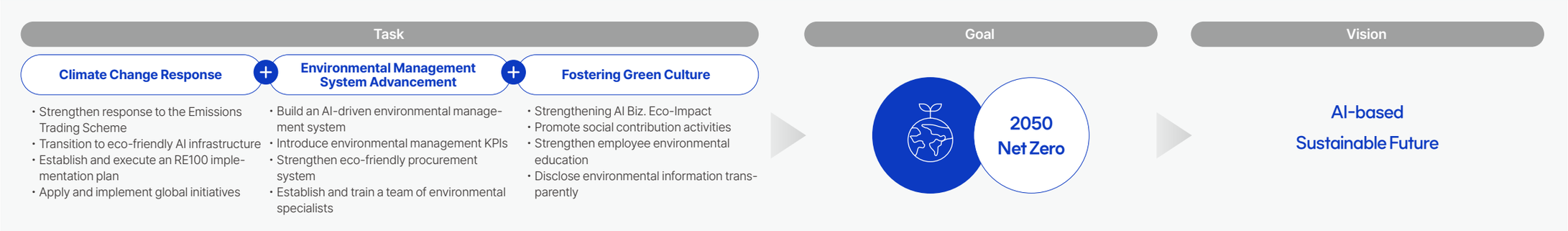
Environmental Management Training

Once a year, SK Telecom provides online environmental management training to all employees, including executives and operational staff, to strengthen operational capabilities for addressing climate change and mitigating adverse climate- and environment-related impacts. The training addresses the company's impacts on the environment and dependencies on nature across climate, water, waste, biodiversity, and circular-economy topics. In 2025, 86.4% of employees assigned the training completed it.

Key Content of the 2025 Environmental Management Training

- SK Telecom's environmental management system and strategy
- Climate change response
  - Company's carbon emissions, energy consumption status, and targets
  - Climate change response efforts and related external disclosure activities
  - Emphasis on the importance of improving energy efficiency and a code of conduct to promote energy-saving culture
  - Current status and management system for natural capital (water, waste, circular economy, etc.)

Environmental Management Strategy Framework



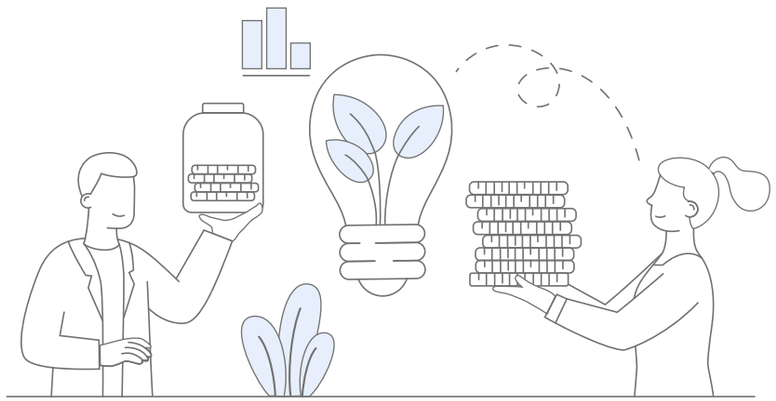
Natural Capital

Governance

Natural Capital Conservation System

SK Telecom recognizes risks related to natural capital conservation as material. These risks are integrated into the company's broader risk management processes and prioritized through its materiality assessment. The assessment comprises analysis of the internal and external environment, identification and development of an issue pool, materiality assessment, and selection of material topics for reporting. In addition, when risks and opportunities related to natural capital conservation are identified, SK Telecom reports them to the Head of the GC Center, who oversees ESG. Taking into account the impact of these natural capital conservation risks and opportunities on SK Telecom and the results of the materiality assessment, SK Telecom makes decisions on setting organizational performance targets, on implementation and performance monitoring, and on whether to carry out key action plans.

The Head of the GC Center, who oversees ESG, decides non-material matters, while material matters are escalated to the CEO as needed. The CEO decides material matters, and critical matters are escalated to the Board of Directors and the ESG Committee for decision.



Decision-Making Process for Natural Capital Conservation[1)]

ESG Committee	Decision-making on natural capital risks and opportunities for key issues	• Decision-making on natural capital risks and opportunities with significant impact on SK Telecom
CEO	Decision-making on material natural capital risks and opportunities	• Decision-making to respond to natural capital conservation risks and opportunities • Critical issues with significant impact on business and finance are reported to the ESG Committee
Head of the GC Center	Review of and decision-making on natural capital risks and opportunities	• Reports to the CEO when natural capital conservation risks and opportunities have material impact on SK Telecom • Makes decisions on the direction of response when the impact of natural capital conservation risks and oppor tunities is not material
Sustainability Management Office (w/ relevant company-wide organizations)	Identification and assessment of natural capital risks and opportunities	• Monitors natural capital conservation risks and opportunities • Analyzes the impact of identified natural capital conservation risks and opportunities on SK Telecom (materiality assessment)

1) Reporting takes place as needed, including through monthly ESG management briefings.

Strategy

Natural Capital Conservation Policy

SK Telecom implements its environmental policy in accordance with the Net Positive Impact (NPI) principle, which guides investments and activities related to the conservation, restoration, and enhancement of natural capital. SK Telecom has participated in the Korea Business Council for Sustainable Development (KBCSD) since 2007 and in the Business N Biodiversity Platform (BNBP), established in 2016 by KBCSD and the Ministry of Environment. It also participates in the Natural Capital Disclosure Support Alliance, launched in 2025, to support preparedness for and broader adoption of natural-capital disclosure.

Natural Capital Conservation Policy

Deforestation Prevention Policy

SK Telecom has established policies to prevent deforestation and expand forests as a means of mitigating climate change. Wildfires caused by climate change are not only a significant climate-related risk with potential financial impacts over the short, medium, and long term, but also a serious threat to natural capital conservation. In particular, the increasingly large-scale wildfires of recent years have in some cases directly damaged SK Telecom's telecommunications equipment. In response, SK Telecom is building an emergency communications network for early wildfire monitoring through agreements with local governments and the Korea Forest Service, and to prepare for communication outages caused by base stations being completely destroyed, SK Telecom is establishing a mobile communication system in cooperation with the National Fire Agency. SK Telecom is also reviewing afforestation projects under Green Asset, one of its three Green strategies for the 2050 Net-Zero target. The company is assessing afforestation as a potential means of addressing residual GHG emissions remaining after energy-efficiency improvements and renewable-energy use, including the potential to generate emissions-reduction credits while supporting forest conservation.

Deforestation Prevention Policy

Natural Capital Conservation Activities

SK Telecom reviews appropriate mitigation measures based on the identified risks and their materiality. When a proposed base-station site falls within an ecological and landscape conservation area, wildlife protection area, or UNESCO World Heritage site, SK Telecom seeks to avoid the area through alternative siting or to minimize impacts by using existing facilities within the area. During construction and operation, the company reviews and applies new methods and materials to reduce wildfire risks associated with its infrastructure and limit damage to surrounding areas. It is installing flame-retardant and fire-resistant materials and fire-suppression systems at facilities in mountainous areas and is developing methods to move externally exposed components inside infrastructure facilities.

SK Telecom is carrying out a 5G shared network project jointly with the other two major telecommunications operators and the Ministry of Science and ICT. Through the 5G shared network project, SK Telecom contributes to conserving natural capital and reducing forest disturbance by reducing duplicative investment in mobile-network facilities and repeated construction and maintenance in rural and forested areas.

SK Telecom is also developing and applying methods to increase the recycling rate of resources at the dismantling stage. For example, it produces camouflage screens by recycling its own waste antennas and equipment, and it collects and repairs waste cable drums to re-supply and reuse them at optical cable manufacturers. Through these efforts, in 2025 SK Telecom recycled approximately 17 tons of plastic generated from waste antennas and reused 3,046 waste cable drums (wooden drums with an average weight of 51 kg) an average of two times each. In addition, of the optical cables generated during dismantling, 1,295 km of good-quality optical cable were reused.

Strategy

Biodiversity Conservation

As part of its eco-friendly social contribution activities, on March 31, 2025, marking SK Telecom's 41st anniversary, more than 110 SK Telecom executives created the "Forest of Books" on a 450 m² (approx. 135 pyeong) site within Seoul Forest. In the "Forest of Books," as part of activities to protect the population of endangered plants (nationally protected species) and to conserve their habitats, SK Telecom planted 280 Abeliophyllum distichum (Mi-seon-na-mu, IUCN Red-list : EN) and 210 Hosta yingeri S.B.Jones (Heuk-san-do-bi-bi-chu, IUCN Red-list : LC) with a total of 3,416 trees including Umbrella pine, Oriental arborvitae, Mountain hydrangea, and Korean mock orange. In 2026, SK Telecom renewed the garden and participated in the 2026 Seoul International Garden Show.

In addition, in April 2026, SK Telecom carried out tree-planting to create a "Forest of Peace in Wildfire-Damaged Areas" in the Pungcheon-myeon area of Andong, a region in urgent need of ecosystem restoration following large-scale wildfires. About 100 employees and family members of SK Telecom and Yuhan-Kimberly voluntarily participated in this event. Participants planted a total of 1,500 trees, including rare species designated by the Korea Forest Service, such as Japanese raisin tree (a food source for honeybees), white forsythia, and yellow-patterned iris, helping to restore the forest ecosystem.

Establishing a Comprehensive Partnership with Yuhan-Kimberly

To accelerate its response to the climate crisis and the conservation of biodiversity, in September 2025, SK Telecom signed a comprehensive memorandum of understanding (MOU) to strengthen ESG practices with Yuhan-Kimberly, a leading company in environmental ESG, and Peace Forest, an NGO specializing in forest restoration. The agreement aims to create long-term value across multiple areas, including the restoration of wildfire-damaged areas, the establishment of an in-house resource circulation system, and cooperation on eco-friendly campaigns, by combining the infrastructure and eco-friendly management capabilities of the two companies.

Operating Electronic Billing and Mobile Membership

By replacing paper bills with electronic bills, SK Telecom helps reduce the risk of personal information exposure and paper waste. As of the end of 2025, total users of electronic bills reached 23.32 million, representing an adoption rate of approximately 94%, maintaining a steady upward trend since the introduction of app-based billing. In addition, SK Telecom contributes to reducing carbon emissions by fully replacing plastic cards previously issued to T Membership customers with mobile eco-cards. Based on an internal analysis[1)], replacing T Membership plastic cards with mobile eco-cards reduced annual plastic use by more than 6.6 metric tons and associated carbon emissions by an estimated 14.9 metric tons.

1) Each T Membership card uses approximately 4.88 g of plastic and is associated with an estimated 11 g of carbon emissions.

Pursuing a Five-Year Project for Scientific Forest Restoration and Biodiversity Conservation

SK Telecom and Yuhan-Kimberly have established a long-term project to plant a total of some 10,000 trees over five years, through 2030, in the Andong area of North Gyeongsang Province, where ecosystem restoration due to wildfire damage is urgently needed. To support evidence-based implementation, SK Telecom is collaborating with Inverlab, an ecosystem-restoration technology startup, to conduct drone surveys of the restoration sites, assess damage conditions, analyze ecosystem characteristics, and develop an efficient forest-restoration model. In particular, to maximize carbon-reduction effects and restore the biodiversity of the local ecosystem, SK Telecom has adopted and is pursuing a multi-species planting approach centered on rare and nectar-source plants designated by the Korea Forest Service (Japanese raisin tree, white forsythia, yellow-patterned iris, etc.).

Water Resource Management

According to ENCORE[1)]'s industry classification, SK Telecom falls within the "Wireless telecommunications activities" sector and is assessed as having a relatively low impact associated with water-use volume. Indeed, among the facilities operated by SK Telecom, there are no facilities that directly use water for product manufacturing. In most cases, water is used primarily for the daily activities of office employees and for building heating and cooling.

SK Telecom incorporates water-use targets into the environmental objectives of its ISO 14001-certified Environmental Management System and centrally manages performance across 27 office buildings. Water use is calculated monthly for each building based on utility bills and consolidated by the corporate coordinating function into monthly and annual performance data. Subsidiaries and supply chain data are outside this reporting boundary. Water intensity is calculated by dividing total water use by SK Telecom's standalone revenue. For internal management, and with reference to CDP's Technical Note on Water Accounting, SK Telecom applies the following definitions. Water withdrawal comprises municipal water supplied by regional utilities as third-party sources and groundwater withdrawn on-site. Water discharge is the volume discharged to municipal sewer systems as third-party destinations and is generally equal to withdrawal. At certain sites, evaporation losses, including those from cooling towers, are measured separately and excluded from discharge. For this report, SK Telecom treats water use as equivalent to water withdrawal[2)], and calculates water consumption as water withdrawal minus water discharge.

1) ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) is a tool developed by Global Canopy, UNEP FI, and UNEP-WCMC to assess sectoral dependencies on and impacts on nature.
2) All municipal water and groundwater withdrawn by SK Telecom are classified as fresh water, which is immediately available for use and is utilized for domestic water and heating and cooling water within office buildings. Accordingly, water withdrawal and water use are treated as equivalent.

Risk Management

Natural Capital Conservation Risk Assessment

To provide telecommunications services, SK Telecom builds and operates network infrastructure through the design, construction, operation, and decommissioning stages. Throughout this process, SK Telecom applies the TNFD[1] LEAP[2] (Locate, Evaluate, Assess and Prepare) approach, adapted to its operating context, to conserve natural capital and prevent deforestation throughout the design, construction, operation, and decommissioning of network infrastructure.

At the design stage, SK Telecom analyzes the value chain to identify proposed infrastructure locations and the activities conducted at those locations. Where an activity or proposed location is assessed as material and potentially high-impact from a natural-capital conservation or deforestation-prevention perspective, SK Telecom reviews and implements mitigation measures while minimizing adverse effects on customer service quality.

1) TNFD is a global initiative involving governments and institutions that supports efforts to prevent nature loss, restore ecosystems, and disclose nature-related financial information.
2) LEAP stands for Locate, Evaluate, Assess and Prepare, the TNFD approach for assessing nature-related dependencies, impacts, risks, and opportunities.

Natural Capital Conservation Risk Assessment Process

Design

Locate the value chain
- Identify the scope of the organization's activities
  - Classified according to direct operations, areas adjacent to direct operations, upstream, and downstream

Select priority areas
- Identify relevant biomes and ecosystems
  - Ecosystem services and assets related to organizational processes
- Select priority areas
  - Ecosystem conservation status
  - Materiality of natural capital
  - Water stress
  - Organization's potential dependencies and areas of impact

Construction

Identify dependencies and impacts
- Identify dependencies and impacts
  - Use the ENCORE tool to identify the relevant sector's dependencies and impacts at high/medium/low levels

Identify and assess risks and opportunities
- Analyze risks and opportunities
- Conduct (future) scenario analysis

Operation

Set targets
- Identify target subjects
- Select indicators for quantitative target -setting
- Set baselines and targets

Decommissioning

Mitigation measures
- Implement mitigation measures to achieve targets
  - Avoid
  - Reduce
  - Restore and regenerate
  - Transform

Monitoring and verification
- Monitoring, reporting, and review processes

Example of Natural Capital Conservation Risk Assessment

SK Telecom Activities	Activity Location (Administrative District)	Site Assessment		Regional Characteristics / Dependency / Impact	Materiality & Risk Assessment Results	Mitigation Measures
		Ecological Landscape Conservation Area?	Wildlife Protection Area?			
Providing 5G service in the Namsan area of Seoul	Yejang-dong, Jung-gu, Seoul, South Korea	O	X	Namsan pine forest area characterized by a developed Quercus mongolica community	High	Conservation area avoidance facility
Providing 5G service in the Donggang area	Mitan-myeon, Pyeongchang-gun, Gangwon Province, South Korea	O	X	Habitat of endangered species such as otters and musk deer	High	5G shared network
Aging-antenna replacement project	Nationwide	X	X	Waste generated from replaced antennas	Medium	Waste recycling
Enhancing 5G quality of Seoul Subway City Hall Station platform	Seosomun-ro, Jung-gu, Seoul, South Korea	X	X	Equipment installation within urban facilities (no impact)	Low	-

Metrics and Targets

Metrics

Water Use

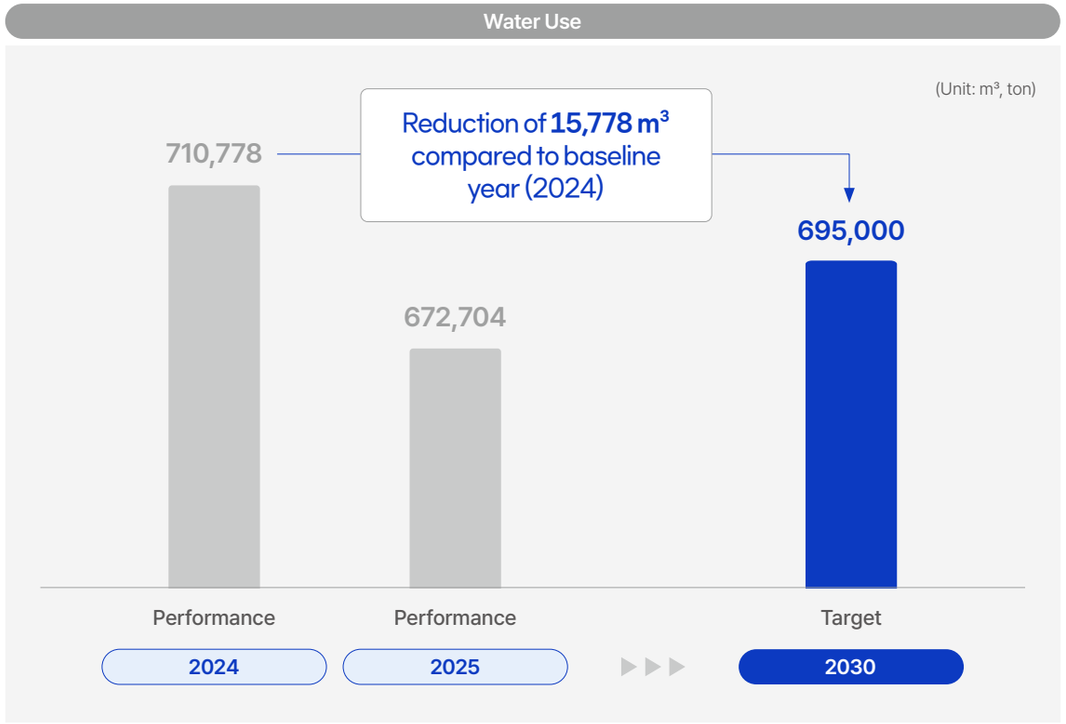
In 2025, water withdrawal (= water use) was 672,704m^3, a 5.4% decrease from the previous year, which is attributed to a decrease in the number of on-site office workers. SK Telecom is undertaking a range of initiatives to reduce water withdrawal, including adjusting water supply, wastewater discharge, and evaporation volumes to operate the appropriate number of building cooling towers, and installing water-saving valves in restrooms and shower facilities. SK Telecom has also planned water-saving campaigns for employees and promoted the importance of water conservation. In addition, SK Telecom has installed gray water (water-recycling) facilities at five locations, including its T-Tower headquarters. Furthermore, SK Telecom has installed separate rainwater-collection facilities and reuses 2 tons of rainwater annually for cleaning and maintenance purposes.

SK Telecom's water-use data are subject to independent third-party verification. In 2025, water discharge totaled 649,440m³ and water consumption totaled 23,264m³. Most water consumption was attributable to cooling-tower operations.

SK Telecom has set a management target to continuously reduce water use from 2024 onward, aiming to reach 695,000m³ by 2030, which would be a reduction of 15,778m³ from the 2024 baseline-year figure.

Targets

2030 Water Use Target



Circular Economy

Governance

SK Telecom has established a company-wide circular-economy governance framework. Defined roles and responsibilities are assigned to the decision-making bodies, the strategy and coordination function, and the implementing functions. The framework is strengthened by monitoring relevant regulations and risks and reflecting them in the strategic direction for circular-economy initiatives.

Background

As regulatory and market responses to environmental and resource constraints intensify, the circular economy is becoming a core component of global regulation and industrial transformation. Major jurisdictions are introducing mandatory requirements relating to resource recovery, product-life extension, and higher recycling rates. These developments create regulatory risks while also presenting opportunities to strengthen industrial competitiveness.

To respond, SK Telecom established ECO-LOOP TF, a cross-functional task force comprising major business units and SK Broadband, to oversee resource-circularity risk management and coordinate implementation.

The task force identifies risk factors and areas for improvement related to resource circulation, and incorporates tasks tailored to business characteristics into policies and implementation systems. Through the promotion of various initiatives such as resource recovery, recycling, and circular service design, the resource circulation process is improved. In addition, by working closely with individual organizations, a culture of practicing the circular economy is being established.

SK Telecom is advancing its circular economy strategy not merely as a risk management tool, but as a driver of core business competitiveness and long-term sustainability. By centering on dedicated governance, SK Telecom will enhance execution capabilities and drive both company-wide process innovation and operational efficiency.

Decision-Making Bodies

The Board of Directors and its ESG Committee serve as the highest-level decision-making bodies for the circular-economy strategy. They conduct final reviews of key circular-economy matters and deliberate on and approve major initiatives. They also make strategic decisions on key risks and issues, establish the mid- to long-term direction, and monitor the performance of major initiatives. In this capacity, they play a central role in providing overall direction and oversight for the circular-economy strategy.

Implementation Organization

The circular economy Implementation Organization comprises the Sustainability Management Office and relevant Task Force. It develops the circular economy strategy and serves as the central coordinating body for cross-functional collaboration among the implementing functions. Its responsibilities include facilitating interdepartmental collaboration and initiative execution, managing risk identification and reporting processes, and monitoring initiative performance. It also ensures alignment with the company-wide strategy by integrating circular economy initiatives with internal activities such as resource conservation and operational efficiency. In particular, the ECO-LOOP Task Force identifies and refines initiatives tailored to the characteristics of each business and the circumstances of individual functions, while managing key issues and risk factors.

Execution Organization

The circular economy execution organization consists of relevant departments and field organizations, which collaborate with the implementation organization to carry out circular economy tasks and deliver results. These units identify risks that may arise during task execution, lead improvement activities, and continuously propose response measures and new task ideas, thereby strengthening the execution of the strategy. The execution organization collaborates with the implementation organization and provides performance data for evaluation and ongoing refinement of strategies. By doing so, the execution organization supports the systematic execution of strategies.

Circular Economy Governance

Circular Economy Governance		Key R&R
Decision-Making Body	Management & Board of Directors (ESG Committee)	• Decision-making on key circular-economy matters and major issues/risks • Deliberation and approval of major tasks • Setting the direction of circular-economy strategy and overall management/monitoring
Implementation Organization	Sustainability Management Office & Task Force	• Establish circular-economy strategy and operate annual execution plans • Support task execution, review task performance, and coordinate cross-departmental collaboration • Identify risks and operate a reporting system
Execution Organization	Relevant Departments	• Execute business- and department-specific tasks and deliver outcomes • Review and assess risks on-site • Evaluate task effectiveness and propose improvement ideas

Strategy

Policy

To proactively respond to the rapidly changing business environment and create sustainable value, SK Telecom positions the circular economy as a key driver of future growth and a core pillar of corporate sustainability. While proactively addressing global challenges such as resource depletion, environmental crises, and tightening regulations, SK Telecom has established a new strategic policy direction to lead the transition toward a circular economy through ICT-based technological innovation.

SK Telecom's circular economy aims to systematically refine resource flows to simultaneously secure both resource efficiency and core business competitiveness. The company is driving sustainable change through AI- and data-enabled operational innovation, service development that integrates circular values, ecosystem building in collaboration with all stakeholders, and the creation of a culture that fosters voluntary practice.

Currently, SK Telecom's circular economy strategy has been expanded across the entire company and is delivering tangible outcomes through execution strategies tailored to the distinct characteristics of each business area. Moving forward, SK Telecom will continue to internalize circular economy principles as a core element across its overall management, maximizing resource value, creating new growth opportunities, and further solidifying its distinctive ESG management culture.

Strategy Framework

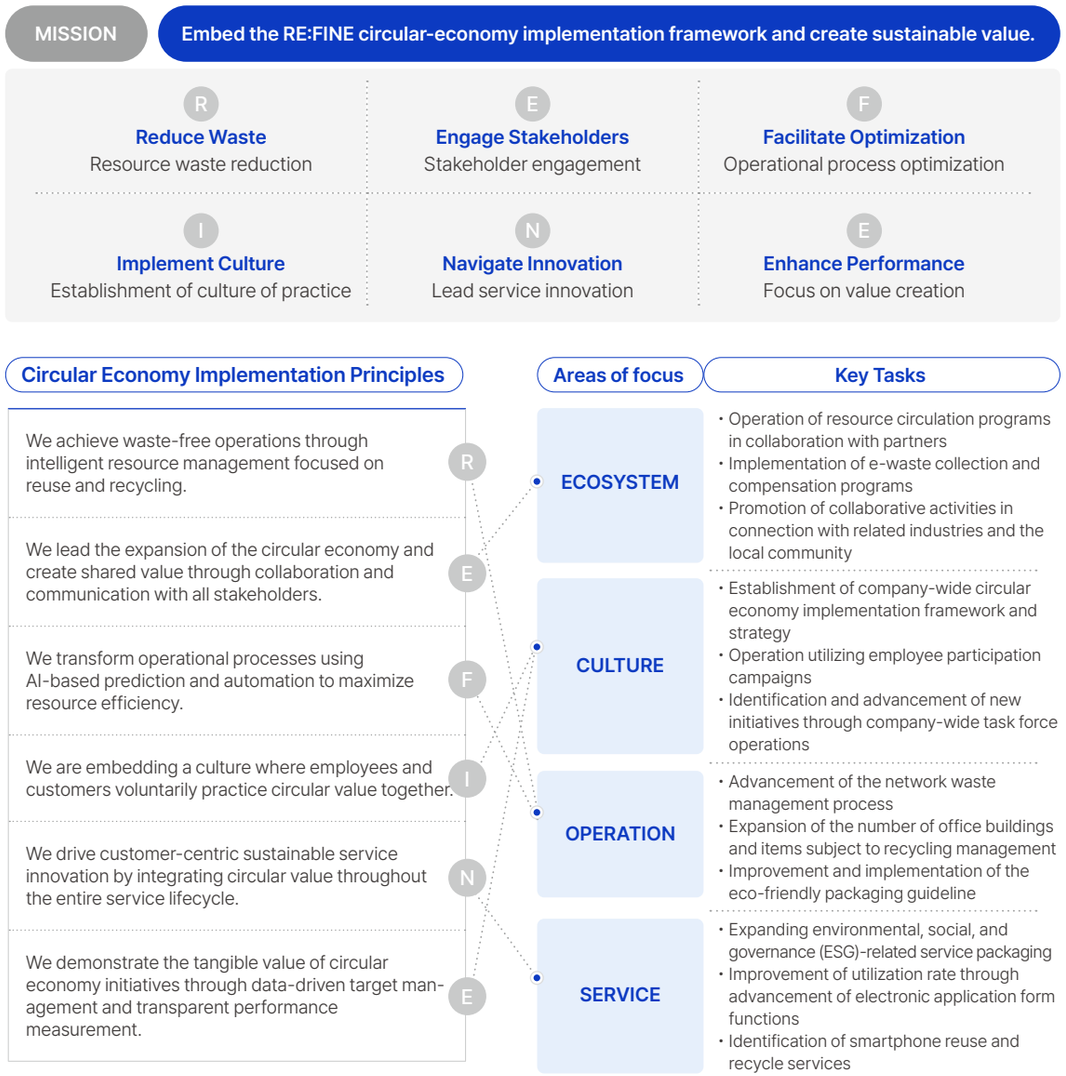
SK Telecom is implementing its company-wide circular-economy strategy, RE:FINE. The name combines "RE:," reflecting circular-economy actions such as Reuse, Recycle, and Reduce, with "Fine," signifying the systematic refinement of operations. The strategy is designed to improve resource flows and strengthen sustainable competitiveness through an integrated implementation framework encompassing operational innovation, stakeholder collaboration, service improvement, and a culture of action.

By implementing the RE:FINE strategy, SK Telecom aims to drive the internalization of the circular economy execution framework, create sustainable value, and strengthen the company's fundamental competitiveness.

Implementation Principles

SK Telecom's RE:FINE strategy is an acronym for Reduce Waste, Engage Stakeholders, Facilitate Optimization, Implement Culture, Navigate Innovation, and Enhance Performance, representing six key implementation principles for advancing the circular economy. Each of these principles is systematically linked to four core areas — ecosystem, organizational culture, operation, and service — as well as to specific action items within each area.

Circular Economy Strategy Framework



Strategy

Waste Management

According to ENCORE's industry classification, SK Telecom falls within the "Wireless telecommunications activities" sector and is assessed as having a relatively low impact associated with solid waste. Currently, none of SK Telecom's facilities are used for product manufacturing. Instead, they are primarily used as offices, research centers, sports facilities, and training centers to support the provision of telecommunications services.

SK Telecom recognizes the importance of waste management and applies data-driven management to reduce waste generation. Its Environmental Management System is certified to ISO 14001 and governs the company's waste-management processes. The Environmental Management Manual, the Environmental Management Manual for SK Telecom Office Buildings, and the Waste Management Guidelines establish a consistent company-wide framework. Site-level waste data are compiled and analyzed monthly. Separately from EMS certification, consolidated waste data are subject to annual independent third-party verification, including on-site checks. The central coordinating function reviews annual performance, sets targets for the following year, and identifies improvement measures.

Since 2024, SK Telecom has expanded its data-collection and management scope to include waste from network infrastructure. Network equipment is retired from service when it is no longer used due to service termination, the end of its useful life, or malfunction. It is then sold for reuse outside the company, dismantled for recycling, or treated as waste.

Introducing an In-House Resource Circulation System Based on the BI:CYCLE Platform

As a concrete initiative for responding to climate change, SK Telecom introduced Yuhan-Kimberly's resource-circulation platform BI:CYCLE at SK T-Tower. Through this initiative, SK Telecom began operating a circular-economy process that separately collects and recycles used paper hand towels generated in SK Telecom's in-house offices. This served as a practical catalyst for reducing waste and maximizing resource circulation within an everyday business environment. SK Telecom plans to contribute to the creation of environmental and social value based on close partnerships with companies and specialized institutions, and to secure sustainable and quantitative ESG performance.

Performance (October–December 2025)	
Carbon emissions reduced (kgCO_2eq)	3,259.49
Total amount recycled (kg)	2,127.63

Risk Management

Risk Management System

To effectively manage and minimize the potential risk factors that may arise from its circular-economy activities, SK Telecom operates the following risk-management process. During risk identification and materiality assessment, SK Telecom reviews external developments and potential circular-economy risks arising from its business activities and evaluates their materiality and potential impacts.

For material risks, the company establishes measurable KPIs and management targets, monitors company-wide progress, and implements risk-mitigation and improvement plans. This enables the company to establish clear targets and manage progress transparently.

Based on the level and characteristics of the assessed risks, SK Telecom establishes and implements specific improvement plans to mitigate such risks. By continuously reviewing the impact of its business activities and infrastructure on the circular economy and applying the optimal improvement measures, SK Telecom minimizes inefficiencies in resource use and environmental burden.

Identified risks and the status of corrective actions are subject to regular management oversight, and implementation results are reported to senior management and the Board of Directors. Strategic decisions are taken as necessary to strengthen risk controls.

Risk Management Process

Process	Key Action Plan
Risk Identification & Materiality Assessment	• Identify key risks arising from environmental changes such as laws/regulations, declining recycling rates, and global trends • Categorize risks items by business area, including networks and offices • Assess whether risks related to internal executing organizations and suppliers are included
Metrics and Targets Setting	• Set targets for recycling rate, reuse volume, and waste generation • Establish annual and mid- to long-term targets for each metric • Develop integrated metrics that reflect the entire value chain
Development & Implementation of Risk Improvement Plans	• Enhance programs to reduce waste and increase recycling rates • Improve resource-reuse systems and expand upcycling initiatives for each office building • Implement action plans such as identifying new items and solutions to increase recycling rates
Implementation Results Reporting & Circular Economy Strategy Integration	• Report regularly on circular economy metrics and risk response performance • Analyze the causes of unmet metrics and propose improvement measures • Re-adjust strategic tasks and incorporate feedback into company-wide strategy • Promote internal culture by sharing with implementation organizations and stakeholders

Metrics and Targets

Metrics

Waste and Recycling

In 2025, SK Telecom generated 4,463 metric tons of waste, comprising 3,415 metric tons from network infrastructure and 1,048 metric tons from office buildings. Network-infrastructure waste increased from 3,224 metric tons in 2024 due to the scheduled biennial replacement of storage batteries used to maintain network reliability. Office-building waste declined from 1,175 metric tons in 2024 as a result of waste-reduction measures and a change in the government-prescribed volume-to-weight conversion factor for standard waste bags, from 0.2 kg/L to 0.174 kg/L. Because waste is transferred to third-party transport and treatment providers or local-government resource-circulation authorities, SK Telecom cannot directly trace final treatment methods. Based on estimates from the Waste Statistics Yearbook, approximately 3,818 metric tons were recycled, 273 metric tons landfilled, 298 metric tons incinerated, and 73 metric tons treated by unknown methods.

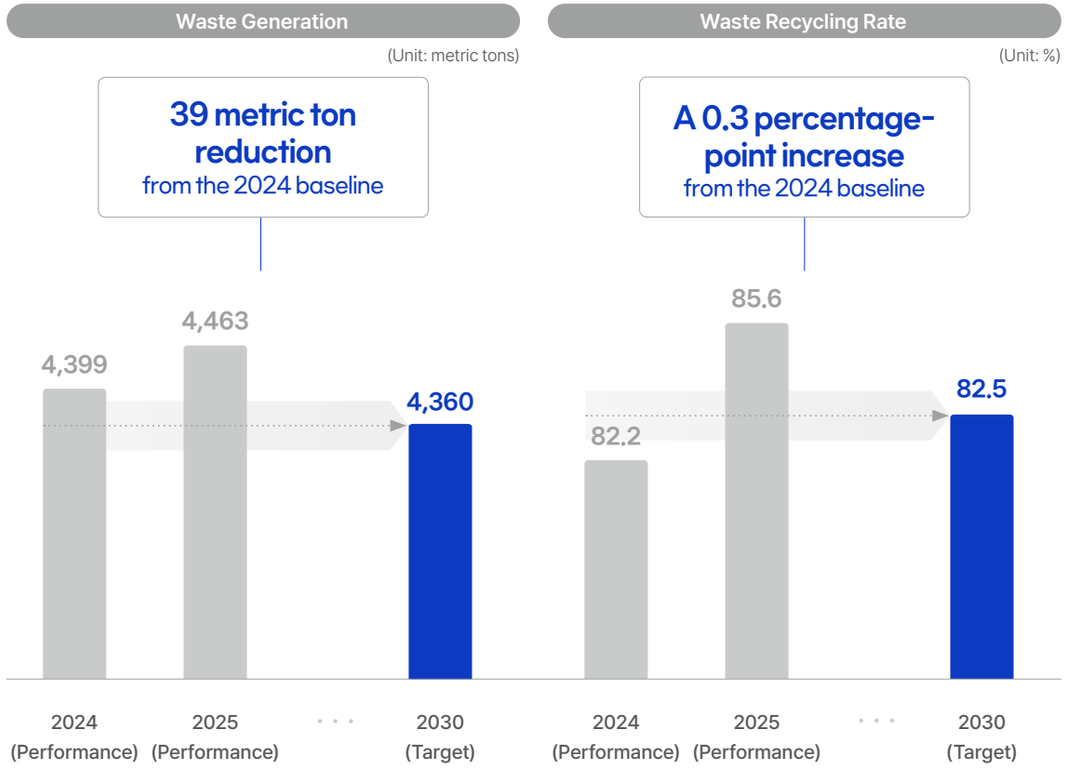
SK Telecom carries out various initiatives to reduce waste generation and increase recycling rates. Since 2021, it has continuously introduced and expanded food waste processors to reduce food waste. In 2025, it invested a budget of approximately KRW 55 million[1)] and operated 14 food waste processors (3 large, 2 medium, and 9 small) across 12 office buildings. As a result, food waste generation decreased from 186 metric tons in 2023, 54 metric tons in 2024 to 56.6 metric tons in 2025.

1) Annual rental cost for 14 food waste processors.

SK Telecom carries out two-stage separate waste collection at office buildings to reduce waste generation and landfill volumes and to increase recycling rates. In the first stage, general-waste and recycling bins are placed together in office areas so that employees can separate recyclable materials at source. And waste-management personnel at each building then conduct a second-stage sort to recover additional recyclable materials from general waste and aggregate them by material type for onward recycling or treatment.

The reported performance and targets cover waste generated at 27 office buildings and four infrastructure divisions nationwide. SK Telecom targets total waste generation of 4,360 metric tons and a recycling rate of 82.5% by 2030. Network-infrastructure waste may vary with regulatory and permitting conditions and with network construction and decommissioning plans associated with service launches and retirements.

2030 Waste Target



Metrics and Targets

Targets

Mid- to Long-Term Circular Economy Targets

SK Telecom has begun full-scale implementation of its RE:FINE circular-economy strategy to strengthen resource circularity and ESG-based competitiveness.

In the short term, SK Telecom aims to establish an implementation foundation and deliver key outcomes across four strategic areas: partner collaboration, employee engagement, operational enhancement, and service transformation. Over the medium to long term, SK Telecom plans to embed these initiatives in company-wide management systems and extend circular-economy principles across the value chain through cross-industry collaboration and customer touchpoints.

SK Telecom aims to become a leader in implementing circular-economy practices across the value chain — from its own operations to external partners and customers — and to develop new growth models based on resource circularity.

SK Telecom is conducting a pilot project with government bodies and relevant institutions to establish a circular-management system for end-of-life telecommunications equipment. The project is intended to track and monitor treatment processes, recover critical minerals from the equipment, and enable their recycling in Korea.

Mid- to Long-Term Circular Economy Roadmap

	Short-term (2025-2026)		Medium- to long-term (2027 onward)	
	Establish the circular economy implementation framework and the foundation for scaling		Scale circular-economy outcomes and establish a self-sustaining operating framework	
ECOSYSTEM Expansion of the circular economy ecosystem	Establishing a foundation for expanding the circular economy ecosystem	**"Establishing a circular economy model in collaboration with partner companies and the local community"** • Joint vendor selection by SK Telecom and SK Broadband to enhance waste management efficiency • Optimization of collection channels for end-of-life device recovery • Planning collaborative activities in connection with related industries and the local community	Advancement of the resource circulation ecosystem	**"Creating synergy through stronger partnerships with stakeholders"** • Joint value creation and distribution through resource circulation in collaboration with partners • Strengthening cooperation with manufacturers to improve the device recycling rate
CULTURE Establishment of a circular culture based on employee engagement and action	Embedding a circular culture based on employee engagement	**"Fostering a culture of voluntary practice"** • Establishment of a circular economy implementation framework and strategy • Advancement of key initiatives and identification of new projects through operation of a company-wide task force • Deployment of participatory circular economy campaigns (e.g., hand towel recycling)	Establishment of a circular culture based on voluntary practice	**"Implementing a culture of practicing the circular economy in daily life"** • Establishment of circular economy targets by department and operation of a performance management system • Continuous development of participatory circular economy campaigns
OPERATION Transition for resource efficiency and operational optimization and action	Resource efficiency enhancement and operational optimization	**" Eliminating inefficiencies and minimizing resource waste across operations"** • Expansion of network waste disclosure and standardization of management process • Establishment of SKT-style eco-friendly packaging guideline • Expansion of recycling management items within office buildings	AI-based resource management advancement and pursuit of zero waste	**"Enhancing predictive management and proactive response through technology"** • Use statutory circular resource recognition schemes to reduce waste disposal. • Promoting the adoption of an AI-based system for predicting equipment lifespan and optimizing replacement cycles. • Set waste generation reduction targets by organizational unit and pursue Zero Waste to Landfill (ZWTL) certification.
SERVICE Integration of circular value across the entire customer experience	Discovering customer experience-oriented circular service models	**"Promoting the development of eco-friendly services and products to enhance customer value"** • Expand the USIM ESG Package and enhance the used-device compensation program. • Enhance electronic application forms and increase their adoption. • Streamline document submissions to government agencies through the PASS app.	Expansion of the circular service portfolio	**"Full-scale implementation of circular services that drive customer engagement and create value"** • Discovering smartphone reuse and recycle services • Applying and expanding the eco-friendly packaging guideline to new products

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Employees

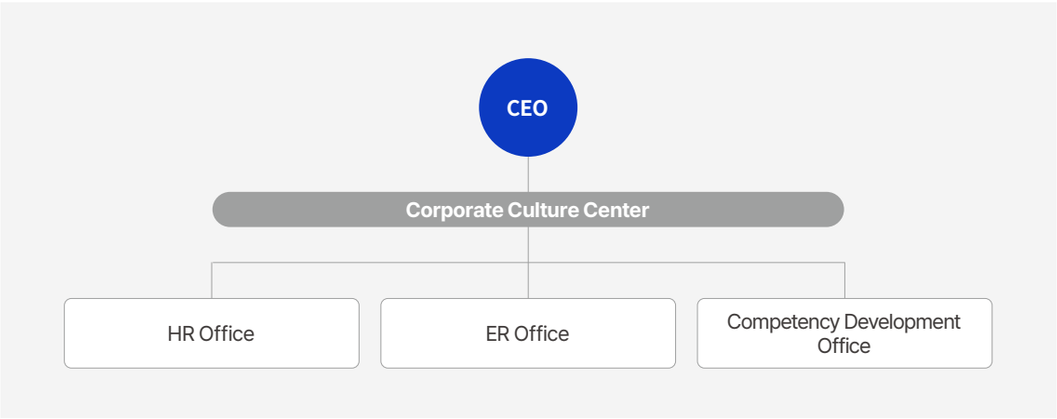
Governance

Oversight of the Decision-Making Body

Responsibilities and Delegated Authority of the Decision-Making Body

SK Telecom aims to restore customer trust and become a sustainably growing company by driving significant changes to lead the AI transformation. To this end, SK Telecom is strengthening its CEO-centered human resources governance. The Head of the Corporate Culture Center, who reports directly to the CEO, oversees the review and decision-making on key HR matters such as talent development and recruitment, while supporting every employee to emerge as a core driver of these changes. The Board of Directors and management have designated as core tasks and actively support the following tasks: development of employees aligned with business strategy, establishment of a leadership system to realize company vision, operation of change management programs, and creation of culture and ecosystem to accelerate AX (AI Transformation). By doing so, SK Telecom aims to transform employee growth into organizational competitiveness. The roles, responsibilities, and delegated authority of the decision-making body concerning employees are specified in the company's internal rule "Company-Wide Common Regulations — Human Resource Management," and are operated in accordance with the relevant regulations and procedures.

Employee Governance



Capabilities of the Decision-Making Body and Future Development Plans

The decision-making body operates around the CEO, who has experience in the telecommunications and AI businesses and in organizational management, and the Head of the Corporate Culture Center, who brings HR expertise. Based on a deep understanding of AI business strategy and the direction of AX transformation, the CEO leads efforts to strengthen the competitiveness of the core telecommunications business and to expand AI-driven new growth businesses such as AI DC and AI B2B, while driving AX transformation and business structure innovation. Drawing on experience in HR, organizational culture, and AX-based organizational innovation, the Head of the Corporate Culture Center carries out talent development, organizational culture innovation, AX competency reinforcement, and enhancement of core talent securing and developing system. SK Telecom's decision-making body plans to provide support so that it can faithfully fulfill its oversight responsibilities based on its expertise.

Method and Frequency of Reporting to the Decision-Making Body

SK Telecom maintains a tightly integrated reporting and decision-making framework between the CEO and the Head of the Corporate Culture Center. On a monthly basis, the Head of the Corporate Culture Center regularly reports to the CEO on key issues and progress across human resources management as a whole — including talent development, securing core talent, organizational culture innovation, and internalizing AX competencies. The CEO then continuously reviews and manages the key directions and action plans for strengthening employee competitiveness and executing AX strategy.

Decision-Making Body's Approach to Key Decisions

In making key human resources decisions, the decision-making body significantly considers the link between changes in the internal and external business environment and SK Telecom's mid- to long-term business strategy. In particular, SK Telecom is conducting a comprehensive review of how external factors — such as rapid shifts in the technology paradigm — impact the company, with a focus on key human-resource-related management priorities.

Governance

Oversight of the Decision-Making Body

Consideration of Trade-offs Between Employee-Related Risks and Opportunities

SK Telecom places greater emphasis on enhancing mid- to long-term corporate value, through internalizing human assets and securing AX competitiveness, than on the short-term costs of strengthening employee competencies and innovating organizational culture. Even for tasks that entail immediate financial burdens, such as large-scale upskilling programs and the establishment of flexible compensation systems, SK Telecom makes decisions in consideration of the strategic benefits gained by preventing the departure of core talent and closing internal capability gaps.

Target Setting and Progress Monitoring

Under the CEO's oversight, SK Telecom reviews key management initiatives and performance outcomes related to human resources. SK Telecom manages the achievement of its human resource strategy targets by monitoring implementation progress toward mid- to long-term targets and evaluating the effectiveness of action plans.

Oversight of Management

SK Telecom designates the CEO as the highest decision-making body to oversee and supervise key matters related to human resources, including talent recruitment and development. Accordingly, for details regarding the roles and responsibilities of management, please refer to the previously described section "Oversight of the Decision-Making Body."

Dedicated Organizations

SK Telecom recognizes the importance of human resources as a key driver of sustainable growth and operates three dedicated departments — HR Office, ER Office, and Competency Office — for effective human resources management. Each Office carries out systematic human resource management and, through mutual cooperation, supports the achievement of organizational goals. The HR Office is responsible for establishing and executing the company-wide human-resources management strategy, including recruitment, performance evaluation, compensation, and workforce planning. The ER Office works to enable smooth communication among employees and to build a positive organizational culture, and it creates a sound and stable working environment by operating the labor-management council and ensuring compliance with labor-related laws. The Competency Office designs and operates a range of development programs for employees' AI, job, and leadership competencies, supporting individual growth and the strengthening of the organization's overall capabilities. SK Telecom will continue to do its utmost, through ongoing improvements to its systems and active investment, to ensure that human resources serve as a key driver of the company's growth.

Key Responsibilities of the Dedicated Organizations

HR Office (Human Resources)	ER Office (Employee Relations)	Competency Office (Competency)
• Operate systematic recruitment process for talent acquisition • Establish an objective, fair, performance-based evaluation/compensation system • Develop strategic workforce plans and efficient workforce allocation • Secure an optimal organizational structure and leadership aligned with company strategy	• Operate and support various channels to facilitate communication among employees • Spread a healthy corporate culture by strengthening fair reward and disciplinary systems • Create work management systems and workforce environments to enhance employee engagement and performance • Establish sound labor management relations through regular wage and collective bargaining and operation of the labor-management council	• Operate employee-development programs and foster a culture to accelerate AX transformation • Analyze competencies by job and develop tailored training programs • Operate leadership-development programs to cultivate future core talent

Strategy

Employee-Related Risks and Opportunities

Identification of Employee-Related Risks and Opportunities

SK Telecom identifies employee-related risks and opportunities that affect the company's sustainability. SK Telecom analyzes the effects on overall management and manages them by classifying the expected time horizons of these effects into short, medium, or long term.

As for risks, SK Telecom primarily identified a growing need to transition workforce capabilities to support AX. With the expansion of AI business strategy and new ventures such as AI DC and AI B2B, securing AX capabilities is becoming increasingly important. In addition, SK Telecom identified the rising importance of AI governance and organizational change management. Along with the expanded utilization of AI, the importance of data, security, and AI governance is growing. At the same time the need for organizational adaptation and change management with respect to new ways of working and collaboration structures is increasing.

As for opportunities, SK Telecom identified productivity innovation based on human-AI collaboration. By having AI support repetitive and analytical tasks, employees can focus more on customer- and strategy-centered work, which the company expects will improve operational efficiency and productivity. SK Telecom also identified as an opportunity the securing of new growth drivers centered on AI DC and AI B2B through employees' reskilling and upskilling. Building on AI DC and GPU/Cloud, SK Telecom aims to secure future growth drivers and strengthen its AI business competitiveness by expanding the AI infrastructure and AI B2B markets.

Category	Risks and Opportunities		Expected Time Horizon		
			Short	Medium	Long
Risk	Risk1	Growing need for AX capabilities	●	●	●
	Risk2	Rising importance of AI governance and organizational change management	●	●	●
Opp	Opp1	Productivity innovation based on human-AI collaboration	●	●	●
	Opp2	Securing new growth drivers centered on AI DC/AI B2B via employees' reskilling and upskilling		●	●

Expected Time Horizons of Risks and Opportunities

SK Telecom defines the time horizons reasonably expected for the effects of employee-related risks and opportunities as short term (within 1 year), medium term (more than 1 year and up to 5 years), and long term (more than 5 years). These definitions align with the planning horizons of SK Telecom's strategic business decision-makings, which signifies that the results of risk and opportunity identification can be linked to SK Telecom's business strategies.

Business Model and Value Chain

Current and Anticipated Effects

SK Telecom identifies the current and anticipated effects of employee-related risks and opportunities on its business model and value chain. Accordingly, SK Telecom derives strategies to respond to risks and opportunities and strengthens its risk management capabilities.

Effects on the Business Model and Value Chain

Category	Risks and Opportunities	Current Effect	Anticipated Effect
Risk	Growing need for AX capabilities	Increased investment to secure skills for AI businesses and AX, and usage gaps within departments	Continued investment to strengthen AX expertise for AI business competitiveness and accelerated AX transformation
	Rising importance of AI governance and organizational change management	Increased resource input for data/security/AI-ethics management and organizational change management	Need to enhance AI governance and the AX execution system across the value chain
Opp	Productivity innovation based on human-AI collaboration	Improved operational efficiency in certain areas through AI-based work support	Improved company-wide work speed and operational efficiency
	Securing new growth drivers centered on AI DC/AI B2B via employees' reskilling and upskilling	Laying the foundation to expand AI DC and AI-based enterprise businesses	Strengthening growth drivers and AI business models centered on AI infrastructure, GPU/Cloud, and AI B2B

Concentrated Effects

Given the characteristics of the telecommunications industry, where AI-transformation-centered innovation of the business structure is now in full swing, SK Telecom identifies the timeliness of securing AX competencies and AI governance-based organizational change management as the top-priority management areas where risks and opportunities are concentrated. In particular, advances in generative AI and AI Agent technology are rapidly changing ways of working and business-operating structures across industries. Accordingly, the company is focusing on innovating employee productivity and securing future growth drivers through securing AX competencies and organizational change management.

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Talent Development Linked to Business Strategy

To nurture employees equipped with competencies to deliver outcomes and for future businesses, SK Telecom has established and executed a talent development strategy and system closely linked to business strategy. In particular, SK Telecom continuously operates AI competency strengthening programs for employees in order to accelerate AX transformation.

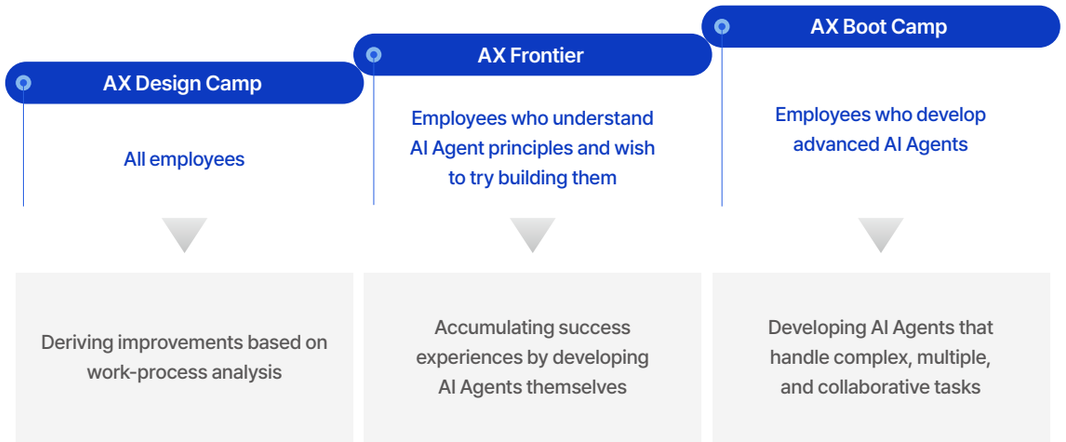
Since 2023, SK Telecom has operated a structured AI competency enhancement program for all employees (including part-time and contractual employees) to proactively navigate the AI era. Through approximately two years of AI literacy education tailored to the proficiency levels of employees, SK Telecom has established a foundation where all members of our workforce can utilize AI in their daily operations. Furthermore, SK Telecom has selected and nurtured AI Frontiers since 2024 to practically apply AI to employees' own tasks, providing a differentiated curriculum that enables approximately 500 participating employees to derive solutions applicable to actual business operations. In addition, through an on-the-job master's degree program, the company supports employees' growth into AI developers. To date, a total of 125 employees have participated in the AI Master's Degree Programs, and 46 members have obtained master's degrees.

In addition, employees have taken SK Group's AI-based data analysis and modeling certification examinations with a total of 54 members obtaining certifications since 2023, thereby validating their competencies in machine learning, deep learning modeling, and data analytics. From 2026, SK Telecom is pursuing an employee-led, company-wide AI Transformation (AX). To this end, SK Telecom has established and implemented a three-stage development framework—comprising of AX Design Camp, AX Frontier, and AX Boot Camp—to ensure that all employees experience a shift toward AI-centric operational thinking and a transformation in their ways of working.

First, AX Design Camp is a course that analyzes business processes and, on that basis identify integration points for AI utilization to improve operational inefficiencies. It is currently being rolled out across 380 teams at SK Telecom. AX Frontier is a course where participants use in-house data and platforms to develop AI Agents themselves, accumulate success experiences, and secure the foundational skills needed to develop more advanced AI Agents. AX Frontier is a complete revamp of the earlier AI Frontier, reflecting advanced AI technologies and the in-house environment that has evolved for AI application and use. It will be expanded to a cumulative 800 people by the end of 2026, so that 20% of the entire organization will have AI Agent development competencies. Lastly, AX Boot Camp is a course focused on advanced refinement of AI Agents utilized in actual business operations, with plans to nurture approximately 100 AX experts. Through this three-stage development framework, SK Telecom supports the AX Movement initiated by our employees while continuously securing the necessary corporate competencies.

In addition, to respond to the expansion of AI-based global businesses, SK Telecom is systematically strengthening its employees' global competencies. Centered on global business organizations such as AI DC and AI B2B, SK Telecom is progressively expanding an English-based work environment and a global collaboration system. SK Telecom continues to strengthen company-wide support systems such as AI-based English-conversation learning support, upgrading of global work infrastructure, and the provision of in-house systems in English.

AX Development System



Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Leadership System and Change-Management Programs to Achieve the Vision

Through the Dream Team leadership program, SK Telecom carries out differentiated leadership development by level — from core talent to team leaders and executives — fostering the organization's sustainable performance creation and a collaborative culture.

Core talent, as future leaders who lead the Dream Team, are nurtured systematically through three stages: NMF (Next Management Forum), PMF (Professional Management Forum), and LMF (Leader Management Forum). In 2026, through leadership assessment and feedback, they understand their core role as Dream Team leaders and, through task-centered learning and mutual exchange, strengthen their ability to share and execute the company's direction and values.

2026 SK Telecom Core Talent System

Stage		Definition
CEO candidates Executives	s-ELP/ELP/FLP	Immediate / mid- to long-term SK Group CEO candidate pool (selected/operated at the Group level)
Executive candidates Team leaders	LMF (Leader Mgmt. Forum)	Team leaders eligible for immediate appointment as executives
Team leader candidates Team leaders (GL2/3)	PMF (Professional Mgmt. Forum)	Team members who can grow into executives in the mid to long term
Promotion candidates Team members (GL1)	NMF (Next Mgmt. Forum)	Team members who can grow into future executives (fast track for young talent)

SKT Leadership Pipeline

The new team leader onboarding course helps team leaders adjust in their early days and discusses the roles and responsibilities of leaders needed during the AX transition. It covers, as its main topics, the shift to a leader's perspective, AI-based organizational change management, and the fundamentals and responsibilities of leaders, and it supports participants in growing into leaders who drive change with strong inner resolve and outstanding capabilities and who share and practice the organization's values.

The company-wide team leader workshop builds a shared understanding of the role of a Dream Team leader and helps each participant establish their own leadership execution principles based on the core roles of SK Telecom leaders and the results of a capability assessment. In addition, to respond to changes in the AI environment, year-round "Keeping the basics" courses and AX leadership courses are run for company-wide team leaders. Emphasizing reinforcement of the basics and principles, one-on-one coaching, and risk management, the company provides the programs needed to respond to changes in the AI environment, such as an AX change-driving leadership course and a course for team leaders on developing tailored AI Agents.

For executive training, in 2025 the company conducted AI and security training to respond to the expanding use of AI and increasingly sophisticated security risks. In 2026, for all executives of SK Telecom and SK Broadband, SK Telecom establishes common decision-making criteria by sharing "the basics and principles" and "Biz. Insight." Based on an understanding of the five "Keeping the basics" areas (Compliance, Privacy/Security, Employees, SHE, and HR/ER) and of changes in the AI and global environment, SK Telecom combines knowledge- and experience-sharing between external experts and internal executives to strengthen management-judgment competencies. Through these activities, SK Telecom cultivates collaborative, results-generating leaders and builds a leadership foundation that drives sustainable growth and the creation of social value.

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Creating a Culture and Ecosystem to Accelerate AX Transformation

To accelerate AX innovation with participation from all employees, SK Telecom is running the "AX: Change We Create Together" campaign. Going beyond mere task automation, SK Telecom has built and operates an environment of AI Agent development platforms, support systems, skill support, and knowledge sharing so that every employee can build AI specialized for their own work.

First, the company is building and enhancing an in-house platform environment in which AI Agents can be easily built even without coding knowledge or experience. Employees can select in-house platforms that suit the nature of their work and needs — general-purpose use, marketing and data extraction, network-data analysis, and so on — and develop AI Agents on their own. As of March 2026, about 1,700 AI Agents are actually in use on the in-house platforms, and even more advanced AI Agents are expected to be developed going forward.

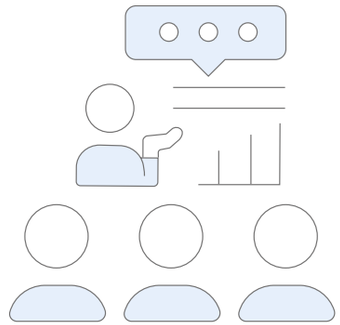
Next is AXMS (AX Management System), an AX collaboration system through which employees learn and share one another's know-how. When an employee proposes an AX idea, they can track its progress and feedback, and can see company-wide AX metrics, such as the progress and utilization of all ideas proposed by other employees, at a glance on a dashboard. It also provides readily available training and technical guidance and enables inquiries and communication among employees, thereby supporting the realization of employees' AX ideas. In the first quarter of 2026, employees proposed about 200 AX ideas, of which eight core projects were selected and are being developed on a fast track with the goal of company-wide rollout within the third quarter of this year.

SK Telecom also operates the EBB AX CLUB, where employees learn through teams and networks to build rapidly evolving AI technology skills. Currently, some 520 employees are voluntarily working on a wide range of topics through ten study meetings, including data cleansing, AI Agent development, automated document review, cross-verification, simulation, and more. SK Telecom also runs the AX Lab, where employees who face similar challenges while pursuing AX ideas gather and find answers together with pinpoint coaching from experts.

SK Telecom strives to create synergy and expand its influence in the AI ecosystem by strengthening not only internal but also external collaboration. Under the theme "AI NOW, NEXT," the 2025 SK AI SUMMIT — a global AI conference — presented SK Group's AI strategy for leaping beyond Korea to become an APAC AI hub. Through some 50 global keynote speakers and 152 AI-related presentations and exhibits, SK Telecom showcased the vision of the global AI industry and advances in core technologies. To approximately 32,100 online and offline participants, it presented SK Group's blueprint for the present and future it seeks to build through AI, and created a venue for business synergy between SK Group and global AI companies such as Amazon, OpenAI, and Anthropic. By doing so, SK Telecom continues to spread its AI vision internally and externally and to build an ecosystem that drives a virtuous cycle of cultivating outstanding talent and creating business opportunities.

Mentoring Program

So that new hires can adapt quickly and demonstrate their capabilities, SK Telecom operates a mentoring program for three months after placement, rather than stopping at orientation. To ensure meaningful mentoring, SK Telecom guides mentors on their expected roles and the mentee-support activities to be carried out by period and stage, and actively supports them at the company level. In addition, through periodic company-wide programs for mentees, SK Telecom identifies any additional support needs and incorporates them, doing its utmost to help new employees adapt quickly and grow into spirited employees of SK Telecom.



Strategy

Strategy and Decision-Making

Key Employee Competency-Building Programs

Category	Course	Key Content	Targets
Basic	New-hire training	Understanding company strategy/business/direction of change; cultivating the mindset employees should have	Permanent employees
	Legally required training	Employees and the company complying with legal obligations and maintaining a safe, healthy, ethical environment	Permanent & Contractual employees
AX	AX Design Camp	Applying AI and deriving improvements based on work-process analysis	Permanent employees
	AX Frontier	Accumulating success experiences by developing AI Agents directly	Permanent employees
	AX Boot Camp	Developing AI Agents that handle complex, multiple, and collaborative tasks	Permanent employees
	Group (mySUNI) AI courses	Building all employees' AI literacy and the specialist capabilities of AI-development personnel	Permanent & Contractual employees
	Group (mySUNI) job courses	Strengthening specialist competencies by job (finance/accounting/legal/SCM, etc.)	Permanent & Contractual employees
Leadership	New team leader training	Understanding the leader's role and shifting mindset; AX leadership; leaders' fundamentals and responsibilities	Permanent employees
	Company-wide team leader training	Company strategic direction, business understanding, awareness of the role of a Dream Team leader	Permanent employees
	Team leader AX course	Strengthening team leaders' AX perspective and practical capabilities	Permanent employees
	Core talent training	Capabilities needed as a mid- to long-term executive candidate within the leadership-pipeline system	Permanent employees
	Executive training	The basics and principles the company pursues; executive leadership to drive AX	Permanent employees (executives)
Degree	Degree support	Strengthening expertise through OJD support (on-duty online/offline master's programs)	Permanent employees

Responding to Risks and Opportunities

Retirement Transition Support

SK Telecom provides an outplacement program, special retirement leave, and employee welfare benefits such as telecommunications fee support, health checkups, and family event support to members approaching retirement, enabling them to systematically plan for a new chapter after retirement. The outplacement program, for which the company covers all expenses, is conducted in partnership with three specialized educational institutions in the relevant fields. Through processes such as one-on-one customized consulting — including self-assessment, career planning, financial planning, and life counseling — in addition to education on reemployment and entrepreneurship, job and business placement services, and post-career management, SK Telecom offers concrete action plans to facilitate successful career transitions. In addition, SK Telecom operates the Next Career leave system as a paid leave program for long-term employees with at least 25 years of service or those aged 50 or older, allowing them to prepare for a new career with sufficient time and support. Next Career leave participants are also provided with entrepreneurship support programs similar to those offered to employees approaching retirement.

Support Programs for Retiring Employees

- Career transition/start-up support program: Financial support of up to KRW 3 million per person
- Mobile service fee: Mobile phone charges supported for three years
- Special retirement leave: One month of paid leave available starting three months prior to the retirement date
- Congratulatory and condolence events: Provision of congratulatory and condolence items under the same standards as current employees for three years
- Health check-ups: Access to health check-ups at contracted rates at the same medical institutions as current employees for three years
- Retirement ceremony: Retirement ceremonies organized at the business unit level (including bouquets, plaques of appreciation, etc.), with a plaque of merit presented in the name of the CEO

Strategy

Strategy and Decision-Making

Responding to Risks and Opportunities

Fair Performance Evaluation

To review employees' performance and competency levels, SK Telecom conducts performance evaluations based on fair procedures. For performance evaluation, employees use the performance management system to register individual KPIs linked to the company and team KPIs, and leaders conduct agile conversations and ongoing reviews of performance. For competency evaluation, reviews are conducted focusing on job-specific expertise. The results of these evaluations are finalized through sufficient discussion and debate in talent review sessions for each organization. The confirmed evaluation results are used for compensation, promotion, and selection of key talent. To enhance transparency and fairness, SK Telecom implements 360-degree feedback so that not only leaders but also colleagues who work together can provide input throughout the entire evaluation process. In 2025, 99% of all employees (excluding those on external secondment) received performance evaluation in accordance with SK Telecom's performance evaluation system.

Employee Compensation System

To boost employee motivation and encourage continuous performance, SK Telecom operates a range of performance-based compensation systems. Employees' evaluation results, finalized through fair procedures, are directly reflected in the performance pay disbursed at the start of each year and in annual salary adjustments. Profit Sharing (PS) differentiates the amount paid according to each individual's evaluation results, and the Merit Increase (MI) in annual salary is also determined by reflecting the evaluation. Through this fair and transparent compensation system, the company is creating an environment in which employees can engage more deeply in their work. It also operates a company-wide recognition system centered on outstanding cases to encourage employees to aim for even higher goals.

Program	Description
Annual salary	Merit increase amounts are determined based on individual performance evaluation results
Incentive Bonus	Operates a Target Incentive (TI), which pays incentives based on KPI achievement, and Profit Sharing (PS) which is based on business performance * The PS (Profit Sharing) is allocated variably based on individual performance evaluations
SKT SUPEX Pursuit Award	Identifies and rewards outstanding cases in which employees demonstrated the SKMS spirit in each area, challenged high goals, and created exceptional results

Labor management relations

SK Telecom operates a union shop system in which employees within the scope of the collective agreement are automatically enrolled in the labor union upon joining the company. The company also extends the provisions of the collective agreement to non-union members. SK Telecom determines wage increase rates and strives to improve working conditions through wage negotiation and collective bargaining between labor and management. In accordance with the fundamental principles of mutual cooperation and respect, the company and the labor union conduct annual wage negotiations and biennial collective bargaining and also hold quarterly labor-management council meetings. As of May 2026, there have been no cases of non-compliance. In addition, should layoffs become unavoidable due to major management changes, the company gives 50 days' advance notice to the union and consults with it in accordance with the Labor Standards Act.

Strategy

Strategy and Decision-Making

Responding to Risks and Opportunities

Building a Happy Organizational Culture

SK Telecom is actively driving changes in organizational culture by setting three key directions: "communication and participation," "horizontal relationships," and "sharing and collaboration." To promote communication and participation, SK Telecom regularly holds town hall meetings, transitioning from top-down communication to interactive dialogue, where major management issues are shared and employees' opinions are collected. In addition, SK Telecom has consistently operated the "Corporate Culture Opener" program, which consists of "Sharing Cider" for purpose-based information sharing, "Happiness Participation Cider" for anonymous feedback and suggestions, and "Zero Cider" for resolving inconveniences in company life. This program contributes to transparent disclosure in the communication process and ensures strict anonymity, thereby facilitating horizontal information sharing and open communication between the company and its employees.

To foster horizontal relationships, all members, including executives, are addressed with the honorific suffix "-nim" without distinction of rank, and we are working to promote a more flexible organizational culture by streamlining the executive rank structure, including unifying the positions of Executive Vice President, Senior Vice President, and Vice President. These efforts aim to promote a flexible organizational culture. The internal job posting system, which allows members to proactively take on roles they aspire based on their expertise, competencies, and career vision, is also part of these initiatives.



SUPEX COMPANY Redefinition

As the management orientation shifts toward "employees' happiness," the Supex Company objective and the scope of our work expand

The Three Core Tasks of Supex Company

Creating economic value + Creating social value + Creating our happiness

DYWT Flexible-Work System

Since April 2018, SK Telecom has introduced DYWT (Design Your Work & Time), an autonomous work system based on flexible working, supporting employees in proactively designing their work hours and schedules within their contractual working hours on a monthly basis. This is a key system for establishing a sustainable, autonomy- and responsibility-based way of working that goes beyond a simple flexible-work arrangement.

In particular, SK Telecom has recently strengthened systematic analysis and monitoring of working-hours and work-location data, enhancing its management system in a direction that respects employees' autonomy while preventing excessive working hours, inefficient work patterns, and unnecessary weekend and night work. By doing so, SK Telecom is establishing a healthy work culture for which the organization and its employees take responsibility together. In terms of work location, it operates both work-from-home and hub offices called 'Sphere'[1)] so that employees can choose the optimal work environment suited to the nature of their work and their personal circumstances. It also continuously improves its cloud-based work infrastructure and remote-collaboration guidelines so that the same level of work engagement and collaboration is possible regardless of location. These efforts enhance employees' work engagement and satisfaction while leading to efficient use of working hours and a reduction in unnecessary overtime, ultimately contributing to employees' well-being and the organization's sustainable performance. Going forward, SK Telecom plans to continue developing its data-based work-management system and a responsible culture of autonomous work.

1) As of 2025, four locations are in operation (Boramae, Seongsu, Bundang, and Pangyo).

Employee Engagement

In 2025, SK Telecom conducted the employee Culture Pulse Survey and an internal-services satisfaction survey to measure 'a sense of belonging as an employee,' 'the pursuit of happiness through work,' and 'the pursuit of stakeholders' happiness.' Building on this, it continues to innovate across its corporate culture so that employees can pursue happiness in work and life. It is pursuing a variety of activities so that employees are motivated and can perform their work with satisfaction and without stress. The 2025 survey drew responses from 68% of all employees, and employee engagement reached 86 points.

Progress Against Plans Disclosed in Previous Reporting Periods

For SK Telecom's progress against plans regarding employees, please refer to the Metrics and Targets section.

Risk Management

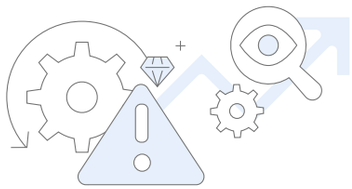
Management of Employee-Related Risks and Opportunities

Process to Manage Employee-Related Risks

To systematically manage employee-related risk factors that may arise during AI transformation and changes in the business environment, SK Telecom continuously pursues the strengthening of AX competencies, change management, AI governance, and the spread of Security First culture. In addition, to respond to data, security, and AI-ethics risks that grow as the use of AI expands, SK Telecom continues to enhance its security and AI-governance systems and is working to raise employees' security awareness and establish a culture of execution.

Process to Manage Employee-Related Opportunities

SK Telecom actively identifies new growth opportunities arising during AI transformation. Through the expansion of the AI DC business, entry into the AI B2B market, and productivity innovation based on human-AI collaboration, SK Telecom is expanding employees' new roles and growth opportunities. Thus, by continuously identifying and spreading field-centered work-innovation cases, SK Telecom is enhancing its execution and productivity across the organization.



Metrics and Targets

Metrics

Employee-Related Metrics

Employee Training Status

Category	Unit	2023	2024	2025
Investment in training per employee	KRW million	2.9	3.2	3.2
Average annual training hours per employee	Hours	64	59.4	85.8[1]
Annual number of training programs offered	Courses	13,885	12,520	3,601[2]
Annual number of participants in training programs	Persons	883,235	789,880	89,049[3]

1) A temporary increase due to training for on-site breach-response, Security Literacy, and the expansion of required AI courses.
2) The number of annual training programs has decreased significantly year-over-year after consolidating and reorganizing several short VODs with similar topics and content into a single course.
3) The year-over-year drop in participant numbers stems from reorganizing VOD content, consolidating courses, and changing completion criteria.

Employee Training Data Breakdown

Category		Unit	2025
Management level	Executives	hours	2,233
	Team leaders		17,614
	Junior employees		436,215
Age	Under 30		68,855
	30 to under 50		356,017
	50 and over		31,190
Gender	Male		327,894
	Female		128,168
Total			456,062

Employee Engagement

Category	Unit	2023	2024	2025
Employee engagement score	Points	86	86	86

Targets

Mid- to Long-Term Targets

Mid- to Long-Term Employee Cultivation Targets

2026 — Identifying AI-collaboration points and building individual AI Agents

- Employee-led AI Agent development and workplace application (800 people)
- Developing 100 AX experts: applying AI Agents to complex, multiple, and collaborative tasks

2027 — Accelerating AX at the organizational level

- Spreading the development and use of advanced AI Agents
- Securing AX experts on the scale of a global tech company

2028 — AI-enabled redesign of work and systems

- Establishing ways of working (management infrastructure) suited to the AX era

Occupational Health and Safety (OHS)

Governance

Roles of the Board of Directors and Management

SK Telecom has strengthened the Board of Directors' oversight of OHS and has appointed a Chief Serious Accident Prevention Officer (CSPO) to discharge its OHS obligations and systematically advance serious-accident prevention. Each year, the CSPO submits SK Telecom's annual OHS implementation plan, which operationalizes the OHS Policy, to the Board of Directors as a formal agenda item for review and approval. Through this annual approval process, the Board formally endorses the implementation of SK Telecom's OHS Policy for the relevant year. The Board-approved plan covers key matters, including the OHS organizational structure, staffing, and budget, as well as measures to fulfill the company's obligations under the Serious Accidents Punishment Act and the Occupational Safety and Health Act.

Dedicated OHS Organization

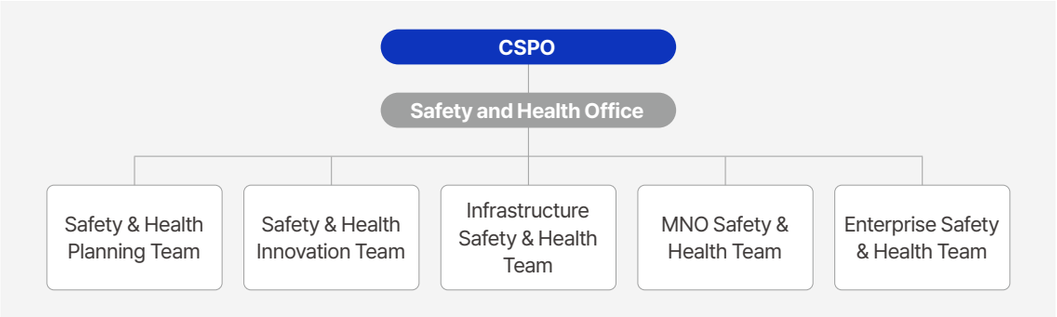
Under the CSPO, SK Telecom maintains a dedicated OHS function to support coordinated and efficient implementation across the organization. It serves as the enterprise-wide coordinating and oversight function for business-unit OHS management and strengthens implementation effectiveness. Its responsibilities include executing the annual OHS plan; conducting hazard identification, OHS risk assessment, and corrective action; maintaining serious-accident preparedness and response processes; and operating procedures for worker consultation, participation, and follow-up.

Workplace OHS Management System

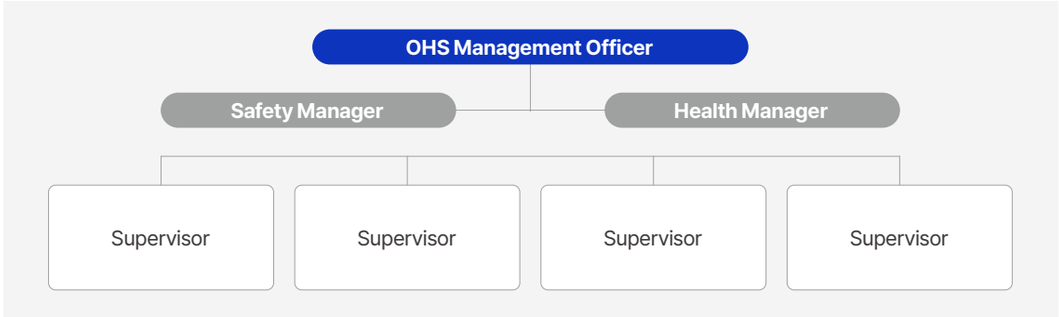
In accordance with the Occupational Safety and Health Act, SK Telecom operates an OHS management system at each of its workplaces, tailored to the size and operational characteristics of the respective site. Each system establishes clear lines of responsibility: an OHS Management Officer provides overall direction, while Safety Managers and Health Managers provide specialist support. SK Telecom also designates department heads as supervisors to support the consistent and effective implementation of OHS management across all workplaces.



OHS Governance



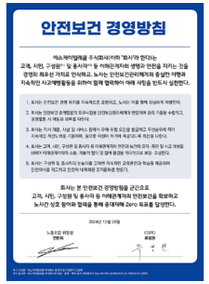
Workplace Safety and Health Management System



Strategy

Occupational Health and Safety (OHS) Policy

SK Telecom has formalized an OHS Policy that affirms its commitment to protecting the lives and safety of customers, members of the public, employees, contractor personnel, and other stakeholders across all business activities. The Policy applies company-wide to employees, contractor personnel, and others under SK Telecom's supervision, requiring compliance with applicable OHS laws and standards. SK Telecom requires all relevant stakeholders, including employees and contractors, to comply with the Policy. It commits SK Telecom to consulting with and enabling the participation of workers and, where applicable, their representatives in OHS decision-making. The Policy sets out the Zero Serious Accidents objective and five priority action areas. It was jointly signed by management and labor representatives, reflecting their shared responsibility for implementation. To strengthen implementation, SK Telecom and its ICT affiliates incorporate OHS objectives into management KPIs. At SK Telecom, the Zero Serious Accidents objective is designated as a core management KPI, and performance against this KPI is incorporated into the management assessment and compensation framework. SK Telecom has established quantitative and qualitative targets for each OHS indicator and continually works to achieve those targets and improve OHS performance.


안전보건 경영방침

Occupational Health and Safety (OHS) Policy

OHS Management System

SK Telecom operates an enterprise-wide OHS management system that prioritizes the lives and safety of customers, members of the public, employees, and contractor personnel. Detailed implementation guidelines for the OHS management system are codified in the company's internal regulations. The system incorporates the 15 requirements set out in the Enforcement Decree of the Serious Accidents Punishment Act and comprises management infrastructure, serious-accident prevention activities, compliance monitoring, and risk management. SK Telecom commits to continually improving the performance and effectiveness of the system in response to changes in its operating environment and applicable laws and regulations.

OHS Management System

Enforcement Decree of the Serious Accidents Punishment Act

Measures for the establishment and implementation of the occupational health and safety management system

Article 4 (9 provisions)

Article 10 (1 provision)

Measures required to fulfill obligations under applicable OHS laws and regulations

Article 5 (4 provisions)

Article 13 (1 provision)

SK Telecom OHS Management System

Mgmt. Infra

- **OHS management policy and regulations**
  1. Establishment and dissemination of the OHS policy (Art. 4, Subparagraph 1)
- **OHS organization, staffing, and budget**
  2. Establishment of a dedicated OHS organization (Art. 4, Subparagraph 2)
  3. Preparation and execution of the OHS budget (Art. 4, Subparagraph 4)
  4. Appointment and empowerment of the OHS Management Officer (Art. 4, Subparagraph 5)
  5. Assignment of specialized personnel (Art. 4, Subparagraph 6)

Serious-Accident Prevention Activities

- **Strengthening Worker OHS Awareness**
  6. Inspection of OHS training implementation (Art. 5, Paragraph 2, Subparagraph 3)
  7. Establishment of measures in case of non-implementation of training (Art. 5, Paragraph 2, Subparagraph 4)
- **Worker Consultation and Participation**
  8. Procedures for worker consultation, participation, and follow-up (Art. 4, Subparagraph 7)
- **Identification and improvement of hazards and associated risks**
  9. Identification and improvement of hazards and associated risks (Art. 4, Subparagraph 3)
  10. Measures for public-use facilities (Art. 10)
- **Strengthening OHS Performance Among Contractors**
  11. Improvement of qualified contractor evaluation criteria and procedures (Art. 4, Subparagraph 9)

Compliance Inspection and Risk Mgmt.

- **Compliance inspection and recordkeeping**
  12. Inspection of compliance with statutory obligations (Art. 5, Paragraph 2, Subparagraph 1)
  13. Establishment of measures in case of non-compliance (Art. 5, Paragraph 2, Subparagraph 2)
  14. Written recordkeeping of implementation matters (Art. 13)
- **Serious-accident response system**
  15. Establishment of a serious accident response process (Art. 4, Subparagraph 8)

Strategy

Strengthening OHS Awareness

Conducting Safety Training

OHS training is mandatory for all employees to strengthen safety awareness and prevent workplace incidents. SK Telecom also monitors contractor training completion and provides training materials and facilities upon request.

Opening of the Safety Experience Training Center — SKT Family Safe T Center

SK Telecom operates the SKT Family Safe T Center at its Busa office in Daejeon to provide role-based OHS training for employees, ICT affiliates, and contractor personnel, strengthen safety awareness, prevent workplace incidents, and promote a strong safety culture. The Center offers 29 immersive programs using technologies such as VR and AR, covering telecommunications construction risks — including aerial work platforms and rooftop work — as well as electrical safety, emergency descent devices, and other everyday safety topics. The Center meets the requirements of the Korea Occupational Safety and Health Agency and has been recognized by the government as a private safety-experience training center.

From its opening in October 2023 through December 2025, 10,345 participants completed training.

Safety Training Status

Training	Content	Hours
Regular safety training	Industrial safety and accident prevention, etc.	Office staff 6 hours per half-year; non-office staff 12 hours per half-year
Safety training upon hiring	The Occupational Safety and Health Act and general safety management, etc.	8 hours upon hiring
Supervisor training	Work-process hazards/risks and accident-prevention measures, etc.	16 hours per year
Job training	Job training for the OHS Management Officer	6 hours every 2 years
	Job training for Safety Managers and Health Managers	First 34 hours, thereafter 24 hours every 2 years

Employee Health Management

Health Screenings and Vaccinations

SK Telecom operates a support system for the early detection and management of illness through employee health screenings. It supports regular comprehensive checkup programs for employees and their families, and in 2024 introduced an "optional health screening" program that offers a broader set of in-depth tests on a biennial basis, thereby expanding opportunities for early detection and follow-up care. In 2026, SK Telecom will again offer the biennial program, with an increased focus on employee health management. In 2025, it encouraged all employees to undergo health screenings via the intranet and email notices, and a total of 5,238 people were screened. In addition, in accordance with the Occupational Safety and Health Act, SK Telecom conducts special health screenings for night workers. Beginning in 2025, SK Telecom expanded eligibility to employees working irregular night shifts; 308 employees underwent special health screenings. Based on the special screening results, it provides individual health management guidance by email, carrying out activities to improve workers' health. Alongside this, to prevent infectious diseases among employees, SK Telecom supports influenza and hepatitis B vaccinations, with a total of 2,749 people vaccinated in 2025. SK Telecom also expanded shingles vaccination, with 204 people vaccinated, continuing its efforts for employee health management.

Establishment of Infectious Disease Response System

During the spread of COVID-19, SK Telecom actively implemented preventive and quarantine measures to protect employees' health. It established specific response guidelines to put a standing response system in place, and secured and distributed quarantine supplies such as masks, protective clothing, goggles, disinfectants, and self-test kits in advance. Building on this experience, SK Telecom has systematically established an infectious disease response process so that prompt and proactive measures can be taken even if an infectious disease resurges in the future.

Support for Physical and Mental Health Management

SK Telecom works to manage employees' physical and emotional health through a variety of programs. It operates "Actium," an in-office fitness space, and "Forest of Mind," a program linked to psychological counseling, to support comprehensive health management. It also provides single occupancy refresh zones on each floor so that employees can recover from fatigue and manage their fitness during breaks. In addition, it offers an in-office massage service "Healthcare," in partnership with "Haengbok Hanul," a standard workplace for persons with disabilities, as well as a nail-art service that employs persons with hearing disabilities. In particular, the Healthcare service has drawn a positive response, simultaneously achieving the social virtuous cycle of managing employees' health and promoting the employment of persons with disabilities.

Employee Health Management Programs

Category	Description	Unit	Performance		
			2023	2024	2025
Forest of Mind (individual professional counseling)	• Outsourced to an external counseling institution (users) • Number of counseling sessions	Persons	179	217	200
		Sessions	1,059	1,122	1,067
Healthcare[1)]	• In-office massage service for employees, in partnership with Haengbok Hanul (a standard workplace for persons with disabilities that the company established) • Simultaneously pursuing the social virtuous cycle of employee health management and disability employment	Sessions	13,838	10,554	15,320

1) Data for year 2023 and 2024 were restated due to a change in the data collection system

Strategy

Building Safe Industrial Sites with AI

Strengthening Safety with AI

SK Telecom combines drones with its in-house-developed Vision AI for the inspection of transmission towers. In 2025, SK Telecom replaced most tower-climbing work performed by contractor personnel to inspect aging towers, thereby removing most work-at-height exposure associated with those inspections and substantially reducing the risk of falls, the most common accident type. SK Telecom has also deployed AI-enabled CCTV systems at offices nationwide to detect unauthorized entry, worker falls, and fires and alert managers for an early response, thereby supporting the safety of employees and contractor personnel. The deployment comprises 229 units for fire monitoring and 733 units in stairwells.

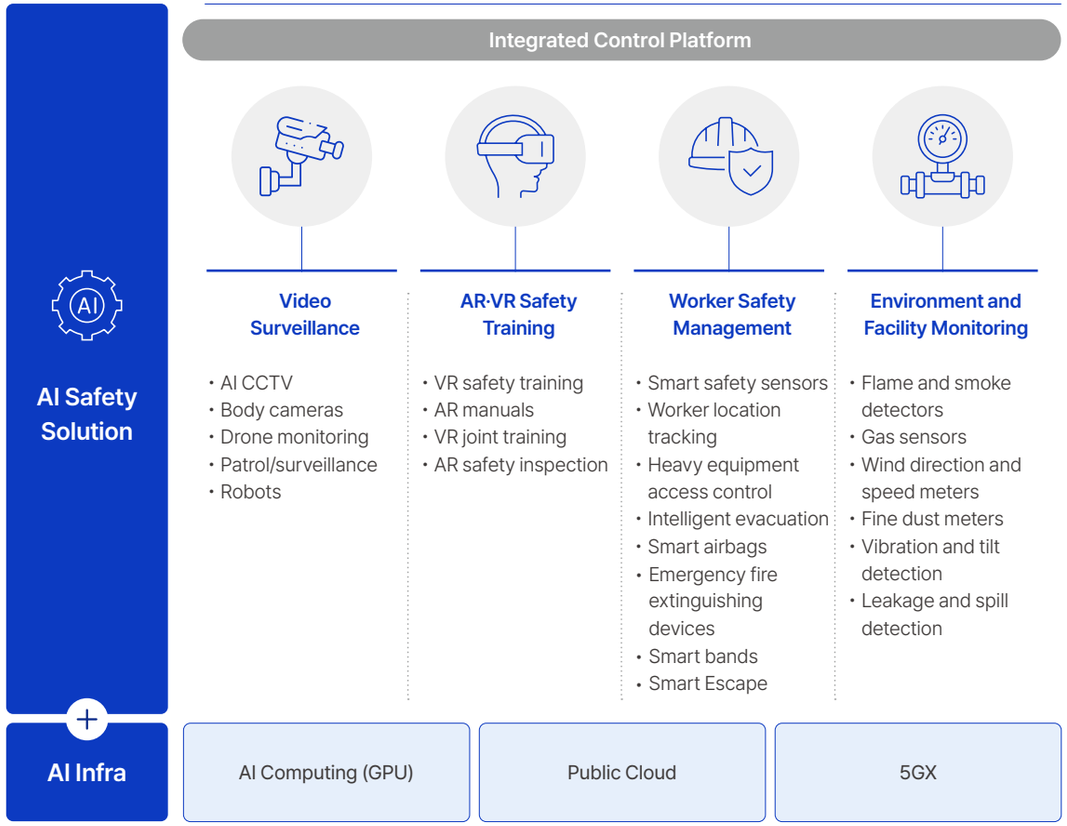
AI Industrial-Safety Package

Drawing on know-how and accumulated technology from industrial sites, SK Telecom has an "AI Industrial-Safety Package" tailored to customer requirements.

Applying SK Telecom's AI technology, the package provides a range of solutions such as AI video surveillance, worker safety management, AR/VR safety training, and environment/facility monitoring. Through this, it builds systematic, cost-efficient safety management systems tailored to the characteristics and requirements of industries such as manufacturing, construction, and the public sector, and is building a track record of successful deployments.

Going forward, SK Telecom will continue technological innovation through AI and ICT that prevents accidents at industrial sites and enables rapid response, and it will provide customized solutions applicable across various industries.

Composition of the AI Industrial-Safety Package

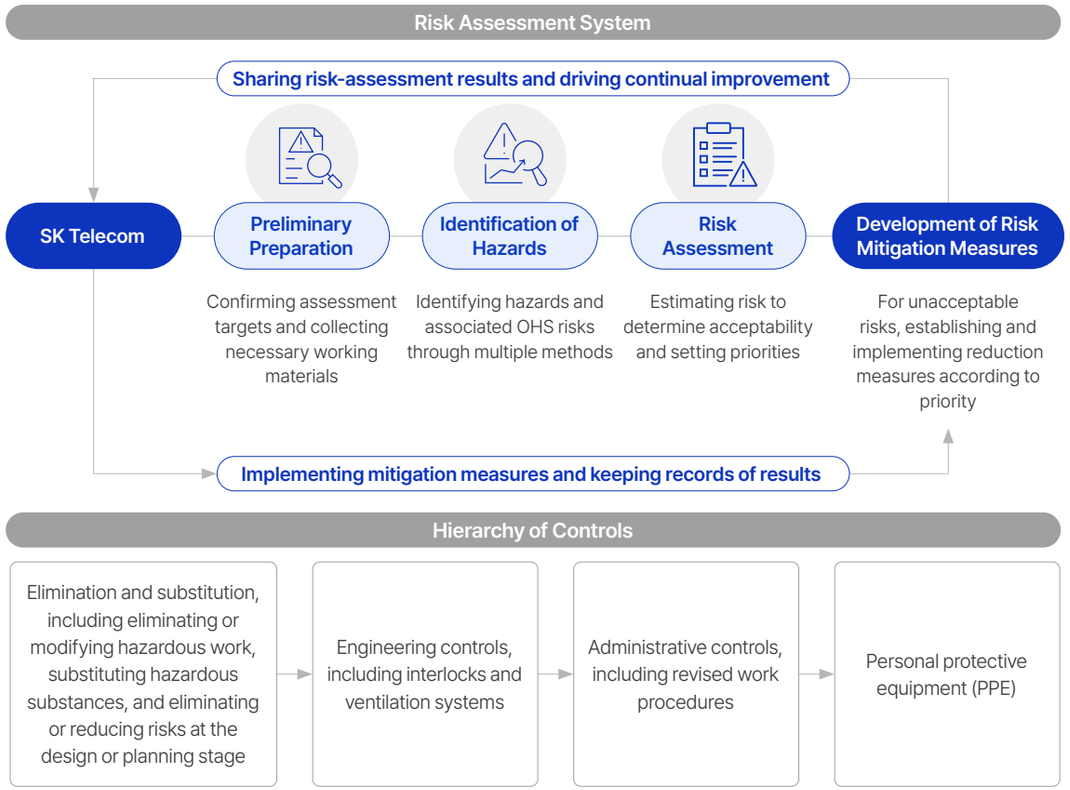


Risk Management

Workplace Risk Assessment

In accordance with Article 36 of the Occupational Safety and Health Act, SK Telecom conducts annual hazard identification and OHS risk assessments across its workplaces. Risks are evaluated based on the likelihood and severity of work-related injury or ill health, and risk-reduction measures are established in accordance with the hierarchy of controls. Through this process, SK Telecom works to prevent occupational injuries and ill health and maintain safe and healthy workplaces.

Risk Assessment System and Activities



Improvement and Recurrence Prevention Measures

In 2025, SK Telecom conducted risk assessments across its offices, ICT infrastructure and telecommunications facilities and equipment, enterprise information and communications construction sites, and customer stores nationwide. Identified risks were classified from C1 to C4, with C2-C4 findings translated into prioritized corrective and recurrence-prevention action plans. The action plans apply risk-based time frames: immediate action for C4 findings, pre-work controls and remediation within six months for C3 findings, and medium-term measures for C2 findings. Since 2020, SK Telecom has identified and eliminated 146,000 hazards through risk assessments covering 200,000 telecommunications facilities nationwide. In 2026, it plans to continue risk assessments and corrective actions at more than 10,000 telecommunications facilities. It also conducts comprehensive annual inspections of offices, retail locations, contracted worksites, and manufactured products.

Effectiveness Evaluation of Corrective Measures

SK Telecom evaluates the effectiveness of each corrective action implemented following risk assessment. The review determines whether the action eliminated or reduced the relevant OHS risk and triggers additional corrective action where results are insufficient. In 2025, the average risk score decreased from 1.369 before corrective action to 1.001 after implementation.

OHS Risk Level



Risk Grade Classification[1)]

Grade	Management standard	Assessment criteria	Action
C4 (Very high)	Unacceptable	• Relatively high likelihood of developing into a serious accident and fatal loss due to the identified risk factor	• Agenda placed on and reviewed by the OHS committee • Immediate improvement
C3 (High)		• Some likelihood of leading to a serious accident or severe injury, but a relatively low probability of occurrence; safety measures must be reviewed before work	• Establish safety measures before commencing work and implement accordingly • Supplement by installing safety facilities and other improvements within six months
C2 (Moderate)		• A relatively good state of minor damage, with low probability of occurrence and low loss magnitude • Sufficiently preventable through routine management, but requires continuous observation	• Routine safety management, and continuous observation • Supplementation by establishing a mid-term plan
C1 (Low)	Acceptable	• No risk factor, or an acceptable state	• Routine safety management

1) Risk grades range from C1 to C4. The average risk score is calculated by dividing the sum of the number of cases in each grade multiplied by the corresponding grade level by the total number of cases. Scores range from 1.000 (lowest risk) to 4.000 (highest risk).

Risk Management

Safe Environment Inspection

Regular Safety Inspection of Facilities and Equipment

SK Telecom conducts regular internal OHS inspections and air-quality assessments covering office facilities, building structures, electrical systems, fire-protection equipment, HVAC systems, and sanitation facilities. Findings are addressed through corrective action and follow-up effectiveness reviews to maintain safe and healthy workplaces.

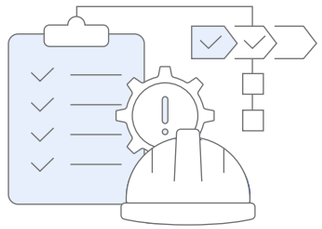
Occupational Disease Management

SK Telecom requires annual health screenings to support the early detection and prevention of occupational diseases and work-related injuries among employees. Considering the nature of its business, which involves significant outdoor work such as base station maintenance, SK Telecom has designated heatstroke during heat waves as a key management area. Accordingly, SK Telecom announces prevention and response guides, stocks preventive and treatment medicines at worksites, and has introduced workplace-specific OHS management systems so that swift action is possible when illness occurs. SK Telecom also supports various programs such as "Forest of Mind" for employees' voluntary health promotion and mental well-being. If an occupational disease or work-related incident occurs, SK Telecom conducts an OHS risk assessment to identify underlying causes and implements corrective measures to eliminate or mitigate those causes and prevent recurrence. Meanwhile, in 2025 SK Telecom held a health concert for 364 employees, providing an opportunity to learn about individually tailored health screening types and prevention methods by job group and symptom.

Emergency Preparedness and Response

Work-Related Incident Investigation Process

SK Telecom maintains procedures to investigate work-related injuries, ill health, occupational diseases, and incidents. Investigations identify underlying causes and result in corrective and recurrence-prevention actions. SK Telecom evaluates the effectiveness and adequacy of those actions and communicates lessons learned through company-wide training to prevent recurrence.



Work-Related Incident Investigation Process

- Forming an accident investigation team
- Conducting the accident investigation
- Establishing recurrence prevention measures
- Reviewing the adequacy of the recurrence prevention measures
- Implementing recurrence prevention measures and training employees

Serious-Accident Emergency Response Process

SK Telecom integrates emergency preparedness and response into its OHS management system. Scenario-based procedures define actions for work stoppage, rescue, worker evacuation, incident reporting, site control, escalation, and containment in the event of a serious accident or imminent danger. SK Telecom operates a preliminary situation room and a Serious Accident Crisis Response Center according to the stage of the incident. It also conducts drills to strengthen the response capabilities of employees and contractor personnel. In 2025, SK Telecom conducted 134 serious-accident response drills across workplaces nationwide and expanded evacuation drills for electric-vehicle fires to offices nationwide.

Serious-Accident Response Process

Initial On-Site Response

Serious accident ▶ Work suspension ▶ Relief measures ▶ Worker evacuation ▶ Accident reporting ▶ Site security

Serious Accident Crisis Response Situation Room

Convening the situation room ▶ Accident investigation ▶ Developing and implementing recurrence prevention measures

Operation of the Industrial Safety and Health Committee

In accordance with Article 24 (Occupational Safety and Health Committee) of the Occupational Safety and Health Act, SK Telecom operates an Occupational Safety and Health Committee comprising labor and management members to deliberate on and decide key matters concerning workplace OHS. It holds regular quarterly meetings at workplaces with 100 or more people performing on-site work, deliberating on and deciding matters needed to maintain and improve employees' OHS. In 2025, it held quarterly meetings at a total of 11 workplaces, and in accordance with Article 75 of the same Act (Special Cases concerning Establishing and Operating Council on Safety and Health), it operated a labor-management consultative council in lieu of the Committee, meeting once every two months at 10 workplaces. Agendas such as the OHS management regulations, the 2025 OHS plan, and the OHS training plan were reviewed and approved throughout the meetings.

Risk Management

Enhancing OHS Standards for Contractors and Partners

Contractor OHS Prequalification and Assessment

SK Telecom incorporates OHS criteria into contractor prequalification, selection, and relevant contractual requirements to identify contractors capable of meeting its OHS requirements. To enhance the objectivity and effectiveness of the assessment process, contractor OHS capabilities are evaluated with support from external OHS specialists.

Creating a Safe Environment for Partners

Through regular consultative bodies and an anonymous bulletin board, SK Telecom gathers partner company workers' opinions on improving OHS, and reflects them to create a safe working environment. In 2025, SK Telecom received a total of 170 suggestions through its feedback channels and 100% of these suggestions were resolved. To further promote safety culture, SK Telecom selected 154 outstanding partner companies and 1,884 workers for year-round awards. In 2025, SK Telecom participated for the third consecutive year in the Large and Small Business OHS Cooperation Program hosted by the Ministry of Employment and Labor (MOEL), together with 11 small and medium-sized business partners, to support improvements in their OHS capabilities. In recognition of these achievements, MOEL named SK Telecom an Outstanding Company for Safety and Health Partnership for the third consecutive year — the only telecommunications company to receive the recognition.

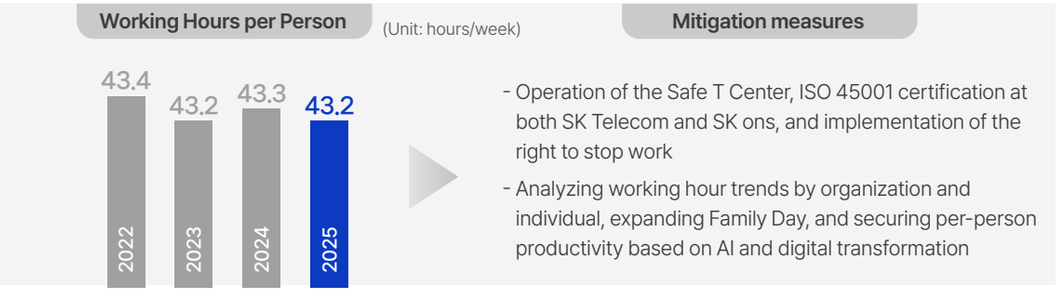
Managing Human-Rights Risks

Safety and Working Hours of Network Operations Workers

SK Telecom manages human-rights risks, such as safety incidents and working hours, that may arise while building and operating networks, including system operations and physical maintenance for telecommunications-network upkeep. SK ons, a subsidiary responsible for operating mobile ICT infrastructure, implements a company-wide OHS management system with the goal of zero serious industrial accidents, actively responding to these risks. SK Telecom and SK ons have each obtained ISO 45001 certification for their respective OHS management systems. To protect network operations workers, SK ons strengthens implementation through a company-wide Safety Management Committee, on-site Safety Days, and other initiatives that reinforce worker awareness. Through the "SKT Family Safe T Center," a safety experience training center, SK Telecom focuses on OHS training and spreading a safety culture for employees and stakeholders. SK Telecom also proactively identifies and addresses internal and external risks by establishing work processes based on the OHS management system, embedding safety capabilities across the organization, and improving the OHS system for contracted work.

SK Telecom promotes a safety-first culture through activities such as producing safety videos involving employees and their families, issuing safety essentials letters, and promoting employees' right to stop work. For employees' work-life balance and a safe working environment, SK Telecom has also implemented an overtime management dashboard on its internal website so that leaders and employees comply with legally mandated working hours. This system allows for SK Telecom to keep track of overtime status and trends by month, quarter, year, and organization, strengthening attendance management. SK Telecom also operates a procedure for prior approval by the head of department for holiday and night work, and when an individual's overtime exceeds 3.5 hours per week, SMS alerts are sent to the leader and the employee to raise awareness and prevent work from being concentrated on individuals. As a result of this continuous innovation in ways of working, weekly working hours per person in 2025 were 43.2 hours, down 0.1 hour from the previous year. This is similar to previous years, and SK Telecom will continue to work to manage working hours stably in step with the changing conditions of workplaces.

Safety and Working Hours of Network Operations Workers



Protection Measures for Customer Service Advisors

To protect the advisors at its customer centers who are on the front lines of customer interaction, SK Telecom operates an effective protection system. If an advisor is subjected to improper words or conduct, such as sexual harassment or verbal abuse, or to unreasonable demands, SK Telecom warns the customer and then immediately ends the consultation or connects a supervisor to resolve the issue. In particular, SK Telecom has established and operates a response process that restricts customer center use for a certain period for customers who repeatedly engage in problematic behavior, thereby ensuring a healthy and safe working environment for advisors. SK Telecom also reduces advisor fatigue by smoothing inbound call volumes through optimized resource allocation and an improved call-routing process. SK Telecom also supports welfare programs to manage employees' mental and physical stress. SK Telecom operates the "Mind Care" program, which helps restore mental health, and the "Health Keeper" system, staffed by an in-house resident specialist, providing employees with access to physical and mental recovery support during working hours. Based on these protection and care programs, SK Telecom creates an environment in which advisors can provide professional service, building a reinforcing cycle that leads to customer trust.

Metrics and Targets

OHS Performance: Employees and Contractors

SK Telecom treats the protection of the lives and safety of customers, members of the public, employees, and contractor personnel as a core management priority and operating principle. In support of its Zero Serious Accidents objective, SK Telecom applies an enhanced OHS management system across its workforce, ICT affiliates, and contractors to maintain safe working environments.

Category		Unit	2023	2024	2025
Employee safety	Employee Lost-Time Incident Rate (LTIR)	Per 200,000 hours worked	0	0	0.02
	Contractor Lost-Time Incident Rate (LTIR)		0.02[2]	0.02[2]	0.02
	Combined Employee and Contractor Lost-Time Incident Rate (LTIR)		0.01[2]	0.02[2]	0.02
	Employee Lost-Time Incidents (LTI)	Cases	0	0	1
	Contractor[1] Lost-Time Incidents (LTI)		4	6[2]	4
	Combined Employee and Contractor Lost-Time Incidents (LTI)		4	6[2]	5
	Employee fatality rate	%	0	0	0
	Number of employee fatalities (Categorized as Industrial Accidents)	Number of cases	0	0	0
Employee health	Employee Occupational Illness Frequency Rate (OIFR)	Per 200,000 hours worked	0	0	0
	Employee Occupational Illness Cases	Number of cases	0	0	0

1) Includes on-site and off-site contractors.
2) Figures for 2023 and 2024 were restated due to a data-calculation error.

OHS Targets

To sustain its Zero Serious Accidents target, SK Telecom establishes and implements a mid- to long-term roadmap and key OHS action plans. In 2026, SK Telecom plans to sustain progress toward this objective through benchmarking, independent external assessments, and enhanced contractor OHS capabilities.
SK Telecom also calculates and manages quantitative evaluation metrics such as the LTIR (Lost Time Incident Rate) and OIFR (Occupational Illness Frequency Rate) each year. SK Telecom evaluates annual performance against a zero target for all reported OHS rate metrics and implements preventive measures to continually improve OHS performance.

Action Plan for Continuously Achieving Zero Serious Accidents

Closing Risk and Oversight Gaps / Improving the Effectiveness of Self-Directed Safety Management

2026

- Improving safety devices at 10,000 telecommunications facilities (cumulative 156,000 / total target 200,000)
- Enhancing the safety management competencies of BPs and workers (training and consulting for 250 companies)
- Strengthening unannounced patrols and expanding the facilities subject to safety inspection
- Promoting AI and digital transformation (DT): AI risk assessment and building an integrated OHS dashboard
- Supplementing gaps in the management system through independent external assessment

2027

- Continuing to improve telecommunications facility safety devices (cumulative 166,000 / total target 200,000)
- More than doubling the number of business partners covered by OHS capability-building programs
- Continuing dedicated team patrols and strengthening inspection of under-monitored facilities
- Advancing OHS AI and DT initiatives
- Automating regulatory-change tracking and compliance-evidence management to reduce human error

2028

- Continuing to improve telecommunications-facility safety devices (cumulative 176,000 / total target 200,000)
- Enhancing safety management competencies for all BPs
- Continuing activities to eliminate OHS oversight gaps
- Continuously heightening vigilance by strengthening dedicated team patrols and the reward-and-penalty system
- Continuing to enhance the OHS management system and strengthen effective compliance with legal obligations

Sustain **ZERO** Serious Accidents

Human Rights Management

Governance

Roles of the Board of Directors and Management

SK Telecom respects the human rights of all stakeholders with whom it engages through its products and services, contracts, procurement, and other business activities, including employees. SK Telecom's human rights governance framework assigns oversight and implementation responsibilities across the Board of Directors, executive management, the dedicated human rights function, and relevant business functions. The Board of Directors and its ESG Committee constitute the highest decision-making bodies for human rights matters and review and approve key human rights agenda items. The CEO receives reports on human rights issues, makes related decisions, and reviews and oversees human rights management performance.

Dedicated Human Rights Organization

The Human Rights Management Team, reporting to the Chief Human Resources Officer (CHRO), leads implementation of the company's human rights management framework. The team works with relevant functions — including ethics, occupational health and safety, information security, supply chain management (SCM), sustainability management, HR, and employee relations (ER) — to identify, assess, and manage human rights risks; develop mitigation and improvement measures; and monitor implementation by issue.

Strategy

Strengthening Human Rights Responsibilities and Roles

SK Telecom pursues economic and social value under its Double Bottom Line (DBL) management principle. It establishes and implements ESG KPIs covering human rights management and other ESG activities, environmental performance, and social contribution performance. Management performance is evaluated against these KPIs, and the results are reflected in compensation to reinforce accountability for effective implementation. To strengthen human rights expertise, SK Telecom transferred primary responsibility for human rights management from the ESG organization to the HR organization, thereby clarifying accountability and roles.

Human Rights Management Governance

Human rights management organization	Roles and responsibilities
Board of directors (ESG Committee)	Board-level oversight and final decision-making on human rights matters
CEO	Decision-making on key human rights matters and review of performance
Human Rights Management Team (under the CHRO)	Establishing and operating the company-wide human rights management framework
Ethical Management, Safety & Health, Information Security, SCM, Sustainability Management, HR, ER	Establishing management indicators and conducting human rights due diligence by area; identifying and assessing human rights risks; developing and monitoring mitigation and improvement measures; internal and external reporting and disclosure; human rights training

Human rights Management Policy

SK Telecom respects the human rights of stakeholder groups — including customers, employees, business partners, and local communities — and implements human rights management grounded in global citizenship. To fulfill its responsibility to respect human rights and support their protection, SK Telecom has publicly declared support for the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and the UN Global Compact.

To embed these international principles, SK Telecom has established and implements five core policies: the Human Rights Policy Statement, Occupational Health and Safety Management Policy, Code of Ethics, ESG Code of Conduct for Business Partners, and Stakeholder Engagement Policy. SK Telecom has also adopted and publicly disclosed the CEO Human Rights Policy Statement, which explicitly addresses the prohibition of forced labor and child labor, compliance with working-condition standards, humane treatment, non-discrimination, freedom of association, and occupational health and safety.

Non-Discrimination and Respect for Diversity

Non-Discrimination

SK Telecom prohibits discrimination in recruitment based on personal characteristics unrelated to the qualifications or competencies required for the role. It provides fair opportunities in promotion, compensation, training, and other employment practices based on objective performance and competencies. Since 2019, SK Telecom has also operated Haengbok Hanul, a subsidiary-type standard workplace for persons with disabilities, to expand employment opportunities for persons with disabilities.

Maternity and Parental Leave

SK Telecom implements support measures to reduce employees' childbirth and childcare burdens. Both women and men may take up to two years of parental leave to support work-family balance. SK Telecom also provides reduced working hours throughout pregnancy and leave arrangements available at key stages of childbirth and childcare, including time off for prenatal medical examinations, maternity leave, school-entry childcare leave, and parental leave. Additional support includes flexible work arrangements, an on-site workplace childcare center, a maternity protection room, childbirth congratulatory benefits, education support for employees' children, and children's camp programs.

Respect for Diversity

SK Telecom actively recruits women to promote workforce diversity and women's participation in society. In 2025, women represented 23.9% of employees, up 0.8 percentage points from 23.1% in 2024, and accounted for 61.1% of entry-level and experienced hires. In accordance with its equal pay principle, SK Telecom provides equal remuneration within the same job grade without gender-based discrimination and monitors the gender pay gap annually to assess the equity of its compensation system.

Strategy

Human Rights Impact Assessment Results

SK Telecom assessed human rights issues affecting all employees and vulnerable groups to identify potential human rights risks requiring priority management. It also implemented mitigation and improvement actions for potential risks identified through the prior year's Human Rights Impact Assessment and measured changes in the proportion of "high importance" responses.

Human Rights Impact Assessment Results

Assessment scope	Method	Area	Indicator	Survey results (%)		Change in the proportion of 'high importance' responses (GAP, %p)[1]	Improvement actions
				2025 survey (%)	2026 survey (%)		
Employees, work-place, and vulnerable groups	Survey	Discrimination	Permanent and non-permanent workers	57.6	54.8	2.8%p	• Strictly prohibiting workplace discrimination and harassment by specifying the "Human Rights Statement" • Providing equal opportunity and treatment regardless of employment type • Applying the principle of equal pay for work of equal value
			Recruitment process	72	69.6	2.4%p	• Prohibiting discrimination for reasons unrelated to job performance in hiring • Conducting anti-discrimination training for all employees
		Improving the work environment	Managing employees' working hours	76.5	72.2	4.3%p	• Systematic management of working hours via an attendance-management system • Operating flexible work and Happy Friday • Operating the Design Your Work & Time (DYWT) system
			Managing industrial accidents	74.7	71.5	3.2%p	• Identifying and improving hazardous and risk factors through risk assessment • Operating the Safe T Center • Managing accident rate metrics such as LTIR and OIFR
			Managing stress and mental health	79.3	77.5	1.8%p	• Operating the Forest of Mind, linked to psychological counseling • Operating the Actium mental health program • Operating the Mind Care program
		Information security	Lawful analysis and use of personal information	84.9	83.6	1.3%p	• Conducting information security and cybersecurity training • Conducting customer information protection assessments across the distribution network and implementing corrective actions • Managing under the five principles of personal information protection
		Local community	Insufficient communication with local-community stakeholders	73	69.8	3.2%p	• Protecting the human rights of residents in areas where facilities are installed via a 5G shared network • Expanding telecommunications services to underserved areas (mountainous areas, islands, remote villages, etc.) • Standing intake and prompt response via channels such as customer centers
		Human rights risk management system	Counseling process for employees' concerns, complaints, grievances, and conflicts	76	75.1	0.9%p	• Operating ethics counseling and reporting channels (the Ethical Management Portal, Letter to HR, etc.) • Enhancing the grievance mechanism and improving accessibility • Operating protection programs for individuals seeking counseling and reporting parties
		Identifying groups affected by human rights impacts	Children	70.5	69.1	1.4%p	• Expanding the children's service ZEM and supporting iOS • Operating youth protection services such as the T Youth Safety Pack • Designing rate plans that include child and youth protection functions
		Workplace harassment	Verbal abuse or profanity	81.4	81.2	0.2%p	• Providing online workplace sexual harassment prevention education • Applying a zero-tolerance principle under the Human Rights Statement • Conducting regular department-level ethics practice workshops

1) GAP (%p) = (Proportion of "high importance" in the 2025 survey) – (Proportion of "high importance" in the 2026 survey)

Strategy

Grievance Mechanism

SK Telecom operates a dedicated online grievance channel on its official website to receive and centrally manage stakeholder grievances and complaints concerning labor, human rights, ethics, and related matters. SK Telecom promptly responds to submissions regarding its business activities, reported harm, and alleged breaches of social responsibility. Each case is subject to fact-finding, investigation, and monitoring by the relevant function, followed by resolution and appropriate corrective action. For matters determined to be significant, the handling process and outcome are reported to the ESG Committee of the Board of Directors, and lessons learned are incorporated into business operations to prevent recurrence.

Online Grievance Channel

SK Telecom operates an Ethics Counseling and Reporting Center through online and offline channels, including face-to-face counseling and written submissions, enabling all stakeholders to raise concerns and seek advice at any time. Through the Ethics Management Portal, Letter to HR, dedicated sexual harassment counseling personnel, the intranet, and an anonymous bulletin board, SK Telecom receives reports of misconduct and provides counseling on ethical issues. Under applicable law, whistleblowers may request confidentiality, personal protection measures, personnel measures, other protective measures, and protection from retaliatory or other disadvantageous treatment. In accordance with the Public Interest Whistleblower Protection Act, SK Telecom protects whistleblowers who report unfair practices or misconduct that violate the Code of Ethics. A separate protection program is in place for individuals seeking counseling and reporting parties to safeguard their identities and report content and to prevent disadvantageous treatment of those individuals and persons cooperating with investigations.

2025 Ethics Counseling Center Operations Status

(Unit: cases, %)

Category	Cases	Completed cases	Processing rate
Ethics counseling and reporting[1)]	12	10	83.3
No issues[2)]	18	18	100
Routine business issues	38	38	100
Customer complaints	223	223	100
Total	291	289	99.3

1) For ethics-counseling and reporting cases, in-house investigations are conducted; other cases are referred to the relevant department.
2) Includes reports with insufficient information, withdrawn reports, and similar cases.

Reporting and Improvement Measures

In 2025, SK Telecom completed case handling for 289 (99.3%) of the 291 cases received through its reporting and counseling channels, including corrective or improvement actions where applicable. Most cases concerned customer complaints or routine operational issues, and disciplinary action was taken in 10 cases involving violations of the Code of Ethics. None of the disciplinary cases involved unethical conduct toward customers, corruption or bribery, money laundering, or insider trading. The disciplinary cases comprised four cases of discrimination and harassment, three cases of conflicts of interest (outside employment or concurrent positions), and three cases of other unethical conduct. During the disciplinary process, SK Telecom maintained confidentiality and personal safety protections, prohibited retaliation and other disadvantageous treatment against reporting persons and persons cooperating with investigations, and monitored implementation through the relevant functions.

SK Telecom strengthens ethical conduct across the company through annual ethics training for all employees and department-level ethics practice workshops. The training and workshops use adapted reporting and disciplinary cases to prevent misconduct and recurrence.

Actions Taken for Violations of the Code of Ethics in 2025

(Unit: cases)

Category	Cases	Action taken
Discrimination and harassment	4	Major disciplinary action (4)
Conflict of interest (concurrent employment/positions)	3	Major disciplinary action (3)
Unethical conduct toward customers	0	-
Corruption and bribery	0	-
Money laundering and insider trading	0	-
Other unethical conduct	3	Major disciplinary action (2), Minor disciplinary action (1)
Total	10	Major disciplinary action (9), Minor disciplinary action (1)

Risk Management

Human rights Risk Management System

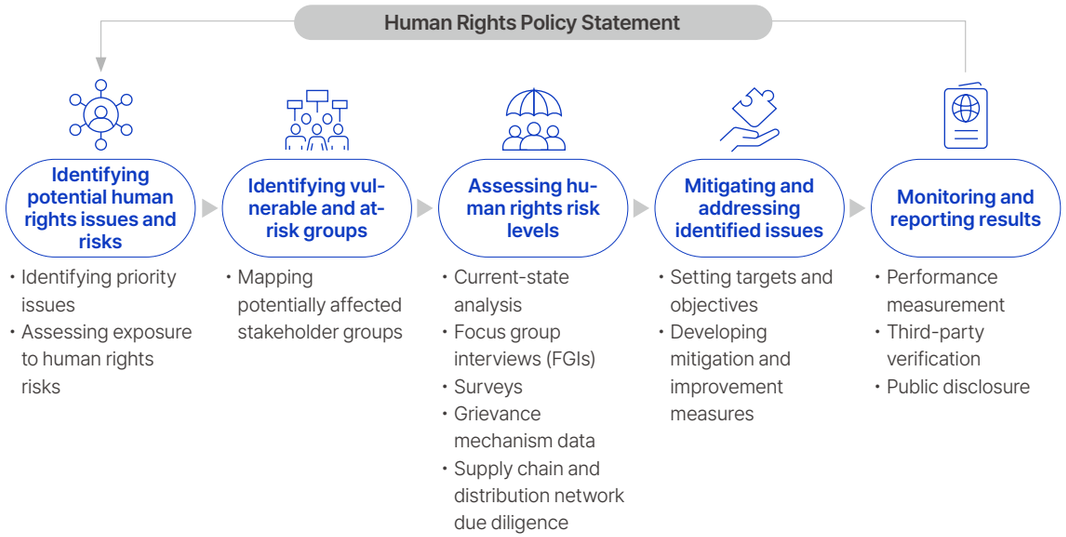
SK Telecom has adopted a company-wide human rights policy and manages human rights issues on an ongoing basis. In line with the UN Guiding Principles on Business and Human Rights and the "Protect, Respect and Remedy" framework, SK Telecom is establishing a clear framework to advance respect for human rights across its operations and stakeholder relationships.

SK Telecom Human Rights Report

SK Telecom's company-wide human rights due diligence covers its own operations and value chain, including headquarters, subsidiaries, joint ventures, and business partners. SK Telecom also identifies and reviews human rights risks before entering new business relationships, including acquisitions, mergers, and joint ventures.

SK Telecom operationalizes human rights due diligence through the Human Rights Impact Assessment and subsequent mitigation, monitoring, and reporting. It identifies potential human rights issues, assesses impacts on vulnerable or at-risk groups, develops mitigation and improvement measures, and sets targets to address identified issues. For details, please refer to the SK Telecom Human Rights Report.

Human Rights Due Diligence and Risk Management Process



Human Rights Impact Assessment Process

To assess its human rights management practices and identify potential human rights risks, SK Telecom conducts a Human Rights Impact Assessment annually. Following an employee survey in 2022, SK Telecom expanded the assessment scope in 2023 to include joint ventures. In 2025, the assessment included persons with disabilities, business partners, and foreign workers among identified vulnerable or at-risk groups. An external specialist organization conducts the assessment to enhance objectivity and independence, while an external online provider administers surveys to protect respondent anonymity. The assessment indicators are selected with reference to international human rights standards, including the UN Guiding Principles on Business and Human Rights, the Corporate Human Rights Benchmark (CHRB), the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and relevant International Labour Organization (ILO) guidance, while reflecting industry and organizational characteristics.

The Human Rights Impact Assessment evaluates the relative management priority of human rights issues, the human rights risk-management system, and reported human rights experiences. For prospective business relationships and joint ventures, SK Telecom applies a checklist comprising 51 indicators across 23 sub-areas in nine categories and reviews supporting evidence to verify compliance with the human rights management policy and detailed operating guidelines. Where risks are identified, SK Telecom develops and implements mitigation and improvement measures. Assessment results are reported to the ESG Committee annually.

Status of Human Rights Risk Assessment

Category	Percentage of total assessed over the past three years (%)	Percentage of assessed entities where risks were identified (%)	Percentage of entities with identified risks to which mitigation/remediation processes were applied (%)
Own operations (including joint ventures under management control)	100	18.2[1)]	100
Contractors and Tier-1 suppliers	100	12.5	100
Joint ventures (including equity stakes of 10% or more)	100	0 [2)]	100

1) Of the 11 worksites covered by the Human Rights Impact Assessment, the percentage of worksites where the average proportion of "high importance" responses across assessment areas was 80% or higher.
2) The proportion of companies classified as high-risk in the human rights area among supply chain ESG assessment targets and ICT Family companies.

Risk Management

Human Rights Risk Mitigation and Remediation Process

SK Telecom identifies human rights risks and establishes mitigation measures to prevent direct or indirect adverse human rights impacts across its business activities. For human rights issues identified through the Human Rights Impact Assessment, SK Telecom designates a responsible function to oversee the development and implementation of remediation and mitigation measures. Issues identified through the assessment are addressed in accordance with standard grievance-handling procedures aligned with global standards. SK Telecom develops mitigation measures with reference to universal guidelines such as the human rights principles of the UN Global Compact, industry guidance such as that of the Global Enabling Sustainability Initiative (GeSI), and OECD due diligence guidance. SK Telecom also takes relevant third-party research into account. Internally, SK Telecom has established meaningful stakeholder engagement channels and continues to enhance its grievance channels to strengthen its response to human rights concerns.

Following the identification of human rights risks, the responsible function develops improvement measures and implementation plans, monitors their implementation, and continues to improve SK Telecom's human rights management practices.

Human Rights Risk Mitigation and Remediation Process

Awareness (Supplier Screening): screening using the SCM Risk Profile

External

International and industry guidance

- Universal guidance, including the UN Global Compact human rights principles
- Industry guidance, including the Global Enabling Sustainability Initiative (GeSI)
- Issue-specific guidance, including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

Third-party assessments and research

- Business & Human Rights Resource Centre Action Platform
- Third-party human rights research, including Human Rights Risk Indices

Internal

Stakeholder engagement channels

- Annual stakeholder surveys
- Stakeholder engagement meetings
- Other stakeholder channels

Grievance mechanisms

- Stakeholder grievance and complaint channels (significant matters are reported to the ESG Committee of the Board of Directors)

Human Rights Risk Identification and Mitigation Process

Identify human rights risks → Designate a responsible function → Review mitigation measures → Monitor and report

Metrics and Targets

Company-Wide Rollout and Progressive Enhancement of the Human Rights Management System

	Human rights indicator	2025 performance	2026 target	2027 target	2028 target
Rollout of the human rights management system	Rollout rate of ICT Family human rights management system (share of ICT Family companies applying the system)	Implemented at SKT·SKB	60%	70%	80%
Supply chain human rights management	Share of suppliers classified as high risk for human rights (percentage of suppliers classified as high risk in ESG assessments)	Assessment system in operation	12% or less	10% or less	8% or less
	Completion rate of supplier ESG risk mitigation/ improvement actions (percentage of suppliers subject to corrective action that received improvement support and completed implementation)	100%	100% completion for all suppliers subject to corrective action	Maintain 100% completion	Maintain 100% completion
Human rights risk management system	Human Rights Impact Assessment coverage rate (percentage of own operations, Tier-1 suppliers, and new joint ventures assessed over the past three years)	100%	100% three-year assessment coverage of all in-scope entities	Maintain 100% assessment coverage	Maintain 100% assessment coverage
	Completion rate of improvement actions for cases received through reporting and counseling channels (percentage of grievance cases for which improvement actions were completed)	99.3%	100% of actionable cases (excluding withdrawn or insufficient reports)	Maintain 100% of actionable cases	Maintain 100% of actionable cases
	Online sexual harassment prevention training completion rate (annual completion for all employees)	98.0%	100% of eligible employees (excluding leave or secondment)	Maintain 100% of eligible employees	Maintain 100% of eligible employees

Customer-Centric Management

Governance

Customer Rights Protection Framework

To provide differentiated services and superior customer experiences from the customer's perspective, SK Telecom enriches customers' daily lives through AI-based innovative technologies and content. In addition, in accordance with its Customer Rights Protection Policy, SK Telecom has designated a Customer Rights Protection Manager and a dedicated department under the CEO. SK Telecom effectively manages potential risks across all business activities, such as unfair treatment of customers or product and service safety. Through these efforts, SK Telecom continuously strengthens customer trust.

Internal Control System

SK Telecom has built a robust internal control system so that customer complaints are promptly shared within the company and lead to prompt resolution, so that preventive measures are carried out efficiently. The system operates through an integrated communication framework connecting the Customer Rights Protection Department, the customer complaint handling organization, and relevant business units. Each business unit's roles and responsibilities are clarified for preventing complaints and these are linked to the evaluation system, thereby enhancing the effectiveness of the internal control framework.

Customer Complaint Handling Organization

SK Telecom operates diverse grievance channels to improve the convenience of receiving customer complaints and to prevent recurrence through the prompt resolution of complaints and analysis of their causes. These channels are categorized into in-person and remote channels according to the characteristics of the customer touchpoint. In-person channels are operated mainly through branches and agencies, while remote channels provide communication channels accessible anytime, anywhere, via the website and the mobile app customer center.



Customer Rights Protection Governance

CEO

- Publicly announces customer rights protection policy both internally and externally to proactively prevent customer complaints and ensure prompt resolution, while overseeing the effectiveness of the customer rights protection framework

Customer Rights Protection Manager

- Establishes and maintains a system to manage customer complaints from a neutral standpoint
- Built an internal control system for continuous monitoring, evaluation, and reporting of customer complaint management performance
- Provides regular training programs to enhance all employees' awareness and mindset regarding customer complaint management
- Set technical requirements and reported improvements and recommendations to the CEO
- Conducts regular reviews to maintain and improve an effective customer rights protection system

Customer Rights Protection Department

- Proactive prevention and resolution of customer complaints, system improvement, and operation of supporting information systems
- Company-wide oversight and management of customer complaints received through contact channels and from third-party organizations such as the Korea Consumer Agency, as well as other customer complaints

Grievance Handling Channels and Methods

Grievance channels	Submission methods
In-person channels (authorized dealers, branches)	Visit dealers and branches officially authorized by SK Telecom
Remote channels (customer center)	From a mobile phone, dial 114 (free) or 080-011-6000 (free) with no area code, or 1599-0011 (paid) with no area code
Website (online and mobile)	Online: Customer support available on the SK Telecom service website (http://www.tworld.co.kr). ▶ Customer feedback submission channel Mobile: Customer support available on the SK Telecom service website (m.tworld.co.kr). ▶ Email inquiry submission channel
Mobile app	Access Mobile T world, SK Telecom's dedicated mobile app
Mail	Send registered or certified mail to SK Telecom headquarters
SNS	Access SK Telecom's official SNS accounts (Twitter, Facebook, Instagram)
Fax	When supporting materials are needed after an initial customer center inquiry, use the fax mailbox of each customer center

Strategy

Customer Experience Enhancement

Customer Service Improvement

Placing customer trust as top priority, SK Telecom continuously pursues company-wide service innovation activities to maximize customer value based on customer satisfaction and trust. SK Telecom holds monthly Customer Value Innovation Council meetings, which serves as a company-wide body for change and innovation. Through this council meeting, the CEO and other key executives participate to comprehensively review SK Telecom's service level and network quality, hear customer feedback directly and incorporate customer feedback into service improvements, and discuss ways to strengthen customer trust and innovate services.

In addition, from May 2025, SK Telecom launched the Customer Trust Committee, an independent advisory body composed of external experts, which provides objective advice on customer-centric management as a whole and conducts ongoing reviews of customer trust. SK Telecom also has in place a customer advisory panel comprising 100 members that evaluates various products, services, and the overall customer experience from the customer's perspective and provides recommendations for improvement. The panel participates from service planning through follow-up review, serving to convey practical customer insights.

Through these efforts, including the establishment of a dedicated CX organization, SK Telecom continues to drive change and innovation by closely listening to customers, incorporating their feedback into service improvements, and enabling customers to experience trust at every touchpoint.

Customer Value Innovation

SK Telecom's efforts to deliver customer value innovation that customers can tangibly experience are made in various ways across customer service. In 2025, SK Telecom applied a "recommendation" service so that customers can more easily access the T world, T Direct Shop, and T membership services most relevant to them without having to search one by one. SK Telecom provides information suited to the customer's situation regarding customer service, membership, devices, roaming, and subscription products, making it easier for customers to recognize and use easily overlooked information benefits and services.

To actively address cyber threats such as voice phishing, which has become a significant social issue, SK Telecom established a dedicated Social Engineering Threat Response Team. Thus, in cooperation with the Korea National Police Agency's Integrated Response Group for Telecommunications Financial Fraud, SK Telecom dispatched specialized customer-service personnel and shared its consultation expertise. SK Telecom has also built a system that promptly blocks reported numbers through a reporting center, actively taking part in preventing customer harm and limiting its spread. SK Telecom continuously enhances services to block spam and smishing, such as international call voice guidance messages, RCS spam message blocking, and a bait message alert service. SK Telecom works to minimize customer harm using AI technology, blocking spam and phishing and providing on-site relief to victims who installed malicious voice phishing apps.

Having continuously carried out such customer trust enhancement initiatives, SK Telecom ranked first in the mobile telecommunications sector in the 2025 domestic customer satisfaction surveys: the National Customer Satisfaction Index (NCSI) and the Korean Standard-Service Quality Index (KS-SQI). By innovating the customer experience across various touchpoints such as the customer center, distribution network, and T world, and by improving the quality of customer consultations through AI and data analytics. SK Telecom contributed to improving customer trust and satisfaction.

These efforts also led to results such as being selected as the top call center in the mobile telecommunications sector in the customer center satisfaction surveys (KS-CQI, KSQI). Going forward, SK Telecom plans to continue sincere communication with customers and customer-centric management transformation to further strengthen customer trust.

National Customer Satisfaction Index (NCSI)

No. 1 for 28 consecutive years

Korea Standard-Service Quality Index (KS-SQI)

No. 1 for 26 consecutive years

Strategy

Customer Experience Enhancement

Customer Experience Enhancement Programs

Segmented services



- Providing segmented services to meet the needs of diverse customers and deliver positive experiences
- Conducting ZEM seasonal marketing (new semester, summer and winter vacations, etc.) for the segment of children aged 12 and under and their parents
- Providing "0 Youth" marketing reflecting trends through advertising, promotions, T1 fan meetings, and lifestyle-oriented benefit programs (e.g., 0 day, free data, performance and exhibition discounts) for the "0" segment of ages 13–34
- Operating the "T Long-Term Customer Program" for long-term SK Telecom customers (data and voice refill coupons for 2+ years, anniversary data benefits for 5+ years, event benefits for 10+ years, T membership VIP upgrades for 30+ years, etc.)

Diversification of service offerings



- Diversifying the rate plan lineup (Compact, Compact Plus, Premium) to meet 5G customers' varied data needs
- Introducing a top-up system so that users of the Compact, Compact Plus, Basic, and Slim plans can purchase additional data at a lower cost
- Providing a "Wavve & Data" discount to 5G plan customers to lower the burden of OTT use
- Expanding customer choice by adding OTT services customers prefer, such as Disney+ and TVING, as plan benefits
- Easing customers' device-cost burden by launching discounted tablet and smartwatch plans reflecting the needs of customers who prefer using a 2nd device such as tablets and smartwatches

Customer experience enhancement regarding rate plans



- Launching benefit-specific dedicated plans so customers can easily identify and use the key benefits of each plan
  - 5GX Premium → 5GX Premium (YouTube Premium), 5GX Premium (Netflix), 5GX Premium (smart devices), etc.
- Discontinuing enrollment in LTE plans that offer less favorable price-to-data value than comparable 5G plans, thereby preventing customers from inadvertently selecting less advantageous plans
  - T Plan Safe 4G, which costs more than the Compact plan but offers less data, and T Plan Essence, which offers less data at the same price as 5GX Regular

Provision of services for children and youth



- A dedicated service for protecting children
  - operating the ZEM app, a children-only service that helps children aged 12 and under who are using a smartphone for the first time develop healthy usage habits, and selling the SK Telecom-exclusive ZEM Phone with enhanced kids protection functions and low cost smartphones with the ZEM app pre-installed
  - Through the ZEM app, parents can use, for free, various safety features regardless of the child's smartphone OS — such as managing usage time and apps, real-time location tracking, preventing smartphone use while walking (smombie), and blocking harmful sites
  - If the child is an SK Telecom customer, parents can use the ZEM app for free regardless of their mobile carrier, and the child can additionally use the ZEM app without data charges

Strategy

Diversifying the Customer Experience

AI Personal Assistant "A. (A-DoT)"

SK Telecom's "A. (A-DoT)", an AI Agent service launched in May 2022, has surpassed 11.7 million subscribers as of March 2026.

Beyond a service that enhances customers' everyday convenience, A-DoT is growing with a focus on advancing the experience so that it can perform actions across a broader range of use cases on the customers' behalf, including understanding the customer, communicating, remembering, and connecting to actions.

In particular, the value of AI Agent has improved through the "A-DoT Call" and "Note" services, which bring together the voice processing know-how of the core telecommunications business. Beyond call summaries and schedule suggestions, A-DoT Call further enhances AI-powered security across the entire before/during/after-call process, such as blocking suspicious numbers and detecting voice phishing in real time. Furthermore, the Note service, drawing on the technology accumulated in voice recognition and call summarization, resolves users' inconvenience by separating speakers and understanding context to transcribe and summarize meeting discussions into text.

Contextual data generated through service usage enables a personalized experience that proactively manages and briefs users on their schedules. This is a key process in evolving into a "personal AI Agent" that best understands the user by connecting fragmented records of daily life. Such connection is underpinned by "agentic workflow" technology, which itself identifies the user's complex intentions and connects optimal functions.

In addition, SK Telecom seeks to extend this validated personal productivity innovation model into the B2B domain as "A-DoT Biz," further innovating the way companies work. Moreover, developing in-house AI capabilities based on the 500B-scale large language model "A.X" will become a driving force behind the digital transformation of industries, such as manufacturing, security, and media.

Going forward, A-DoT aims to develop into Korea's flagship AI agent, enhancing not only everyday convenience but national AI competitiveness.

AI Subscription Commerce Platform "T Universe"

T Universe is a subscription commerce service that provides a variety of subscription products to the entire public regardless of their mobile line.

From 2024, SK Telecom launched the "T Universe Netflix" and "T Universe Pass Shopping Gmarket," building an unrivaled product lineup spanning OTT, shopping, and everyday life. Through the "Subscription 2.0 Project," SK Telecom revamped the user experience (UX) and launched a dedicated T Universe app to maximize convenience. The revamped service performs sophisticated customer analysis by combining accumulated data with AI technology, and on that basis has greatly expanded personalized product recommendations and offerings. Customers can receive recommendations for subscription products optimized for them within T Universe, subscribe, and conveniently manage everything in one place.

In 2025, to strengthen AI synergy, the company launched subscription products for major generative AI services such as ChatGPT, and additionally introduced subscription products in collaboration with A. (A-DoT). Furthermore, SK Telecom implemented an AI subscription advisor[1] to deliver more personalized support to customers based on AI.

1) AI subscription advisor (tentative name): A system that offers tailored guidance to help users make the most of their subscription products.

Service Accessibility

To maximize the accessibility of mobile telecommunications services, SK Telecom is making various efforts, focusing on 5G, to expand its subscriber base and strengthen service linkages. Such improvements in service accessibility enhance customer satisfaction and thereby contribute to revenue generation in the mobile telecommunications sector, while also serving as a key driver of customer loyalty to the SK Telecom brand. The number and proportion of LTE and 5G subscribers, a leading indicator of mobile-service accessibility, continue to grow. Since the world's first commercialization of 5G in 2019, the company has dramatically expanded its subscriber base and strengthened its market leadership through the launch of differentiated products and the activation of the 5G ecosystem. As of the end of 2025, the number of 5G subscribers was approximately 17.49 million. In addition, the proportion of LTE and 5G subscribers[2] was 101.7%[3] of all subscribers, up 1.4 percentage points from the previous year.

2) Starting in 2023, following a change in the subscription statistics format by the Ministry of Science and ICT, the figures reflect only mobile phone users, excluding IoT and tablet devices.
3) Also beginning in 2023, as a result of revised statistical criteria by the Ministry of Science and ICT, total subscribers are now based solely on handset subscriptions.

Risk Management

Customer Rights Protection and Infringement Prevention

With the goal of achieving zero infringement of customer rights, SK Telecom strives to prevent in advance the possibility of infringement. SK Telecom has built a response system by integrating issues related to customer rights into its company-wide risk management. In the event of an issue, SK Telecom reports immediately to the board of directors and the CEO, ensuring prompt corrective measures.

Based on customer consultation records and complaints from external agencies, SK Telecom analyzes the Voice of Customer (VoC) and conducts risk assessments of the potential for infringement of customer rights in areas such as call quality, spam and smishing, fees, and customer benefits. Through the assessment results, SK Telecom identifies improvements and implements measures to protect customer rights and prevent infringement. These measures include on-site visits to stabilize call quality and advance bill-shock notifications. Following the cyber incident in April 2025, SK Telecom received 12,261 customer complaints through internal and external channels, compared with 8,736 the previous year. Excluding 3,007 matters unrelated to SK Telecom, 9,254 cases were resolved and corrective actions were completed on 75.4% of all received cases.

Even amid a surge in complaints related to the cyber breach, SK Telecom implemented proactive measures to minimize customer dissatisfaction. As a result, its external complaint resolution rate, based on the tally of the Korea Media and Communications Commission, reached 82.1%, the highest among the three telecommunications carriers. In addition, as the impact of the cyber breach subsided after September 2025, the number of CPCB (complaints filed with the Ministry of Science and ICT) cases recovered to the lowest level among the three carriers and has been maintained since.

Metrics and Targets

Metrics

Customer Satisfaction Index (CSI)[1)]

Category	2023	2024	2025	Remarks
NCSI (KPC)	79	80	81	No. 1 for 28 consecutive years
KCSI (KMAC)	87.0	86.9	83.2	No. 2
KS-SQI (KSA)	75.9	75.9	76.1	No. 1 for 26 consecutive years
Evaluation of User Protection (Korea Media and Communications Commission)	Excellent	Excellent	Very good	
SK Telecom regular CSI results[2)]	80	81	78	

1) Based on a 100-point scale
2) The annual average of the results of SK Telecom's own CSI assessment, conducted twice a year (in the first and second half).

Targets

Mid- to Long-Term Customer-Rights Protection Targets

Continuous Achievement of Zero Customer Rights Infringement

2026

- **Regain the No.1 ranking in the three major CSI surveys**
- **Reduction of Customer Complaints (VoC)**
  - Regain the No.1 ranking in CPCB among Korea's three telecom operators
  - Improve one or more service processes identified as sources of customer complaints
  - Conduct 100% pre-inspections for major service events (launch/change/termination)
- **Support for socially vulnerable groups**
  - Support for socially vulnerable groups, including debt relief in disaster-affected areas, discounts for persons with disabilities and recipients of basic livelihood security benefits, credit-recovery applicants: 230,000 people

2027

- **Maintain the No.1 ranking in the three major CSI surveys**
- **Reduction in VoC**
  - Maintain the No.1 ranking in CPCB among Korea's three telecom operators
  - Improve three or more service processes identified as sources of customer complaints
- **Support for socially vulnerable groups**
  - Support for socially vulnerable groups, including debt relief in disaster-affected areas, discounts for persons with disabilities and recipients of basic livelihood security benefits, credit-recovery applicants, and newly identified beneficiaries: 260,000 people

2028

- **Maintain the No.1 ranking in the three major CSI surveys and widen the gap**
- **Reduction in VoC**
  - Maintain the No.1 ranking in CPCB among Korea's three telecom operators
  - Build a VoC prevention focused AI monitoring system
  - Establish a proactive customer harm prevention process
- **Support for socially vulnerable groups**
  - Expand protection services tailored to those affected by disasters, persons with disabilities and older adults
  - Support socially vulnerable groups: 300,000 people

Network Stability

Governance

Network Service Stability Management System

SK Telecom has established a service stability management system and maintains a crisis response system to ensure systematic and prompt action in the event of a telecommunications disaster. When a disaster occurs, SK Telecom activates the crisis response framework according to the disaster response phase and responds systematically based on the roles of each organization.

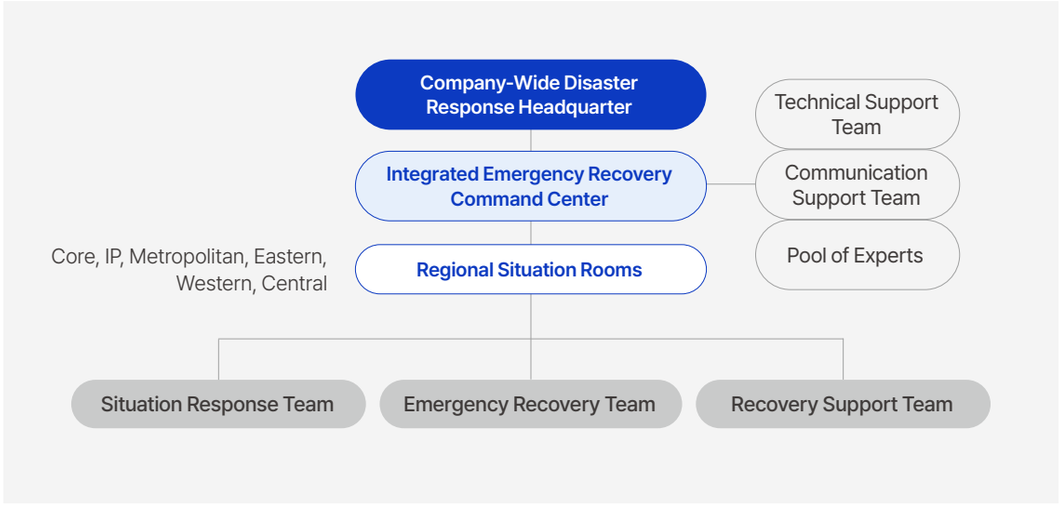
Under the crisis response system, SK Telecom comprehensively and systematically manages disaster situations, and carries out prompt recovery from disasters and provides related support through the provision of necessary material, human, and technical assistance necessary for emergency restoration.

The Regional Situation Room conducts inspections of actual damage and secures the necessary human and material resources for recovery, enabling swift and accurate service restoration. At the same time, SK Telecom communicates the status of disruptions and recovery progress to the Integrated Emergency Recovery Command Center, thereby supporting clear assessment and decision-making in disaster situations.

The Integrated Emergency Recovery Command Center serves as the central command function for disaster response, promptly identifying the status of damage and recovery, and ensuring a comprehensive response by coordinating with related organizations.

In addition, SK Telecom operates an integrated network control center 24 hours a day to enable proactive risk response, monitor service quality, and ensure a rapid recovery system in the event of disruptions. The integrated network control center manages and supervises daily operations, and during holidays or large-scale events, special communication measures are implemented to monitor network quality. In 2025, special communication measures were carried out for major holidays such as Lunar New Year and Chuseok, as well as for large-scale events including rallies in Yeouido and Gwanghwamun, the Yeouido Fireworks Festival, and Halloween. Service quality inspections, traffic monitoring and temporary facility installations were carried out as special communication measures.

Emergency Recovery System



Strategy

Network Operations Strategy

Disaster Preparedness Activities for Stable Network Operation

Management of Critical Telecommunications Infrastructure

SK Telecom manages critical telecommunications facilities in accordance with the facility classification standards set by the Ministry of Science and ICT. SK Telecom conducts regular safety inspections through safety management status checks and systematically manages the results. In particular, SK Telecom manages access and security within telecommunications facilities using CCTV, inspects fire protection systems to prevent fire, and implements protective measures for cable-entry manholes and other key infrastructure.

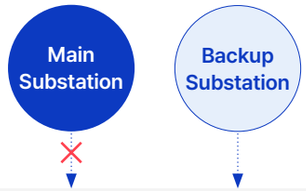
Network Redundancy and Diversified Network Architecture

To enhance the reliability of its network infrastructure, SK Telecom is establishing dual and diversified configurations for its core backbone networks. In addition, to prevent the spread of failures from a single central office to subordinate central offices, SK Telecom is implementing the redundant upper-tier central office architecture for critical communication facilities. For newly designated critical communication facilities, dualization of upper-level central offices is being completed within the same year. In 2025, SK Telecom successfully completed the dualization process for upper-level central offices at newly designated sites.

Securing Stability of Power Supply

Ensuring stable power supply is essential for the reliable operation of communication facilities. Accordingly, SK Telecom has implemented a redundant power supply configuration for critical communication facilities, so that each facility receives power from separate substations. This enables wireless communication services to continue even if a failure occurs at one substation. Furthermore, all critical communication facilities are equipped with batteries and generators to secure at least three hours of backup power in preparation for potential outages.

Dual Power Supply System



- **Under normal conditions:** Power supplied from the main substation
- **In the event of an issue with the main substation:** Power supplied from the backup substation

Securing Operational Work Management System

Network systems frequently require various tasks due to operational requirements and the addition of new features. If clear work rules and thorough management and control processes for these network tasks are lacking, there is a significant risk of compromising service stability as a result of operational activities.

Accordingly, SK Telecom has redefined the previous work process which centered on executing and verifying tasks, establishing a systematic management and control process that includes task preparation, registration, approval, execution, and verification. By implementing a work management system, SK Telecom is able to proactively prevent failures caused by tasks and maintain service stability.

Through the work management system, SK Telecom manages and controls all aspects of each task, including task details, personnel, and schedules, from the planning stage to completion. During the planning phase, all relevant organizations participate to collaboratively review and share the potential impacts and risks associated with each task. This approach is designed to ensure service stability throughout the execution of operations.

In addition, by applying and enforcing strict operational principles, SK Telecom rigorously excludes any tasks that do not comply with established standards and guidelines. High-risk operational commands are predefined to prevent operators from executing them arbitrarily, and to prevent human error, all commands used in operations must be pre-validated and approved before execution. Unapproved commands cannot be executed under any circumstances. Furthermore, when new software is updated, SK Telecom ensures its application to actual service equipment only after thorough pre-verification using test equipment established within the company.

Scope of Control for Work Management System



Normal Work

Redefinition of Work

Work execution under the control of the operational work management system
(Expansion, control, and management of the scope of work from the review to the confirmation stage)

Strategy

Network Operations Strategy

Safety Management in Preparation for Natural Disasters

Damage to wireless communication networks caused by natural disasters such as typhoons, wildfires, and heavy rainfall occurs every year, and the scale and severity of such damage are increasing due to climate change. SK Telecom is establishing countermeasures to minimize the impact of natural disasters and is making every effort to restore services as quickly as possible after ensuring the safety of workers in the event of an incident. SK Telecom has equipped each critical telecommunication facility with flood prevention equipment and drainage, and secures backup power supply equipment to address potential power outages. Furthermore, preemptive measures are taken for facilities vulnerable to natural disasters such as island areas, and intensive monitoring is conducted during specific periods, including the rainy season and typhoons, to enable rapid recovery in the event of telecommunication disruptions.

Recently, earthquakes have been occurring more frequently on the Korean Peninsula. Although there have been no direct cases of damage to SK Telecom caused by earthquakes so far, we have established and implemented various countermeasures to prepare for such events. Seismic inspections of our buildings are conducted regularly in accordance with the Building Management Act, and communication equipment certified for seismic resistance is installed within the buildings. As a result, SK Telecom is able to maintain wireless communication services even in the event of earthquakes of a certain magnitude.

Due to the frequent occurrence of large-scale wildfires on the Korean Peninsula during the spring season — caused by dry weather and strong winds — the extent of the damage has been gradually increasing. In the event of a major wildfire, there is a risk of widespread wireless communication service outages resulting from the direct burning of company facilities and disruption of power supply networks by Korea Electric Power Corporation (KEPCO). To minimize such damage, SK Telecom is implementing preventive measures. This includes expanding the use of fire-resistant and flame-retardant materials in facilities such as repeaters and lines. For critical communication facilities, communication lines connected to upper-tier stations have been dualized, ensuring the continued operation of wireless communication services even if one of the lines is damaged.

Measures to Prevent Cascading Network Failures

In network-based services, if incorrect information is executed on one network, it may affect other networks as well. SK Telecom is implementing network segmentation to prevent such errors from propagating and spreading to other networks. By separating routing domains, specifying static routes, and applying filtering policies to divide the internet network, subscriber network, and backbone network, SK Telecom ensures isolation between each network. The same technology is applied to group and regional segments, blocking the transmission of network errors from one segment to another.

Measures for Sudden Traffic Surges and Service Quality Optimization

During large-scale sporting events such as the World Cup or the Olympics, festivals such as the Gunhangje and fireworks, and periods such as year-end, New Year and national holidays, traffic surges in specific areas unlike normal times.

Even during these traffic surges, SK Telecom establishes special network operation measures to ensure seamless wireless communication services for users.

SK Telecom is increasing network stability through AI technologies such as "A-One (Access All-in-One)." In particular, at the BTS Gwanghwamun concert held in March 2026, a large-scale K-pop festival, SK Telecom operated A-One, the AI-based network operations system developed by SK Telecom's own technology. By doing so, SK Telecom preemptively designed optimized network environments and implemented real-time responses to crowd congestion.

On the day of the performance, traffic was monitored in real time at five-minute intervals and in 50-meter units, enabling rapid responses such as immediate traffic offloading and resource reallocation recommendations in the event of overload risks. Furthermore, an optimized network environment was established by predicting crowd congestion in advance and preemptively securing network capacity. In addition, SK Telecom expanded network capacity by constructing separate temporary network facilities independently of the existing network, and emergency personnel were deployed to the site on the day of the performance to maintain communication quality.

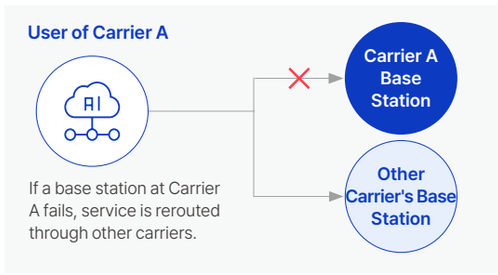
Joint Response Among Telecom Operators

A combination of severe dryness in winter, abnormally high temperatures in spring, and strong wind gusts is creating an environment highly susceptible to large-scale wildfires.

In 2025, mobile network providers cooperated to address the large-scale wildfires occurred in areas such as Sancheong in Gyeongsangnam-do and Uiseong, and activated the disaster roaming process, through discussions on application of the disaster roaming process and securing sufficient capacity. Disaster roaming is a system in which, if failures occur at repeaters or base stations in a specific area and SK Telecom subscribers are unable to access wireless communication, SK Telecom provides wireless communication services to our subscribers by rerouting through repeaters and base stations of other operators.

In addition, while SK Telecom uses SK Broadband's internet network for internet connectivity, SK Telecom has completed agreements with other telecom providers to allow the use of their internet networks in the event of an issue with SK Broadband's network. Redundant inter-company internet connectivity has been fully established.

Disaster Roaming



Strategy

Network Reliability and Stability

SK Telecom is focusing on network investment and technological advancement to ensure the reliability and stability of its communication services, thereby maintaining stable network quality and wide coverage. Aiming for "Zero Major Network Outages," SK Telecom has incorporated operational resilience and communication service stability into its KPIs to enable more proactive network management.

Data Traffic Processing

SK Telecom responds flexibly to changes in data traffic by leveraging demand forecasting and monitoring based on comprehensive analysis of annual processed data. SK Telecom commercially deployed a 5G core that simultaneously supports standalone (SA) and nonstandalone (NSA) modes, securing technological flexibility. SK Telecom has also successfully developed next-generation cloud-based 5G data equipment and has secured the necessary traffic capacity to provide stable customer service. In 2025, the annual processed data traffic was approximately 6.31 million terabytes, representing a 15% increase compared to 2024 and continuing a strong upward trend.

Leading Telecommunications Technology

Since Korea's first commercial deployment of LTE in 2011, SK Telecom has continuously invested in and advanced its technology, providing 1 Gbps-class LTE-A Pro services powered by technologies such as 5-Band Carrier Aggregation (CA) and 4T4R (4-antenna technology) in 2018.

Since the world's first commercial deployment of 5G in 2019, SK Telecom has provided nationwide 5G service, including coverage at the southernmost Ieodo Ocean Research Station. The company continues to advance next-generation telecommunications technologies in areas including ultra-high-speed 5G transmission, quantum-secured communications, and AI-powered networks. Its technology leadership has been recognized through awards including the 5G World Awards and Global Telecom Awards.

Required-Speed Fulfillment Rate by 5G Service

Category		Required-speed fulfillment rate
Service quality indicator	Web search	99.87%
	SNS short form	99.62%
	Video conferencing	99.28%
	High definition streaming	98.39%

In 2022, SK Telecom became the first operator in the world to deploy Single-RAN, integrated 3G/4G equipment, on its network and introduced infrastructure technology that considers eco-friendly factors, such as AI-based low-power network design. In 2024, by leveraging AI technology, SK Telecom has enhanced perceived customer quality and network operational efficiency through 3D spatial network analysis and communication facility safety diagnostics. At the same time, SK Telecom continued to drive technological innovation by integrating telecommunications and AI across various industries, including the demonstration of autonomous robots powered by Telco-Edge AI technology. In 2025, through collaboration with various global companies, SK Telecom continued innovation through the integration of AI and network technologies such as Open RAN standardization and the development of AI-based wireless-network quality-estimation technology, while also expanding the application of AI and network technologies to social engineering threat response, including spam-message blocking.

Aided by bold investments and continuous efforts to enhance performance for 5G network quality, SK Telecom achieved first place across all areas of the 5G Service Quality Indicators — considered the most important metric in the 2025 Ministry of Science and ICT's 5G Service Quality Assessment.

SK Telecom plans to lead the evolution of future telecommunications infrastructure by proactively adopting next-generation AI network technology, going beyond 5G enhancement. In addition, SK Telecom will apply artificial intelligence technology to both wired and wireless networks, further developing them into AI networks that deliver superior quality and new value.

In 2025, SK Telecom invested a total of KRW 2.13 trillion in its combined wired and wireless networks, including SK Broadband's fixed-line services, to strengthen network service stability and quality and expand coverage through AI-enabled technologies.

Electromagnetic Waves

SK Telecom has diligently fulfilled its obligations and responsibilities for measuring electromagnetic field strength every year since the mandatory measurement of electromagnetic waves was introduced in 2007, striving to ensure customer safety. More than 99.9% of SK Telecom's wireless stations have achieved grade 1 under the electromagnetic field rating system. In 2025, SK Telecom conducted electromagnetic field strength measurements for a total of 11,371 wireless stations, and the results showed that the actual electromagnetic field strength of these stations was on average less than 10% of the human safety standard.

Strategy

Network Reliability and Stability

Securing a Disaster Recovery Framework

SK Telecom is continuously advancing its disaster recovery system in response to the increasing importance of strengthening stability across the telecommunications industry, which has emerged as a key social issue. The disaster recovery framework is designed to maintain customer service continuity by strengthening system redundancy and backup architecture when external events—such as power outages, fires, flooding, or earthquakes—damage telecommunications systems or facilities, or when operator errors result in prolonged service disruptions. SK Telecom continuously assesses vulnerabilities in the disaster recovery system and implements protective measures and ongoing investments to ensure stable service based on the assessment results.

Inducted into the ICT Hall of Fame for CDMA Commercialization

In 2024, in recognition of its achievement in commercially deploying CDMA, SK Telecom became the first Korean company to be selected for the "IEEE Milestone," often referred to as the Nobel Prize in the global ICT sector.

In the 1990s, SK Telecom, the Electronics and Telecommunications Research Institute (ETRI), Samsung Electronics, and LG Electronics collaborated to respond to the surging demand for mobile communications by commercializing the world's first CDMA digital mobile communication system, which increased call capacity by more than ten times compared to the existing analog method.

This achievement enabled the Republic of Korea to emerge as a global leader in the mobile communications industry. SK Telecom will continue to pioneer the upcoming era of AI with the same spirit of creativity, challenge, and collaboration that drove the successful public-private partnership for the commercialization of CDMA.

Enhancement of Wired and Wireless Network Service Quality

SK Telecom's mobile communication service quality is recognized as one of the highest in the world in terms of coverage and data speed. With a sustained commitment to network investment and technology development, SK Telecom maintains stable network quality and extensive coverage. In addition, SK Telecom flexibly responds to data traffic based on demand forecasting and monitoring, which are derived from comprehensive annual data analysis. By developing 5G core that supports both SA and NSA modes, as well as next-generation cloud-based 5G data equipment, SK Telecom secures the necessary traffic capacity and provides reliable services to customers.

In 2025, telecommunications and AI technologies were combined to enhance customer-perceived quality and network operational efficiency through the development of AI-based intelligent base station technology. Furthermore, successful verification of a virtualized base station capable of simultaneously processing AI computing and mobile communications was completed in a commercial environment alongside a global manufacturer. Continuous performance improvement efforts and bold investments to enhance network quality persist, including the development of the "FILM (Filtered Measurements)" system that enables AI to analyze and optimize network quality more precisely. Driven by these efforts, SK Telecom achieved the highest ranking across all areas in service quality indicators — including web search, SNS short form, video conferencing, and high definition streaming — under the 5G network quality categories of the 2025 Ministry of Science and ICT 5G Quality Assessment. Moreover, SK Telecom was recognized through accomplishments such as winning the Ministerial Award at the Korea Radio Promotion Technology Awards for four consecutive years.

Systematic Network Outage Response

SK Telecom operates an emergency network outage recovery system to minimize the social and economic impact and public inconvenience caused by network outages. SK Telecom intensively monitors abnormal signs through a network anomaly detection system and is strengthening competencies for prompt emergency recovery in the event of an outage. To prevent outages caused by network defects, SK Telecom conducts regular system inspections to enhance network reliability and operates a system that allows for pre-testing when expanding hardware or modifying software. SK Telecom is also committed to preventing human error through an operational control system.

To strengthen network reliability, SK Telecom operates a redundant primary network access routes and critical communication facilities, separating the network across different layers and regions to prevent errors occurring in one location from spreading to others. Since 2020, SK Telecom has implemented a disaster roaming system among the three major mobile carriers, ensuring the maintenance of essential services even in emergencies and preparing for unforeseen situations. During periods of high network traffic, such as holidays, year-end and New Year's seasons, and large-scale events, SK Telecom implements special communication measures to provide stable communication carriers, while expanding capacity and upgrading systems to accommodate growth in disaster-roaming users.

Since 2022, SK Telecom has built and improved a joint network incident response process through close cooperation among the three carriers.

In 2025, SK Telecom introduced an AI-based integrated failure monitoring system into the commercial network, transitioning from previously distributed network failure monitoring to an integrated operational framework. Through this, SK Telecom expects to enable more sophisticated AI-powered fault monitoring and response.

In addition, by 2026, SK Telecom plans to enhance its existing trained AI models using big data and leverage them to advance intelligent network operations and continuously strengthen response capabilities. SK Telecom also plans to continue expanding processing capacity and upgrading systems to respond to rapid traffic surges during emergency situations. Through these efforts, SK Telecom will operate its network more stably and achieve zero major network failures.

Risk Management

Risk Management Process

Compliance with Laws and Regulations

SK Telecom maintains full compliance with applicable laws and regulations established by the government to ensure the stability of network services in preparation for communication disasters caused by natural or social disasters. In accordance with the Framework Act on Broadcasting and Communications Development, the company submitted its 2025 Broadcasting and Telecommunications Disaster Management Plan to the Ministry of Science and ICT in September 2024 and designated a total of 185 sites as critical telecommunications facilities. Based on the 2025 disaster management plan, SK Telecom carried out activities throughout the year to ensure the stability of communication services, including power supply redundancy, internal safety inspections, and simulation drills according to the classification of each critical facility.

In accordance with the Framework Act on the Management of Disasters and Safety, SK Telecom manages four major office buildings (Seongsu, Dunsan, Boramae, Bundang) that house its core facilities as national critical infrastructure. To protect these facilities from disasters such as fires and floods, SK Telecom established preventive measures and rapid recovery plans, which were submitted to the Ministry of Science and ICT in March 2025. In October, the company submitted implementation evidence to verify whether the plans outlined in the protection strategy had been carried out. Additionally, in compliance with the Telecommunications Business Act, the Fire Services Act, and the Building Management Act, SK Telecom conducts activities such as fire safety equipment inspections and drills, as well as seismic safety inspections of buildings, strictly adhering to all relevant regulations to maintain stable communication services.

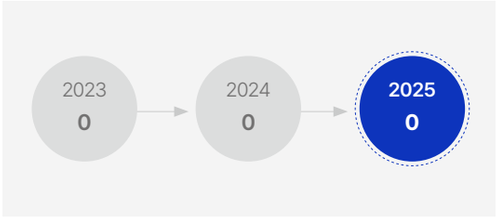
Metrics and Targets

Metrics

Number of Network Failures

Number of Major Telecommunications Failures[1)]

(Unit: cases)



1) A disruption at the "Alert" level of a telecommunication disaster declared by the Ministry of Science and ICT, or a disruption of equivalent or greater severity.

Targets

Internal Training Implementation and Support to Ensure Stability

SK Telecom conducts various training programs and drills to enhance employees' disaster response capabilities and actively supports these training efforts at the company level.

In 2025, a total of 25 disaster response personnel for critical communication facilities completed a telecommunications disaster-related training program through training institutions designated by the Ministry of Science and ICT. This training is required for newly appointed personnel each year, as well as for those whose last training was completed more than two years prior.

Separate from the legally mandated training for designated disaster personnel, SK Telecom also conducts a variety of internal training programs. These internal trainings are held across different infrastructure areas and cover various subjects such as new technologies, failure prevention and recovery, and network systems. Training is also provided to new employees and those with role changes, helping them easily acquire foundational knowledge of the complex network infrastructure.

In addition, for the 13 facilities rated Grade A or B, it is mandatory to conduct joint simulation drills with relevant agencies once every two years, in accordance with legal requirements. Accordingly, in 2025, SK Telecom carried out disaster response drills in collaboration with related organizations such as KEPCO and the fire department, to familiarize employees with the response procedures and required actions to be followed in the event of a disaster. Beyond joint drills with external agencies, SK Telecom also conducted internal mock and live drills covering various scenarios such as transmission network failures, exchange equipment malfunctions, power outages, and failures during the rainy season or typhoons. These drills were used to thoroughly assess the effectiveness of the response process and clarify individual roles within the team.

Supply Chain Management

Governance

Roles of the Board of Directors and Executives

SK Telecom reports its supply chain sustainability management plans and implementation performance — including supplier ESG programs — to the ESG Committee under the Board of Directors, continuously enhancing these initiatives through the Committee's deliberation and oversight.

The ESG Committee deliberates on strategic directions and performance across key ESG domains — including environmental, social, customer, human rights management, information security, and supply chain management — as well as mandatory ESG disclosures and stakeholder communication, integrating these into management activities. To secure objectivity in decision-making, the Committee is mandated to consist of three or more directors, with independent directors forming the majority.

At the executive management level, SK Telecom operates a monthly, company-wide Purchasing Deliberation Committee attended by senior executives to routinely monitor systematic shared growth practices and win-win partnerships with suppliers, regularly deliberating and reviewing key issues related to fair trade and shared growth.

Dedicated Supply Chain Management Organization

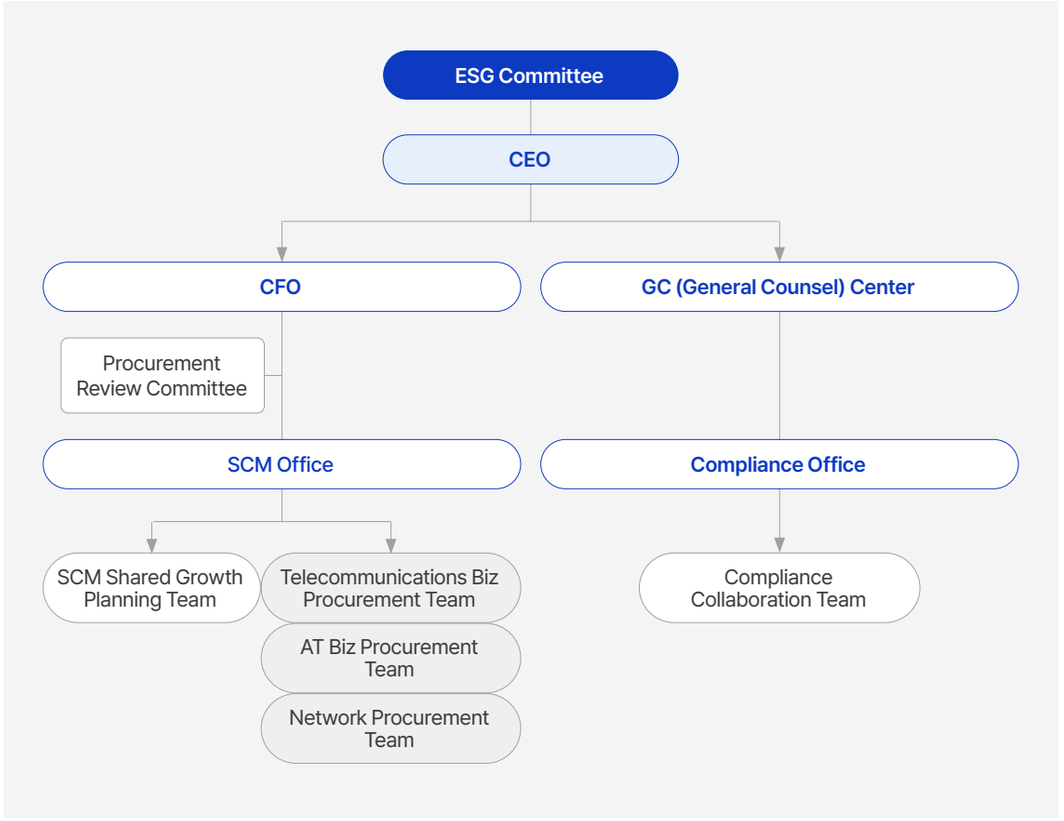
SK Telecom established a Shared Growth Team (now the SCM Shared Growth Planning Team) dedicated to shared growth and mutual cooperation, affirming its commitment to shared growth management both internally and externally. SK Telecom has since continuously carried out a variety of shared growth programs.

In addition, to continuously monitor fair trade risks in supplier transactions and respond swiftly to major fair trade issues, the Compliance Collaboration Team is dedicated to managing these responsibilities.

Key Responsibilities of the Dedicated Organizations

SCM Shared Growth Planning Team	• Establishing and executing shared growth strategy • Communication activities for business partners • Spreading a company-wide shared growth culture
Compliance Collaboration Team	• Operating and enhancing the company-wide compliance monitoring system • Identifying and applying innovation items for compliance work • Identifying and analyzing fair-trade law and regulation trends

Supply chain Management Governance



Strategy

Sustainable Supply Chain Management

Based on policies including Supplier ESG Code of Conduct, SK Telecom manages partners' ESG risks and builds a sustainable supply chain. SK Telecom conducts ESG-risk screening when contracting with and transacting with partners to prevent supply chain risks in advance, and enhances risk identification, assessment, and evaluation systems to help improve the ESG competencies of the entire supply chain. SK Telecom also provides capacity-building programs across various areas such as technology, finance, and education, and realizes substantive shared growth by expanding continuous communication and cooperation with partners.

As domestic and international supply chain regulations are strengthened, SK Telecom recognizes the need to expand and evolve its cooperative relationships and sets the key directions of its supply chain management strategy. In 2026, SK Telecom plans to pursue three core tasks: differentiated management of business partners, mutual cooperation to enhance supply chain stability, and establishing business partners' ESG practice. Through these initiatives, SK Telecom aims to build a sustainable, resilient supply chain and cultivate strong strategic partnerships with suppliers to drive impactful, high-value change.

Sustainable Supply Chain Management Strategy



ESG Policy for Suppliers

SK Telecom realizes sustainable supply chain management based on a supply chain policy comprising labor and human rights, health and safety, environmental management, anti-corruption, fair trade, and information protection. To manage partners' ESG risks, SK Telecom established the "Supplier ESG Code of Conduct," obtaining agreement and pledges before transactions, and encourages partners to comply with them in practice by defining social responsibility compliance requirements based on global standards such as ILO international labor standards, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights (UNGPs).

In addition, based on SK Group's "Supplier ESG Assessment Guidelines," SK Telecom designated as a key management area the risks that may arise during collaboration, reflecting the characteristics of its business. Identified risks are managed through a systematic procedure: preliminary assessment (partner self-evaluation) → third-party evaluation → third-party due diligence → establishing improvement plans → monitoring. Depending on the assessment results, SK Telecom provides ESG-specialized training and consulting so that partners can prevent and improve ESG risks, and continuously listens to partners' opinions and requests to enhance its management system.

Strategy

SK Telecom's "Supplier ESG Code of Conduct"

SK Telecom's "Supplier ESG Code of Conduct" was established based on the UNGC principles, the OECD MNE Guidelines, and the JAC (Joint Audit Cooperation) guidelines of GeSI. SK Telecom made it mandatory for all partners to submit a "Supplier ESG Code of Conduct compliance pledge" at the start of each year through its online procurement management system, thereby building a virtuous-cycle ESG management system that raises awareness of the code and induces improvement efforts. By complying with the code, partners respond proactively to changes in the internal and external environment together with SK Telecom and enhance the sustainability of the entire supply chain.

Purpose of the ESG Code of Conduct

The Supplier ESG Code of Conduct aims to build a sustainable supply chain by promoting the ESG management implementation of all partners within the value chain. SK Telecom recommends that all partners not only strictly comply with relevant laws and regulations but also practice world-class ESG management in areas such as labor and human rights, health and safety, the environment, ethics, and management systems. SK Telecom also hopes that, by complying with the ESG Code of Conduct, partners will solidify a sustainable partnership with SK Telecom and grow into companies that fulfill their social responsibilities.

Scope of Implementation

The Supplier ESG Code of Conduct applies to all partners and to all of their members. Partners must comply with the code in all business activities conducted with SK Telecom. The code requires partners to strictly implement it not only in their own business activities but also in their transactions with third-party partners. If a partner does not comply with the code, SK Telecom may request corrective actions.

Roles and Responsibilities of Partners

SK Telecom, or a third-party evaluation institution commissioned by SK Telecom, may check and conduct due diligence on partners' compliance with the code within the legally permitted scope. Where risks or non-compliance issues are identified, SK Telecom requires suppliers to establish and execute Corrective Action Plans (CAP) to implement immediate remediation and risk mitigation measures.

Details of Supplier ESG Code of Conduct

Labor & Human-Rights Management
Prohibition of forced labor, Prohibition of child labor, Compliance with working hours, Wages/benefits, Humane treatment, Prohibition of discrimination and harassment, Freedom of association

Health & Safety Management
Building a safety and health management system, Industrial safety, Managing industrial accidents, diseases, and incidents, Safety management of machinery, tools, and equipment, Sanitation, food and housing, Health and safety communication

Environmental Management
Setting environmental management goals, Eco-friendly products and services, Climate change response, Pollution prevention and waste, Protecting natural capital & biodiversity and prohibiting deforestation, Chemical substance management, Responding to product environment regulations

Ethical Management
Business integrity, Fair trade, Personal information security, Information disclosure, Intellectual property protection, Whistleblower protection, Responsible mineral sourcing, Legal compliance

Management Systems
Building a management system, Responding to laws and external requirements, Risk checks, Training and communication, Information management, Operating a grievance handling system, Managing business partners (lower-tier suppliers)

Supplier ESG Code of Conduct

Supply Chain Anti-Corruption Policy and Audit

The "Supplier ESG Code of Conduct Compliance Pledge" and the "Supplier Ethics Practice Pledge" are joint commitments between SK Telecom and its partners to cooperate in practicing corporate social responsibility and to establish a fair and transparent transaction culture. The Supplier Ethics Practice Pledge includes fair trade compliance items such as prohibiting the provision of money, entertainment, or conveniences and prohibiting unfair transaction practices, as well as prohibiting exaggerated or false advertising and collusion. It also stipulates strict ethical standards, such as prohibiting the unauthorized use of customer information and its leakage to third parties, protecting whistleblowers and prohibiting retaliation, and prohibiting the use of conflict minerals or non-responsibly sourced minerals. In addition, to promote partners' anti-corruption management and implement transparent audits, SK Telecom reflects supply chain anti-corruption requirements in its internal "Purchasing Management Regulations." In cases of anti-corruption violations by partners, SK Telecom's Procurement Review Committee deliberates on potential sanctions, verifies the facts, allows for explanations, and issues final decisions on disciplinary actions. Based on this strict management system, SK Telecom imposed a total of three sanctions in accordance with the results of supply chain anti-corruption audits in 2025.

Strategy

Shared Growth with Partners

Shared Growth History

To create a sound ICT-industry ecosystem and generate sustainable value, SK Telecom has actively pursued shared growth together with its partners. In 2025, in the 2024-attributable Shared Growth Index evaluation — which combines the results of the Shared Growth Committee's "Shared Growth Composite Index" (conducted for 230 large and mid-sized companies in Korea) and the Fair Trade Commission's "fair trade agreement compliance evaluation" — SK Telecom was announced as the highest grade for the 13th consecutive year. SK Telecom was also evaluated as a company leading shared growth, maintaining for more than 11 years its status as an "Honorary Company of Excellence," a distinction granted to companies rated highest for three consecutive years.

Shared Growth History

- 2003. Established the industry's first dedicated shared growth organization
- 2008. Launched the SK Group Shared Growth Committee
- 2013. First in the telecom industry to receive the highest Shared Growth Index rating
- 2015. Selected as a Shared Growth Honorary Company of Excellence
- 2019. Signed an innovation-driven wage gap reduction agreement
- 2022. Signed a voluntary agreement to reduce polarization
- 2025. Selected as highest-rated in the Shared Growth Index for the 13th consecutive year
- 2025. Signed a partner ecosystem strengthening agreement

Support for Partner Welfare Programs

To improve the welfare of business partner employees and stabilize partners' operations, SK Telecom provides tuition, health checkups, communications fees, and the like in the form of welfare points. SK Telecom also opened an "SK Telecom Business Partner Recruitment Center" within an online recruitment platform to help secure outstanding talent and create youth jobs. In particular, in 2025, through a business agreement with the Industrial Bank of Korea, SK Telecom practiced substantive sharing of results, like additionally providing childbirth congratulatory allowances and vacation expenses to partner company employees.

Welfare Support (Unit: cases)

Category	Cases
Welfare points (tuition, communications fees, etc.)	118
Recruitment, youth job creation	118
Family event support	28
Childbirth and other support	196
Total	460

Support for Partner Technology Development and Protection

SK Telecom opens various platforms such as TMAP and PASS to technology-development partners in the form of Open API portals, and shares ICT-technology development infrastructure such as test-beds for handsets and base-station equipment. SK telecom also selects transferable technologies from the accumulated intellectual property rights (IPR) and transfers them to partners free of charge, supporting partners in running businesses based on patented technology. In addition, SK Telecom supports small and medium-sized partners in joining the technology escrow system — which stores their core technology and management information at a third-party institution — and the trade secret original certificate service, thereby practicing the protection of SMEs' technology.

Support for Technology Development and Protection[1)] (Unit: cases)

Category	Cases
Technology development infrastructure support (SK Telecom Open API, etc.)	2,101
Patent support (filing costs, free transfer, technology protection policy insurance)	98
Technology escrow system	104
Trade secret original certificate service	349
Total	2,652

1) Includes 22 significant suppliers.

Financial Support Programs for Partners

SK Telecom has steadily operated financial support programs to support partners' smooth cash management. SK Telecom contributes to a Shared Growth Fund which lowers partners' loan interest rates using the interest income generated from deposits, and to shared growth loans for ESG-excellent partners. Also, SK Telecom supports partners' financial stability by paying subcontracting payments faster than under ordinary payment terms.

Financial Support for Partners

(Unit: cases, KRW 100 million)

Category	Cases	Amount Supported	Note
Shared Growth Fund loans	66	633	-
Early payment of subcontracting payments	987	-	Payments were made an average of 6.7 days earlier than the standard 60-day contract period

Strategy

Partner Shared Growth Programs

Support for Supplier Competency Enhancement Programs

To enhance partners' business competitiveness and strengthen their ESG practice competencies, SK Telecom operates a variety of training programs for partner employees. The training system is subdivided into legally required courses, general ESG courses, tech-competency courses, and other general courses, supporting partners' sustainable growth. As of 2025, a total of 24,957[1] partner employees took training through these programs.

1) Through 2024, the figure included partners of affiliates such as SK Broadband; from 2025, it includes only SK Telecom's partners.

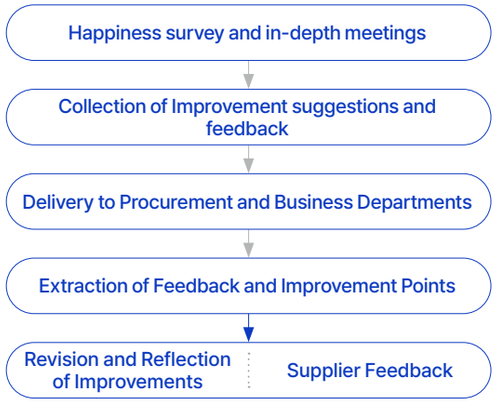
Total Number of Participants in the 2025 Supplier Competency Enhancement Program

24,957

Supplier Communication Process

SK Telecom gathers partners' opinions and improvement requests through online and offline channels and reflects them in its business and procurement processes.

Supplier Communication Process



Status of Supplier Competency Enhancement Program

Category	Training Course	Number of Participants (persons)
Legally required courses	• Ethical management training such as sexual-harassment prevention, disability awareness improvement, and workplace harassment prevention • Serious Accidents Punishment Act training to spread a safety-and-health culture • Information security training to protect information and prevent leaks	16,672
General ESG courses	• Understanding ESG, passing on a carbon-neutral sustainable planet, SV Story, ZERO carbon footprint • ESG as a business-model trend, ESG-practice strategy	1,988
Tech-competency courses	• ChatGPT, generative AI, DT, 5G Tech, IT Security • metaverse, server virtualization, cloud-computing technology, Python basics	5,089
Other general courses	• Economic outlook, the Fourth Industrial Revolution, business insight, ICT trends	1,208

Supplier Communication Channels

To gather field voices on shared growth and reflect them in actual policy, SK Telecom operates diverse communication channels. SK Telecom collects substantive opinions through channels in which suppliers participate, such as supplier meetings (in-depth meetings), listening to the VOP (Voice of Partners), partner surveys, and the SCM mailbox, thereby closely grasping suppliers' grievances.

Supplier Happiness Survey

SK Telecom conducts anonymous surveys with supplier representatives on key topics such as business relationships, communication, and decision-making during transactions. The results are used to gather feedback and improve shared growth policies.

Supplier In-Depth Meetings

One-on-one meetings are held with suppliers to freely share opinions on field-level issues related to contract execution and shared growth activities, which are then reflected in internal policies.

SCM Mailbox[1]

SK Telecom collects and reflects supplier suggestions for improvement through the SCM Suggestion System (OPEN2U), which covers procurement-related tasks (e.g., orders, contracts, and deliveries).

1) In 2025, 0 suggestions were received, so there were no follow-up completions.

2025 Achievements in Advancing Supplier ESG Risk Management

In 2023, while strengthening existing processes and programs, SK Telecom assessed 150 companies based on its established partner ESG risk management plan using the Click ESG system, which was developed and certified at the SK Group level. In this process, as with SK Group affiliates that conduct partner ESG assessments, SK Telecom selected 66 environmental, social, and governance indicators as required indicators for the assessment. The 36 high-risk partners classified by a composite score below 3 points received re-training and consulting, reducing the high-risk group to 13 companies as of the end of 2023.

In 2024, SK Telecom redesigned the existing 66 ESG assessment indicators into indicators suited to the telecommunications services industry. SK Telecom assessed 118 priority management partners, of which 19 high-risk companies were identified and supported with consulting, ultimately reducing the high-risk group to 4 companies.

In 2025, SK Telecom provided assessment and consulting for 105 priority Tier-1 and Tier-2 suppliers, improving the average ESG score to 6.28 points, 0.54 points higher than before. Only 3 companies newly participating in the assessment were classified as final high-risk, with improvement planned to be completed by 2026.

SK Telecom will continue to implement supply chain risk management and strive to enhance sustainability together with its suppliers.

Strategy

Responsible Supply Chain Management Program

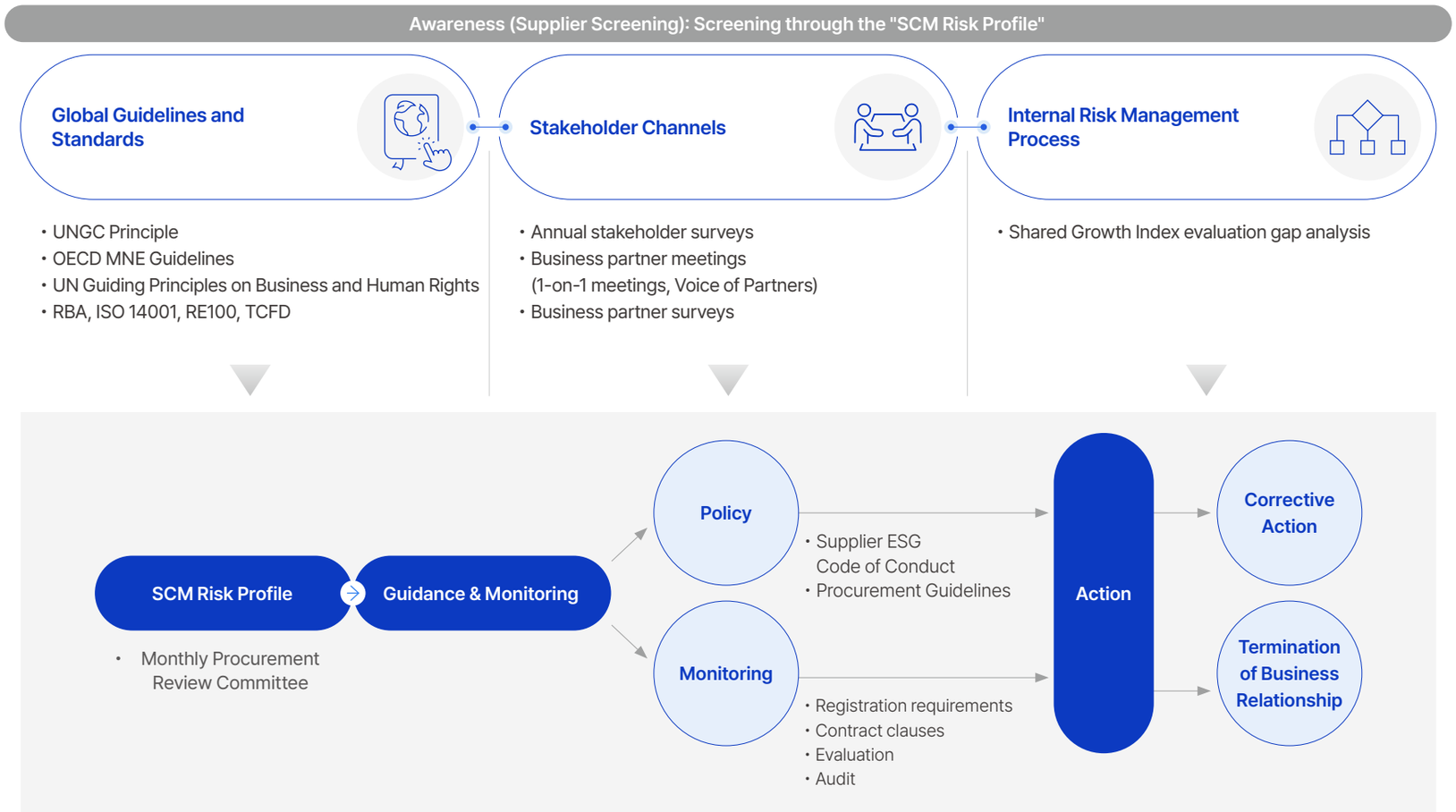
Supplier ESG Risk Management Process and Roadmap

SK Telecom systematically manages supply chain ESG risks by conducting multi-faceted evaluations of registered partners, such as written surveys, self-assessments, and site visits. For partners requiring improvement based on the assessment results, SK Telecom requires the establishment of corrective-action plans and induces substantive improvement in ESG performance through periodic feedback programs.

In particular, SK Telecom introduced and operates an ESG risk in-depth assessment program. For ESG priority management partners with high transaction importance and share, SK Telecom conducts the ESG risk in-depth assessment program. Based on the results, SK Telecom provided tailored improvement support training for each partner and consulting through on-site visits to improve ESG levels.

From 2025, through collaboration with ICT affiliates SK Inc. AX and SK Broadband, SK Telecom laid the foundation for enhancing synergy in the partner ESG assessment system. SK Telecom introduced a process that improves the efficiency of ESG assessment work by continuously sharing the assessment data of overlapping partners while also preventing ESG risks in advance.

Responsible Supply chain Management Process



Strategy

Responsible Supply Chain Management Program

Establishment of ESG Standards in the Procurement Process and Pre-Screening[1] of the Supply Chain

SK Telecom manages risks by incorporating the Supplier ESG Code of Conduct throughout its procurement process. In supplier selection and contract awarding, SK Telecom weighs ESG performance criteria by a minimum of 3%. Furthermore, suppliers failing to satisfy minimum ESG requirements are subject to transaction volume restrictions or exclusion from contracting within a specified timeframe.

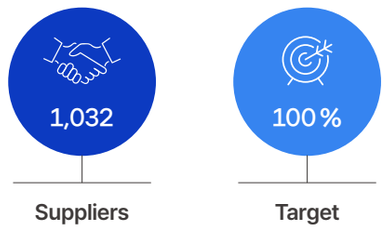
Before initiating any transactions, SK Telecom not only obtains an Ethics Pledge and an Information Security Agreement through its electronic contract system (OPEN2U), but also conducts 100% pre-screening based on the Supplier ESG Code of Conduct. The supplier screening process systematically evaluates risks across Environmental, Social, and Governance (ESG) dimensions alongside business relevance, incorporating country-specific risk, sector-specific (industry) risk, and commodity/product-specific risk methodologies.

In terms of business relevance in particular, SK Telecom reviews competencies that can be utilized in SK Telecom's core strategic businesses, such as network and AI infrastructure expansion. SK Telecom also identifies potential ESG risks in advance by classifying partners' transaction types and checking whether they fall into high-risk industries. Regarding country risk, SK Telecom thoroughly checks at the ESG-screening stage whether a partner is located in a region or country vulnerable in human rights, such as those with child labor, thereby securing supply chain stability.

1) Countries and regions vulnerable to ESG risks — such as child labor — are identified and managed through supplier ESG screening.

For all partners, SK Telecom applies strict labor, health, and safety standards to conduct qualified-supplier evaluations and self-assessments (checklists). Companies that fall below a certain level in the evaluation are excluded from contracts, and partners judged unqualified must remedy the deficient items within six months. In 2025 as well, SK Telecom conducted 100% pre-screening for both newly registered partners and partners with ongoing transactions. To continuously achieve 100% pre-screening, SK Telecom is enhancing its financial and non-financial risk-review items and related processes to conform to international ESG standards.

2025 Supplier ESG Assessment and Pre-screening



Note: Includes suppliers of equipment, construction, software/solutions, and materials.

Supplier Pre-screening Criteria

Category	Identified issues
ESG Factors	Labor & Human Rights, Health & Safety, Environment, Ethics, Management Systems
Business Relevance	Consideration of SK Telecom's business characteristics, including network expansion and infrastructure development for AI services
Country risk	Political, social, economic, and legal risks associated with the country where the supplier operates
Product risk	Risks that may arise during the production, distribution, and use of the product
Industry risk	Risks due to industry-specific characteristics such as labor conditions, energy consumption, and resource intensity

Issues Identified via Pre-screening by Supplier Transaction Category

Category	Transaction Item	Identified Issues						
		ESG Factors			Business Relevance	Country Risk	Product Risk	Industry Risk
		E	S	G				
Equipment	Base Stations, Repeaters, Switches, Rectifiers, etc. for 5G wireless services	High	Low	Medium	●	●	●	●
Construction	Field work for safe installation of equipment and facilities for 5G wireless services	High	Medium	Medium	●			●
Software/ IT Services	Systems and services for customer data, billing, monitoring, and control in 5G networks	High	Low	Medium	●			●
Materials	General telecom-related goods such as laptops, monitors, etc	High	Low	Medium	●	●	●	●

Strategy

Responsible Supply Chain Management Program

Procurement Strategies to Enhance Supply Chain Sustainability

To strengthen supply chain sustainability, SK Telecom has set and is implementing five core procurement strategies. SK Telecom secures fundamental competitiveness by improving its purchasing structure from a Total Cost of Ownership (TCO) perspective, while maximizing cost-effectiveness through zero-base reviews of cost composition. SK Telecom also raises the completeness of its strategy by pursuing business-friendly procurement process optimization, proactive risk management and the creation of a fair-trade environment, and the expansion of joint development and overseas export support. To ensure effective policy implementation, SK Telecom conducts mandatory annual training for buyers and internal procurement stakeholders, clarifying their specific roles and responsibilities within supplier ESG programs.

For fair and transparent transactions with partners, SK Telecom developed and operates its own electronic transaction system. SK Telecom enacted Purchasing Management Regulations within its internal rules to strictly manage the purchasing procedures and standards of all employees including procurement departments and requesting departments and stipulated that violations result in disadvantages to organizations and individuals through disciplinary action. SK Telecom also maintains stage-by-stage security across the entire process — from bid announcements to on-site, proposal, and price evaluations — to ensure the fairness of transactions. In addition, SK Telecom links its purchasing and accounting systems to establish a management system that meets the International Financial Reporting Standards (IFRS).

In accordance with its Purchasing Management Regulations, SK Telecom blocks environmental-risk factors in advance from the procurement stage of raw materials, subsidiary materials, and equipment. When selecting items, unless there is a special reason, SK Telecom preferentially purchases eco-friendly products that contribute to resource conservation and reduce environmental pollution compared with other products or services of the same use. When introducing equipment, SK Telecom also reflects mid- to long-term (3–10 years) electricity use in evaluations from a TCO perspective, operating so that companies proposing low-power solutions can be selected. In addition, to reduce carbon emissions, SK Telecom has been replacing active component equipment with passive component equipment, and continues its efforts to achieve carbon neutrality by building and operating solar power facilities at major facilities and buildings.

Supply Chain Status

SK Telecom designates its Significant Supplier Group by comprehensively considering the influence on and dependence of its key businesses, such as relevance to core business and infrastructure investment, transaction scale, and irreplaceability due to proprietary technology. Accordingly, as of 2025, of a total of 1,032 suppliers, SK Telecom identified 129 unique Tier-1 significant suppliers out of 1,032 total unique suppliers, based on spend volume and business criticality. Additionally, 38 lower-tier suppliers (Tier-2/3) with no direct contractual relationship were categorized as unique non-Tier-1 significant suppliers.

Procurement Personnel Training Program

Program	Course	Frequency
Procurement Expert Development	• Strengthening procurement competencies of newly assigned personnel • Bidding methods, evaluation criteria, and Best/Worst Practices	Conducted annually in the 3rd week of January
ESG Workshop	• Domestic and global ESG trends and SCM implementation directions/results • Improvement initiatives or new action items	Conducted as needed

2025 Supply chain Status

Supplier Classification	Detail	No. of Suppliers	Share of Purchases (%)
Tier-1 Suppliers	Total Registered	1,032	100
	Equipment (Network and Infrastructure)	131	13
	Construction	80	14
	Services (Software and Solution Development)	761	69
	Materials	60	4
Significant Suppliers	Tier1	129	91
	Non-Tier 1	38	-

Strategy

Supply Chain ESG Assessment

Based on the Supplier ESG Code of Conduct, SK Telecom sets the proportion of registered partners subject to written and on-site surveys as a key indicator of its supply chain ESG assessment, thereby precisely checking risks. To secure the objectivity, fairness, and reliability of evaluations, SK Telecom operates various evaluation models. First, SK Telecom conducts written evaluations using the ESG assessment platforms and indicators of SI companies that benchmarked global evaluation indices and guides such as DJ BIC, MSCI, GRI, K-ESG, IBC, WFE, EcoVadis, and RBA. To raise the professionalism of the evaluations, SK Telecom conducts secondary verification through the Korean subsidiary of a global evaluation and consulting firm. SK Telecom also commissions an independent third-party ESG specialist institution to conduct written and on-site due diligence and verification of major ESG areas such as Scope 3 emissions, and solidifies its supply chain risk-management system by verifying, through an ESG platform, matters such as whether partners hold ISO certifications.

SK Telecom is strengthening its relationships with suppliers through ESG assessments and working to build a sustainable supply chain. In 2025, SK Telecom conducted 100% written surveys of all 1,032 first-tier partners.

For partners that do not meet the required ESG standards, SK Telecom induces voluntary improvement by giving advance notice of the possibility of reduced transaction volume or exclusion from contracts. In addition, each year SK Telecom selects excellent companies among major partners and concludes separate fair-trade agreements with them, providing partners that sign such agreements with multi-faceted benefits — such as free shared growth programs and, in particular, ESG assessment and evaluation support. Notably, SK Telecom provides special incentives including financial support to partners with excellent ESG assessment and evaluation results. As part of this, in 2024 SK Telecom selected a total of 7 excellent partners and provided about KRW 120 million in support by 2025.

Supply Chain ESG Assessment (by Assessment Type)

Supplier Classification		2025	
		No. of Suppliers	Purchase Share (%)
Tier1	Total number of suppliers assessed via written/ on-site audits	1,032	100
	Total number of significant partners assessed via written/on-site audits	129	91
Non-Tier1	Total number of significant partners assessed via written/on-site audits	38	-

In-Depth ESG Risk Assessments in the Supply Chain

To enhance supply chain ESG risk management, after conducting two partner ESG assessment improvement pilot tests in 2021, SK Telecom has, since 2022, implemented a newly developed in-depth ESG risk assessment program for its Significant Suppliers.

SK Telecom classifies partners by type to differentiate evaluation indicators and conducts ESG risk assessment and monitoring by dividing the assessment method into regular and ad hoc.

In particular, to induce suppliers' voluntary management, SK Telecom provides in-depth assessment results and professional consulting services free of charge through an ESG assessment platform. Through this, suppliers can grasp the weighting of each evaluation item in their industry and, by comparing with the average data of participating suppliers, understand their own ESG level and benchmark competitors.

SK Telecom also continuously provides training to employees and partners on ESG management trends and systems for identifying and mitigating risks. SK Telecom distributes a best-practice casebook containing specific guidelines to help partners establish practical improvement directions, while intensively supporting high-risk partners with on-site-oriented consulting to produce improvement results each year. In addition, by conducting training for internal stakeholders such as procurement personnel, SK Telecom operates a support system that continuously manages supply chain ESG risks.

Continuation and Enhancement of ESG Training

Course	Details
Eco-friendly Bro: ZERO Carbon Footprint by Hwang Dae-ri × Julien	Practical ways to address the climate crisis in everyday life
Carbon Neutrality: Passing On a Sustainable Planet	Understanding carbon neutrality policies, systems, and directions
Understanding ESG	Understanding the global background and purpose of ESG
Global Companies' SV Stories: Patagonia, Lush, Unilever	Strategies for sustainable management and creating social value through ESG practices

New ESG Training Programs

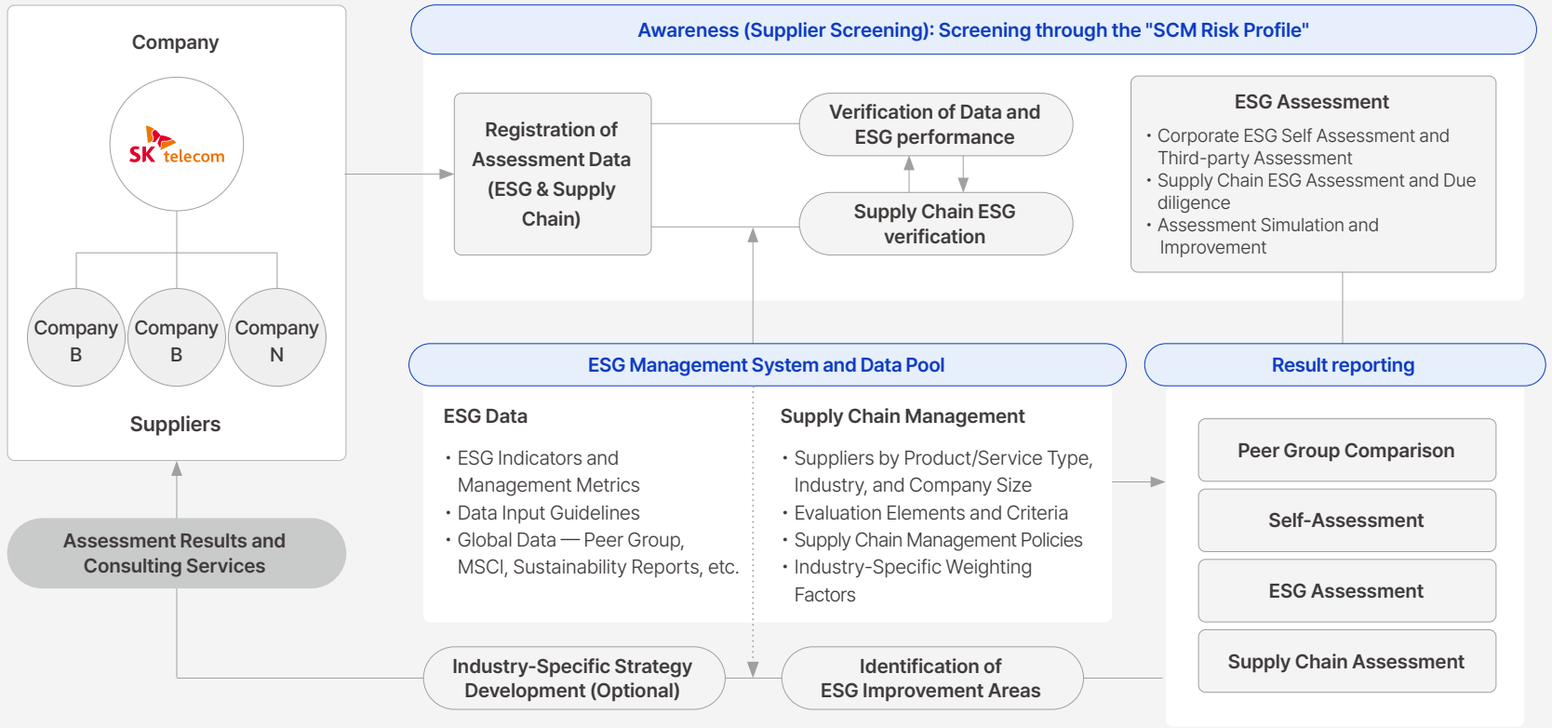
Course	Details
ESG, the Trend of Business Models	Practical ESG management strategies based on real-world ESG cases
Dr. Moon Sung-hoo's ESG Implementation Strategy	Understanding what and how to prepare for ESG
ESG: Everyone Should Know and Use Easily	Practical methods and key requirements for utilizing ESG effectively

Risk Management

Supply Chain ESG Assessment Framework

Supplier ESG Assessment and Evaluation

"Suppliers conduct a self-assessment by category via the ESG assessment platform, followed by verification of the supplier registration data."



Global Guidelines and Standards

"On-site consulting is prioritized for high-risk ESG suppliers, and improvement support programs are jointly provided, reflecting the needs of Tier 1 suppliers"

Training (Online/Offline)

- **[Working-level Staff] SK Telecom Shared Growth Academy**
  ESG Basic and Advanced ESG Courses
- **[Executives]** Group Shared Growth Academy, SK Telecom CEO Forum, etc.
- **[Employees] SK Telecom Shared Growth Academy**
  ESG Practice Training
  - Topics Include Ethical Management, Sexual Harassment Prevention, Workplace Bullying Prevention, and Information Security

Guide

- Supplier ESG Self-Assessment Checklist
  - Covers ethics, labor-management relations, safety, and internal regulations

Consulting

- On-Site Consulting for High-Risk Suppliers
- Support for ISO Certifications through Linkage with Industrial Innovation

Risk Management

Identifying and Analyzing Key Risks in the Supply Chain

In addition to regular annual surveys such as the shared growth perception survey and business partner surveys, SK Telecom operates multi-faceted channels — such as partner meetings (in-depth meetings), the VOP (Voice of Partners), and a risk management working group — to proactively manage key risks in the supply chain. Risk factors identified through surveys are reflected in risk gap analysis and risk mapping by supplier group, and these are reviewed in depth at quarterly procurement performance analysis and improvement meetings. In particular, SK Telecom classifies key supply chain risks into economic, social, and environmental areas and integrates them into its sustainability management process. Identified key risks are immediately reflected in the "Supplier ESG Code of Conduct" and the "Ethics Practice pledge" so that they are 100% applied in future assessments. For high-risk partners, SK Telecom conducts supply chain due diligence (audits) through site visits or third-party surveys, thereby preventing the possibility of risks in advance.

Corrective Actions and Incentives

Based on the results of partner risk assessment and evaluation, SK Telecom requires companies needing improvement to improve their ESG performance by establishing and implementing corrective action plans. SK Telecom reviews the validity of improvement plans through separate management of the target partners and takes measures — such as providing essential resources for corrective action and, when necessary, external-expert advice — so that performance can be improved swiftly. Such ESG-performance improvement and risk-correction measures are carried out in tailored ways, such as remote support or on-site visits. The resulting improvements are classified and analyzed by area and reflected in the supply chain pre-screening, ESG risk assessment, and support policy establishment processes, thereby enhancing the effectiveness of the management system. Meanwhile, as of 2025, no partners were subject to sanctions based on partner assessment and evaluation results.
Meanwhile, for partners with excellent assessment and evaluation results, SK Telecom provides various incentive schemes such as financial support for ESG excellent partners, competency enhancement programs, and risk reduction programs. The competency enhancement programs consist of technology support and protection programs through free technology and patent transfer and open collaboration, the Shared Growth Academy, and CEO seminar courses for partners. The risk reduction programs include detailed programs that provide substantive benefits such as concluding shared growth agreements, providing purchasing policies and compliance guides for partners, adjusting delivery unit prices, providing financial support, and providing welfare support.

Results of Supplier Risk Assessment and Status of Corrective Action Support

Category	Unit	2025	2025 Target
Number of suppliers assessed with substantial actual and potential negative impacts	Companies	3	-
Ratio of suppliers with substantial actual and potential negative impacts with agreed corrective action and improvement plan	%	100%	100%
Number of suppliers with substantial actual/potential negative impacts that were terminated	Companies	3	-
Total number of suppliers supported in corrective action plan implementation	Companies	3	-
Ratio of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	%	100%	100%

Metrics and Targets



Local Community

SDG 3. Good Health and Well-being

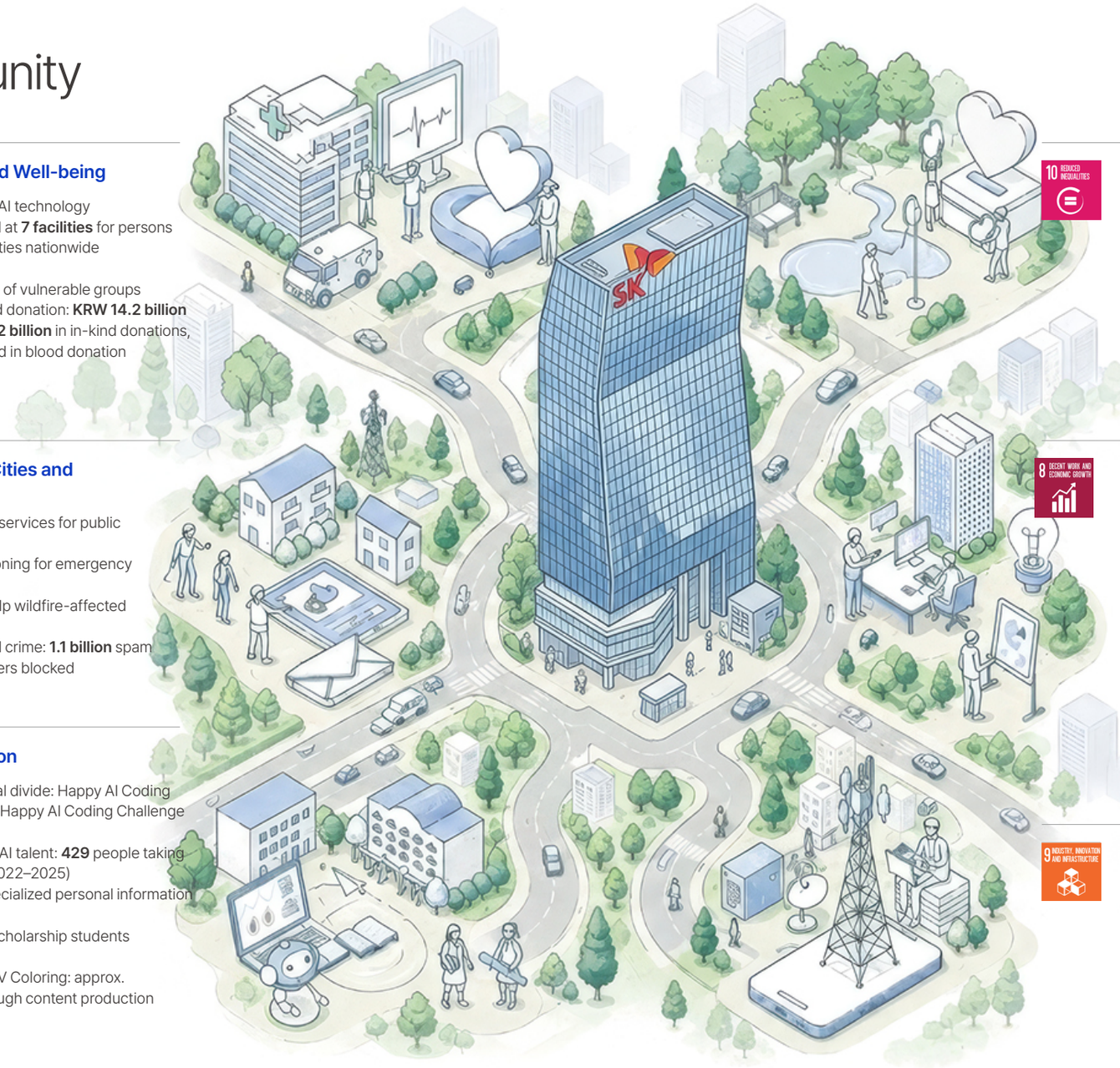
- Elderly care services using AI technology
- CareVia service: introduced at **7 facilities** for persons with developmental disabilities nationwide (as of Q2 2026)
- AI call service for the safety of vulnerable groups
- ICT-based volunteering and donation: **KRW 14.2 billion** in cash donations, **KRW 11.2 billion** in in-kind donations, **712 employees** participated in blood donation

SDG 11. Sustainable Cities and Communities

- Disaster alert messaging services for public safety
- Expanding precise positioning for emergency rescue for public safety
- Emergency support to help wildfire-affected areas restore daily life
- Preventing cyber financial crime: **1.1 billion** spam and voice phishing numbers blocked

SDG 4. Quality Education

- Program to bridge the digital divide: Happy AI Coding School for **4,032** students, Happy AI Coding Challenge for **114** students
- Developing industry-ready AI talent: **429** people taking part in FLY AI Challenger (2022–2025)
- AI Ethics ON! camp and specialized personal information protection training
- Sponsoring a total of **335** scholarship students (2014–Feb. 2026)
- Social value creation using V Coloring: approx. **KRW 500 million** paid through content production



SDG 10. Reduced Inequalities

- Tariff discount for the vulnerable: **KRW 604.6 billion** per year
- Free social value services (voice, text, data)
- Providing sports opportunities and improving social perception by hosting a golf tournament for persons with developmental disabilities
- AI billing guide by voice: used by about **70,000** customers per month
- Support for "VoiceView," a text-call service
- "SonNuri Ring," a ringback tone service for customers with hearing impairments
- Happy Box volunteer campaign: supporting about **800** children

SDG 8. Decent Work and Economic Growth

- Revenue growth through T day: **KRW 81.5 billion** in sales
- Open Membership: **KRW 350 million** in support (Good Consumption KRW 220 million, Open Bakery KRW 130 million)
- "T Deal" advertising and marketing support for small and medium-sized merchants: small and medium-sized merchants make up **98%** of sellers
- Free provision of SK Open API
- Cultivating innovative startups: **528** startups identified and supported in total since 2013
- Dedicated partner company of the Daejeon and Sejong Centers for Creative Economy and Innovation
- Establishing ESG funds: **KRW 40 billion** in total
- K-AI Alliance with Korea's leading AI companies: about **50** member companies (as of May 2026)
- Activating large enterprise–startup collaboration (SKTCH)

SDG 9. Industry, Innovation and Infrastructure

- Participating in Korea's largest social problem-solving festival
- Expanding telecommunications services in underserved areas: 5G in **1,185** areas, LTE in **502** areas

* Unless otherwise noted, quantitative data are as of 2025.

Governance

SK Telecom operates an implementation framework for social contribution to create social value through its ICT capabilities. The board of directors and the ESG Committee provide oversight and strategic guidance on the direction and performance of social responsibility management and external communication strategies. Social contribution outcomes are regularly reported to the ESG Committee. In 2025, topics such as company-wide ESG KPIs, the SV joint budget operation plan, human rights management performance, and outcomes regarding supply chain shared growth and ESG partnerships were reported to the ESG Committee.

As the dedicated social contribution organization, the Sustainability Management Office sets the company-wide direction for social contribution and promotes activities aligned with strategic initiatives which reflect the unique characteristics of the telecommunications industry.

Social Contribution Governance Framework

Board of directors (ESG Committee)

CEO

Head of the GC (General Counsel) Center

Head of the Sustainability Management Office

Agenda Items Reported to the ESG Committee

Date	Agenda	Status
2025.2.25	2025 company-wide ESG KPIs	Reviewed
2025.4.23	2025 SV joint budget operation plan	Reviewed
2025.8.27	Report on SV measurement and operation among 2025 company-wide KPI indicators	Reviewed
	Human rights management performance and plans	Reviewed
2025.10.28	Outcomes of 2025 supply chain shared growth and ESG partnerships, and 2026 direction	Reviewed
2025.11.26	2025 ESG performance	Reviewed
	2025 materiality assessment results	Reviewed

Strategy

As ICT-driven digital life spreads across every area of life the digital divide among marginalized groups has deepened and associated risks such as personal information leaks and cybercrime are increasing. Accordingly, the role of ICT companies as social safety net providers has become increasingly significant. Evolving into an AI Company, to provide customers with a better life through ICT infrastructure, SK Telecom established a social contribution strategy under the vision of creating social value through AI and telecommunications.

Through diverse activities across three core areas — Enhancing quality of life through AI, Expanding the ICT collaboration ecosystem, and Building a sustainable society for all — SK Telecom contributes to achieving the global goals of the UN SDGs and strives to enable companies and society to grow together by creating social value on par with economic value.

Social Contribution Strategy

Vision 2030: Creating social value Based on AI and telecommunications

Three Key Commitments:
- Enhancing quality of life through AI
- Expanding the ICT collaboration ecosystem
- A sustainable society for all

UN SDGs:
- SDG 3. Good Health and Well-being
- SDG 10. Reduced Inequalities
- SDG 8. Decent Work and Economic Growth
- SDG 9. Industry, Innovation and Infrastructure
- SDG 4. Quality Education
- SDG 11. Sustainable Cities and Communities

Strategy

Enhancing quality of life through AI

Elderly Care Services Using AI Technology

To address social challenges arising from an aging population, SK Telecom provides AI care services using its own AI technology, expanding its social safety net. By doing so, SK Telecom cares for seniors living alone and middle-aged people at risk of isolation, while also helping to relieve loneliness and prevent dementia. In cooperation with Happy Connect[1], a social enterprise, it operates an AI Care service for seniors. Happy Connect's AI Care Center monitors data collected through SK Telecom AI speakers and, when abnormal signs are detected, operates an integrated monitoring and response service that resolves issues in real time 24/7, including safety check calls, in-person visits, psychological counseling, and connecting to the 119 emergency line via an emergency SOS call. This service is currently deployed and operated at local governments, public institutions, public health centers, and dementia relief centers nationwide.

1) Happy Connect is a social enterprise founded by SK Group that collaborates with SK Telecom to operate programs to support the socially vulnerable by using AI technology.

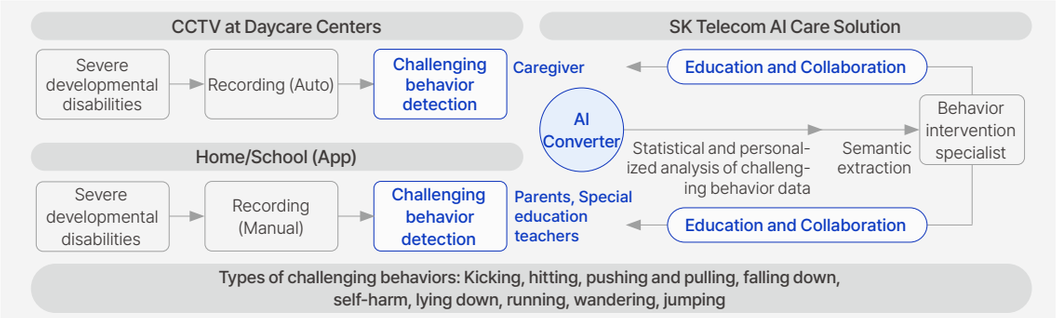
CareVia: From Support for Individuals with Developmental Disabilities to Universal Care

Since 2021, SK Telecom has operated "CareVia," a care service using Vision AI technology for persons with severe developmental disabilities left in marginalized care settings. In cooperation with cities like Seoul and Daejeon, a total of 7 facilities for persons with developmental disabilities are using CareVia as of Q2 2026. Vision AI automatically recognizes and records the challenging behaviors of persons with the most severe developmental disabilities and implements personalized reporting and intervention management functions on an AI platform, building evidence-based care practices for persons with developmental disabilities. CareVia was also introduced in the developmental disability ward of the National Forensic Psychiatric Hospital, easing the workload of correctional officials.

Driven by the belief that "AI that can care for persons with disabilities can care for everyone", SK Telecom also operates Vision-AI-based Life Care services, which detect and respond to incidents and accidents in real time across various living environments. Vision AI is deployed in stairwells, elevators, and parking lots within SK Telecom headquarters to create a safe working environment for employees and is expanded to the elevators of Seoul Housing & Communities Corporation's rental apartments, making it a care service for a broader community

CareVia

Recognition, Automated Recording, and Personalized Reporting & Intervention Management of Challenging Behaviors in Individuals with Developmental Disabilities Through SKT's Vision AI and Optimized Cloud Technology



AI Call Service for the Safety of Vulnerable Groups

SK Telecom provides an AI call service to check in on the safety of seniors living alone and single-person households at risk of isolation and to prevent solitary deaths. In cooperation with local governments and the Comprehensive Support Center for Older Adults Living Alone AI call service provides safety checks and health guidance via AI calls based on various scenarios to vulnerable people at risk. The recipients' responses are analyzed by the AI Care Center, the social enterprise Happy Connect's professional monitoring center, and are provided to welfare centers and community service centers for prompt care. It also contributes to improving the quality of life of vulnerable groups by providing essential information such as guidance on welfare vouchers. SK Telecom plans to further enhance the AI call service so that local governments and welfare institutions can reduce their care workload and focus on their core on-site support.

Charitable Spending by Donation Type (Unit: KRW million)

Cash donations	In-kind donations[1]	Monetary value of employee volunteer hours during working hours
14,228	11,286	32

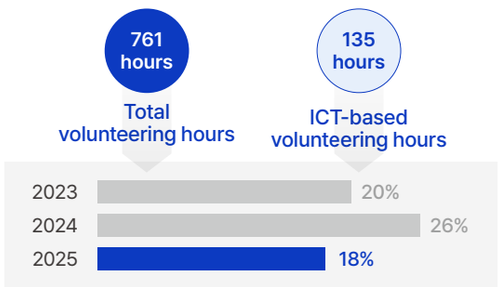
1) In-kind Donations: Goods, services, projects, or products equivalent to monetary value
* In accordance with SK Telecom's anti-corruption policy, donations and sponsorships for political purposes are avoided.

ICT-Based Volunteering and Donations

SK Telecom actively contributes to solving social issues through volunteer work and donation activities. This includes participating in usability tests of services offered by social enterprises and providing ongoing sponsorship through both cash and in-kind donations.

In cooperation with the Korean Red Cross, SK Telecom developed "Red Connect," the official blood donation application. Red Connect provides health management services and a function to look up donated blood by combining blood-test results with the national healthcare big data, contributing to the increase in re-donation rates. SK Telecom also provided a Rich Communication Services (RCS) messaging platform free of charge to the Korean Red Cross to promote blood donation. In addition, each year SK Telecom conducts a blood donation campaign where SK Telecom and ICT Family employees participate, helping to solve blood shortage problems. In the 2025 ICT Family blood-donation relay campaign, a total of 712 employees participated, helping to overcome the domestic blood supply shortage.

Ratio of Skilled Employee Volunteering[2]



2) Ratio of Skilled Volunteering: Volunteering hours from ICT volunteering and pro bono programs / Total volunteering hours

Strategy

Enhancing quality of life through AI

Tariff Discount for the Vulnerable

SK Telecom provides tariff discount benefits to reduce the financial burden of telecommunication services for the vulnerable and to enhance their access to information services. In 2025, the total amount of discounts offered to persons with disabilities, low-income households, and basic pension recipients increased by 4.6% from the previous year, reaching KRW 604.6 billion.

SonNuri Ring

"SonNuri Ring," which means "drawing the world with one's hands," is a ringback tone service that helps customers with hearing impairments communicate more conveniently. When someone calls a customer who has applied for the service, the ringback tone provides a voice announcement: "This is the mobile phone of a customer who has difficulty hearing. Please contact via text message. Thank you." This free service can be applied through Mobile T world, retail stores, and the customer centers. SonNuri Ring is an example of listening to the needs of hearing-impaired mobile users and turning it into a practical solution.

AI Billing Guide by Voice

To provide more convenient communication for the visually impaired and the elderly, SK Telecom operates the "AI billing guide by voice." An AI agent calls customers each month to verbally explain their billing details, including total charges, mobile service fees, device installment payments, and additional service charges. More than 70,000 customers now use this free, phone-based service every month to access their billing information easily, without the burden of receiving or the risk of losing a paper bill.

VoiceView

The "VoiceView" feature in the A-DoT phone app utilizes SK Telecom's AI to convert voice into text and vice versa, enabling seamless text-based communication for users who face challenges with voice calls. When a caller enters a text message, it is converted into an AI voice and delivered to the recipient. The recipient's spoken responses are in turn transcribed into text and displayed in the chat window. This allows customers who have difficulty with voice calls due to hearing or speech impairments to easily communicate by text and use phone calls.

Tariff Discount Status

(Unit: KRW million)

Classification	2023	2024	2025
Persons with Disabilities	140,514	140,054	137,127
Low-Income Households	180,575	191,104	203,832
Persons of National Merit	14,113	14,306	14,319
Basic Pension Recipients	211,791	229,923	245,971
Others	2,307	2,563	3,398
Total	549,300	577,950	604,647

Providing Social Value Services for Safety and Communications Access for All

SK Telecom provides voice, text, and data usage free of charge for public interest social value services, so that services supporting public safety and the daily lives of vulnerable groups can be used without financial burden. For services directly tied to the public safety net and support for vulnerable groups, such as emergency reporting, counseling, and assistive services for the disabled, SK Telecom continuously monitors monthly usage to support reliable service delivery.

SK Telecom also applies free data usage to the communications speed measurement application of the National Information Society Agency (NIA). The communications quality information is then used to improve dead zones, contributing to improving communications access so that the broader community can enjoy a more stable communications environment. SK Telecom will continue to provide free social value services to create an environment where no one is excluded from essential communications services because of the burden of cost.

SK Telecom Adaptive Open 2025

To support the challenges of golfers with developmental disabilities, SK Telecom has held the "SK Telecom Adaptive Open" golf tournament every year since 2022. In this tournament, golfers with developmental disabilities and professional golfers without disabilities form teams and compete in good faith, creating a gathering of unity that transcends the boundary between disability and non-disability. Teams of artists and performers with developmental disabilities are also invited, making it a festive event for those with developmental disabilities. SK Telecom supports the tournament's winner and runner-up with costs of competing in the US Adaptive Open, while also providing various opportunities so that talented golfers with developmental disabilities can showcase their skills on a larger stage. SK Telecom plans to cultivate golfers with developmental disabilities and raise awareness, continuing ESG management that practices social value through sports.

"Happy Box" Employee Volunteering, Bringing Warmth to Children at Risk of Food Insecurity

To support children at risk of food insecurity, SK Telecom took part in the "Happy Box" volunteer campaign together with "Happiness Alliance," SK Group's social contribution network. Happiness Alliance is a public-private social contribution network operated since 2016 to support children under 18 at risk of food insecurity, running various programs including support for Happiness Lunchboxes. SK Telecom employees prepared packages filled with necessities and handwritten words of encouragement to be delivered to children at risk of food insecurity. Through these activities, SK Telecom delivered support items such as a year's supply of vitamins to about 800 children. SK Telecom will create an environment where children can grow up healthy and continue creating positive change by living together with the local community through activities where its employees come together.

Strategy

Expanding the ICT collaboration ecosystem

Support for Small Business Owners and Merchants

Leveraging the strengths of its customer benefit program "T membership" platform, SK Telecom realizes shared growth with small business operators. T Day, the T membership's flagship program that offers exclusive promotional discounts on specific days in collaboration with franchise headquarters, substantively helps improve the sales of various franchise brand outlets. SK Telecom supports diverse marketing communications, including posting discount pages in the T membership app, sending MMS and app push notifications to customers with a high likelihood of making a discounted purchase, and producing content and posting it on blogs and online communities. During 2025, purchases at franchise stores reached a total of 8.45 million, generating KRW 81.5 billion in franchise sales. The discount benefits customers received at franchise stores are estimated to be KRW 64.1 billion, of which the amount directly supported by SK Telecom reached KRW 9.8 billion.

For customers seeking to support social value initiatives, SK Telecom also operates "Open Membership," a benefit program specialized in supporting small business operations. Open Membership consists of "Good Consumption," which supports small business operations such as social enterprises and social ventures, and "Open Bakery," which helps marketing of neighborhood bakeries. In 2025, SK Telecom provided KRW 220 million to 12 businesses through Good Consumption and KRW 130 million to neighborhood bakeries through Open Bakery.

Since April 2020, SK Telecom has supported small and medium-sized businesses nationwide using T Deal, a big-data-based text marketing service. T Deal sends, for each product, a text message to customers with a high likelihood of purchase that links to a dedicated online page where they can go from checking product information to purchasing them. Participating small and medium-sized businesses can receive high impact marketing support such as discount coupons, targeted advertising texts, banners, and special promotions free of charge.

Based on 2025 results, small and medium-sized businesses made up 98% of the sellers with transactions on T Deal, and sales of small and medium-sized businesses accounted for 90% of T Deal's total sales. This shows that SK Telecom's marketing support leads to substantive sales growth for small and medium-sized businesses rather than large businesses.

Free Provision of SK Open API for Shared Growth with Startups and Social Enterprises

SK Telecom provides its APIs and data — normally offered for a fee — free of charge, so that startups and social enterprises can grow and develop innovative services. By allowing startups and social enterprises freely use paid SK Open APIs and data such as T map and subway-congestion data, SK Telecom contributes to establishing their business foundations, creating jobs, and achieving shared growth, while also anticipating the effect of reducing energy and social costs through improved mobility efficiency. To date, SK Telecom has provided large scale paid APIs and data free of charge and supports stable use by actively responding to inquiries about service use, such as guidance on how to use the APIs. SK Telecom plans to continue supporting services for startups and social enterprises while enhancing SK Open API provision. For instance, SK Telecom plans to additionally distribute new APIs to increase usability and improve user convenience and functionality by reinforcing guidance text.

Discovering, Cultivating, and Collaborating with Innovative Startups

Since 2013, SK Telecom has operated a startup accelerating program, discovering and cultivating innovative startups and promoting sustainable shared growth through various collaborations.

Since 2021, SK Telecom has operated the "ESG Korea" program, which discovers promising ESG-field startups and provides systematic, tailored acceleration from goal setting through service development, market entry, and global expansion. During 2025, SK Telecom selected 15 startups leading the way in solving social problems such as resource circulation, psychological counseling, and accessibility, and provided various support over six months, including tailored training and mentoring, infrastructure, and participation in domestic and international exhibitions.

In addition, since 2023 SK Telecom has operated the "AI Startup accelerating" program, which supports the growth of innovative AI-technology-based startups. Through this program, SK Telecom selected 15 promising AI startups in 2025 and supported them in developing products and services, entering the market stably, and validating commercialization through collaboration.

Through continuous startup support since 2013, SK Telecom has discovered a total of 528 startups and provides training, infrastructure, and exhibitions. As a result, the total enterprise value of the startups exceeded about KRW 20 trillion as of March 2026 (based on 219 companies that disclosed their enterprise value). In this process, SK Telecom also achieved recognition such as the "CES Best of Innovation Award" and the "MWC GLOMO Award." SK Telecom plans to continue expanding accelerating programs that support not only the discovery and cultivation of startups but also their continuous growth through collaboration.

Strategy

Expanding the ICT collaboration ecosystem

Regional Startup Open Innovation

As the dedicated partner company of the Daejeon and Sejong Centers for Creative Economy and Innovation, SK Telecom actively promotes cultivation of regional startups and open innovation. Centered on the Daejeon Center, SK Telecom discovers technology-based startups in promising future fields such as AI, robotics, and deep tech, and supports technological collaboration based on SK Telecom's technological capabilities and business experience. SK Telecom participates as a partner company in "Dream Venture Star," the Daejeon Center's flagship open innovation program, promoting collaboration between large businesses and startups with innovative technology. Selected startups prove their potential through one-on-one business meetups with SK Telecom's business departments and then receive stage-by-stage support — such as PoC funding, connection to investment, and links to government support programs — gaining substantive business cooperation opportunities in fields such as AI and telecommunications. SK Telecom also strives to discover and cultivate promising regional startups through various open innovation program collaborations with the Sejong Center.

SK Telecom plans to strengthen cooperation with the South Korean government and local governments, and related agencies to contribute to the growth of promising startups, balanced regional development, and, further, the revitalization of Korea's startup ecosystem.

Establishing ESG Funds

SK Telecom pursues both social and environmental value as well as financial performance. To support the sustainable growth of innovative startups, the company established the KRW 20.8 billion "SK Telecom–Kakao ESG Fund" in 2021, followed by the KRW 40 billion "ESG fund by Korea's three major telecom operators." These ESG funds target startups that tackle pressing social and environmental issues through innovative ICT technologies, including AI. By using these funds as a catalyst, SK Telecom aims to foster a virtuous cycle where ESG-driven startups generate positive social impact. As of the end of March 2026, the SK Telecom-Kakao ESG Fund had invested in 15 companies, while the ESG Fund by Korea's three major telecommunication operators has made investments in 27 companies.

Over the past 14 years, SK Telecom has implemented accelerating programs and open collaboration projects for startups. Building on these efforts, the company established ESG funds, creating a virtuous cycle that supports the entire startup growth lifecycle — from discovery to cultivation and to investment.

Through this holistic approach, SK Telecom strives to achieve two key outcomes in the ESG space, which presents a wide range of societal challenges: enabling the sustainable growth of innovative startups and contributing to the resolution of social and environmental issues.

ESG Innovation Fund

1. Launched ESG funds with Korea's top ICT players as part of a strategic ESG partnership
2. Invests in ESG startups tackling social and environmental issues via ICT
3. Provides strategic investment in early-stage tech startups and supports value-up through collaboration with SKT

SK Telecom-Kakao ESG Fund

e2on, GSIL, H2K, I HATE FLYING BUGS, MARVRUS, merlot.lab, NUVILAB, RightRoute Inc., SENSEE, TUAT, SEOULDYNAMICS, SWING, WEALTH GUIDE, CO:ACTUS, 필드서비스

ESG Fund by Korea's three major telecom operators

ALDAVER, HYPER ACCEL, RF-NISSI, TESOLLO, ZIO ROBOT, contoro robotics, GRINERGY, HME Square, navifra, PLAIF, PLAYTAG, REPLA, THOTH, XL8, xpanner, growV, MD MOTION DEVICE, BIGWAVE ROBOTICS, SQUAD, APOLLON, sdt, H ENERGY, 케어링, QUANTIFIED, future kitchen, CnerG

Strategy

Expanding the ICT collaboration ecosystem

K-AI Alliance for Shared Growth of the AI Ecosystem

To invigorate Korea's AI ecosystem and jointly enter the global market, SK Telecom formed "K-AI Alliance" with Korea's leading AI companies. Starting with 7 companies, the K-AI Alliance grew into a 50-member alliance within three years of its formation, establishing itself as Korea's representative private-sector-led AI company alliance. To develop this into an AI growth platform, SK Telecom discovers promising AI startups based on AI technological capabilities and business synergies, actively using its in-house AI accelerating program and recommendations from group affiliates.

Through these efforts, in 2026, 11 new member companies joined the alliance: "Mobilint," a high performance low-power edge-AI-semiconductor fabless company; "HyperAccel," an AI semiconductor (LPU) specialized in LLM inference; 'Primemas,' a chiplet-based SoC/CXL memory-expansion solution; "Holiday Robotics," a humanoid robot company for manufacturing sites; "WIRobotics," a wearable robot company for gait and waist assistance; "Iyuno," the world's No. 1 in global media localization (subtitling/dubbing); "Panmesia," an AI-based drug-development/bio company; "WeaversBRAIN," a conversational AI foreign language education edtech; "Channel Corporation," operator of the AI business messenger "Channel Talk"; "Brain Commerce," an AI/robot-based workforce (HR) solution company; and "Cupix," an AI 4D digital twin platform company.

SK Telecom actively supports collaboration so that member companies can raise their mutual competitiveness and deliver technological and business outcomes. SK Telecom discovers concrete collaboration models through technology cooperation meetings with new member companies, while also promoting online and offline AI technology exchanges. In connection with "DEVOCEAN," a tech-communication platform in which about 20,000 SK Group and external developers participate, it has created a K-AI Alliance channel where member companies' developers participate, sharing and discussing the latest AI insights and expanding collaboration opportunities. Centered on the K-AI Alliance, SK Telecom will expand cooperation among Korea's AI companies and support member companies' global expansion, contributing to the shared growth in the AI field and to strengthening national AI competitiveness.

Operating the Startup Collaboration Platform "SKTCH"

To discover promising startups and strengthen substantive collaboration with large businesses, SK Telecom operates the startup-collaboration platform "SKTCH." SKTCH, a combination of "SKT" and "Tech," carries the meaning of SK Telecom and startups drawing the future together. The SKTCH platform supports matching and processes so that startups and large businesses can propose tasks one needs from the other and collaborate more easily.

In addition, from 2026 SK Telecom operates the accelerating programs "SKTCH for Good" and "SKTCH with AI" to solve social problems and enhance customer value. SKTCH for Good is a program that selects startups with innovative ESG solutions in areas of growing social importance — such as digital inclusion and care, climate disaster response, and digital crime prevention — to solve social and environmental problems together.

SKTCH with AI is a program that selects and cultivates innovative AI startups that can create synergy with SK Telecom's AI strategy, such as full-stack AI innovation technology and customer-targeted AI solutions. Selected startups are provided with various support such as tailored specialized mentoring and training, discovery of collaboration models with SK Telecom, investment fundraising support and IR-pitching opportunities, participation in domestic/international exhibitions, and office space.

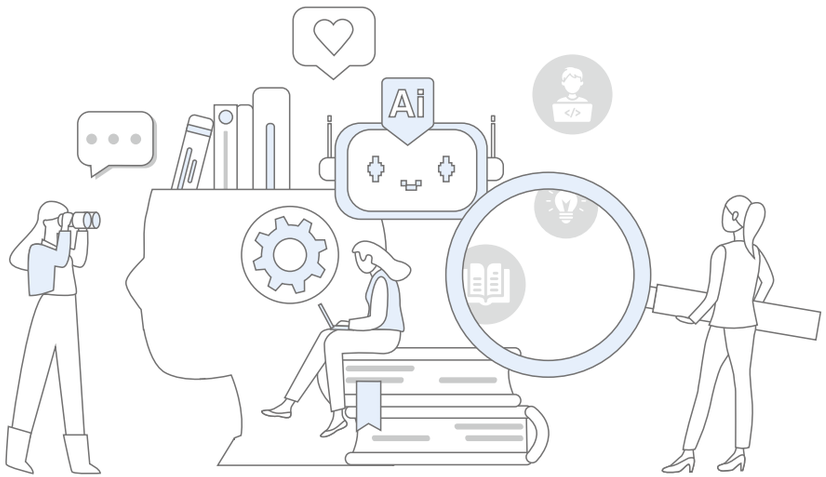
In step with the government's "top four venture powerhouse" and "national startup era" policies, SK Telecom plans to continuously promote shared growth with startup companies.

Strategy

Expanding the ICT collaboration ecosystem

Participating in the "Korea Social Value Festa," Realizing Social Value with AI

SK Telecom participated in the "Second Korea Social Value Festa," Korea's largest social problem-solving festival hosted by the Korea Chamber of Commerce and Industry, operating various exhibitions and programs that practice SK Telecom's ESG vision "DO THE GOOD AI." Under the theme "Warm AI, AI Together," SK Telecom showcased realizing social value with AI and pursuing sustainability through three sections: an exhibition of AI-based social value cases, a youth and social enterprise connection program, and the "ESG KOREA" startup concert. In the exhibition hall, SK Telecom introduced experiential contents, such as the single-household safety check service "AI Call," Vision-AI-based care for persons with developmental disabilities "CareVia," recycling support "GOOD AI_REcycle," "Happy AI Coding School" for adolescents with disabilities and in remote/island areas, and AI talent cultivation "FLY AI." SK Telecom incorporated ESG in the overall exhibition, constructing the space from eco-friendly materials such as recyclable steel structures, fabric, and uncoated wood. SK Telecom also operated "FLY AI X SOVAC Challenger," where young talent and social enterprises jointly develop social problem-solving AI solutions and introduced, in concert format, 6 startups discovered and cultivated through the "ESG KOREA" acceleration now in its fifth year. SK Telecom seeks to spread an ecosystem based on collaboration between large businesses and startups.



Expanding Telecommunications Services in Underserved Areas

To enhance nationwide service accessibility, SK Telecom is working with the Ministry of Science and ICT and the other two major telecommunication providers to build a shared 5G network in rural areas. SK Telecom continues to expand its network coverage to serve residents in regions with limited access to telecommunications services, such as mountainous areas, remote islands, and isolated villages.

Installation Status in Underserved Telecom Service Areas (Unit: sites)

Network type	Area Type	2023	2024	2025
5G	Remote mountain areas	1,298	1,073	429
	Hiking trails	2,661	1,175	719
	Island regions	90	36	37
LTE	Remote mountain areas	202	487	175
	Hiking trails	262	212	317
	Island regions	12	6	10

Strategy

A Sustainable Society for All

Programs to Bridge the Digital Divide

SK Telecom operates a variety of ICT education programs to bridge the digital divide for vulnerable groups. To increase interest in and understanding of ICT among youth with disabilities, the company has been conducting annual AI and software education programs and competitions. Since 2019, SK Telecom has been running the "Happy AI Coding School" to strengthen the ICT, digital, and AI competencies of students with disabilities across the country and to provide them with opportunities for academic and career exploration. Since 2023, it has expanded its scope to include adolescents in areas with marginalized communities and diversified its programs, working to help students build practical AI-utilization capabilities. Through 2025, it provided education to 10,218 adolescents at 507 special schools (classes) and in areas with marginalized communities. Through these efforts, SK Telecom enhances the AI capabilities of underserved youth and bridges the AI gap, thereby fostering a positive ripple effect in local communities.

The "Happy AI Coding Challenge," a digital education initiative for youth with disabilities that began in 1999, held its 26th edition in 2025. Recognized externally with honors of receiving the Disability Human Rights Award, the program has gained significant credibility. The 2025 competition, under the theme "Hope, Vision, Mission," was held not only as a place for youth with disabilities to compete in AI coding and application skills but as a festival to enjoy together.

ICT Education Participation for Bridging the Digital Divide

(Unit: persons)

Category	2023	2024	2025
Happy AI Coding Challenge	104	104	114
Happy AI Coding School	1,635	3,257	4,032
FLY AI Challenger (AI talent cultivation training)	119	135	128

Developing industry-ready AI talent

Since 2022, SK Telecom has led the way in cultivating next-generation AI talent through "K-High Tech Platform & Training"[1] initiative. An exhibition and learning space for cultivating digital convergence talent, at its Boramae office in Seoul. Alongside exhibiting SK Telecom's AI technology, SK Telecom also conducts AI education for external institutions such as the Korea Employment Agency for Persons with Disabilities and SK Telecom's outstanding partners. SK Telecom also operates the "FLY AI Challenger" course through which young people can acquire AI skills, cultivating AI talent. The program has trained a growing number of AI specialists each year: 47 in Cohort 1 in 2022, 51 in Cohort 2 and 68 in Cohort 3 in 2023, 67 in Cohort 4 and 68 in Cohort 5 in 2024, and 62 in Cohort 6 and 66 in Cohort 7 in 2025. In 2025, in connection with the Korea's social value festa "SOVAC," SK Telecom held a competition program where FLY AI trainees and social enterprises formed teams to develop AI-based social problem-solving solutions and selected outstanding solutions.

SK Telecom plans to openly share its infrastructure and technology with the local community. Through practical, tailored education based on the latest technology, SK Telecom will cultivate young AI talent that benefits society, contributing to a virtuous cycle of skilled workforce development and a robust AI ecosystem.

1) K-Hi-Tech Platform & Training: A program that develops and operates digital education curricula for youth, while building exhibition and hands- on experience spaces aimed at cultivating talent in digital and emerging technologies

Youth Education for the Future Generation's Healthy Use of AI and Digital Technology

SK Telecom operates various education programs in cooperation with public and specialized institutions so that adolescents can correctly understand and safely use AI and digital environments. Together with the National Information Society Agency and Microsoft Korea, SK Telecom co-hosted an "AI Ethics ON! Camp" for middle school students. Attended by 78 middle school students, the camp consisted of AI and digital ethics education, generative AI practice, and content production, focusing on building the competency to use AI ethically. SK Telecom also conducted specialized personal information security education and a company tour program for 45 middle- and high-school students in the Naju area, together with the Korea Internet & Security Agency and the Naju Office of Education Support. The students learned about personal information infringement cases and prevention methods in everyday life and broadened their understanding by asking questions directly to practicing experts. SK Telecom plans to continue youth education so that the future generation can grow into healthy digital citizens who use AI and digital technology responsibly.

Cultivating Future Talent Using Sports Assets

To create ESG value through sports-based social contribution, SK Telecom has continued the "Happy Companion" sponsorship project together with the Choi Kyoung-ju Foundation, established by golfer Choi Kyoung-ju. The scholarship program selects 10–20 university and graduate students from low-income households nationwide each year to provide scholarships, helping students focus on their studies and research without financial burden.

Since 2014, it has sponsored a total of 335 scholarship students. In February 2026, it held a certificate ceremony, awarding certificates to 10 new scholarship students and encouraged the new start of 3 graduates. SK Telecom and the Choi Kyoung-ju Foundation's Happy Companion has continued for 17 years since signing a sports-sponsorship contract in 2010, and has expanded into various sports ESG programs. Beyond the scholarship project, the Choi Kyoung-ju Foundation participates as a sponsor of the "SK Telecom Adaptive Open" golf tournament for persons with developmental disabilities, providing a golf clinic with Choi Kyoung-ju and golf equipment for winners. SK Telecom will continuously support the growth of future generations through ESG activities using sports assets.

Creating Social Value through the Video Ringback Service "V Coloring"

SK Telecom uses its video ringback service "V Coloring" as a platform for creating social value. Through the V Coloring Marketplace, it supports ordinary creators to upload contents they produced and then share the revenue generated. Based on an open structure where anyone can participate as a creator, about 192,000 contents had been registered cumulatively as of May 2026. Thus, by paying creators about KRW 500 million in settlements over one year as of 2025, SK Telecom is building shared value ecosystem for creators.

SK Telecom has also produced and provided about 500 cumulative pieces of ESG content containing social value messages so that customers can naturally encounter ESG value in everyday life. SK Telecom also operates cheering events during the 2026 Winter Olympics and the World Cup so that customers can support Korea's national teams during call connection time.

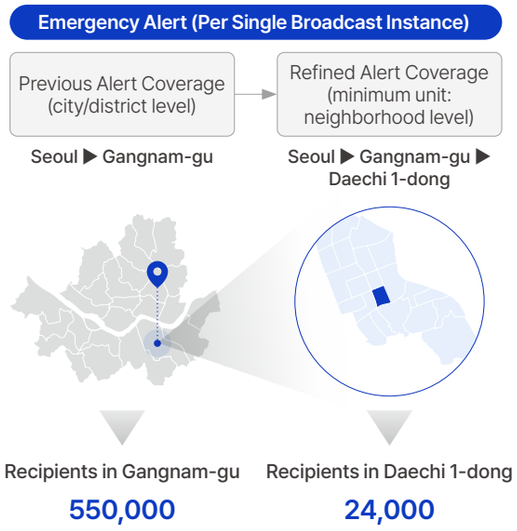
Strategy

A Sustainable Society for All

Disaster Alert Messaging Services for Public Safety

As extreme weather events such as wildfires, heavy rain, and typhoons become more frequent, public concern and attention around disasters is growing nationwide. In response, SK Telecom collaborates closely with government agencies, local governments, other telecom providers, and MVNOs to ensure that citizens can receive accurate and timely emergency alerts through SK Telecom's network infrastructure — regardless of their mobile service provider. The company is developing advanced disaster messaging technology that allows alerts to be issued based on administrative units (as precise as individual neighborhoods), and is working to expand this capability nationwide.

Refined Emergency Text Alert System



Expanding Precise Positioning for Emergency Rescue for Public Safety

For rescue agencies to respond promptly and accurately in emergencies, the accurate location of the person reporting is extremely significant. Through enhancing positioning technology and expanding functions to new devices, SK Telecom continuously improves the accuracy and coverage of emergency rescue location information. According to the Korea Media and Communications Commission, "2025 Emergency Rescue Location Information Quality Measurement Results," the location accuracy of base station method for the three mobile carriers generally improved, and SK Telecom received outstanding evaluations across overall evaluation results. It was also confirmed that base station/GPS/Wi-Fi-based information can be provided on most domestic devices, such as unlocked devices, USIM-transferred devices, and kids' phones.

In particular, SK Telecom is expanding the installation of precise-positioning functions in newly launched devices — in cooperation with device manufacturers — so that emergency rescue precise positioning is provided even on unlocked devices that do not go through a carrier and on other carriers' devices. In 2025, SK Telecom applied emergency rescue precise positioning functions to three Samsung Galaxy S25 models and to Style Folder 2, a device from a small and medium-sized manufacturer, steadily broadening the scope to newly launched devices. Going forward, SK Telecom plans to strengthen cooperation with manufacturers and government agencies to continuously improve the accuracy and coverage of emergency rescue positioning, thereby contributing to protecting the lives and public safety.

Emergency Telecommunications and Living Support for Wildfire-Affected Evacuees

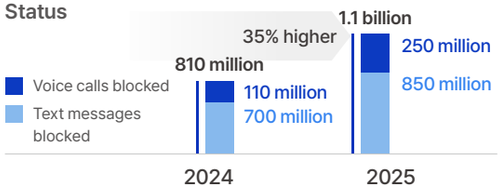
When large wildfires in the Yeongnam region — including Gyeongnam, Gyeongbuk, and Ulsan — caused major damage in March 2025, SK Telecom as a telecommunications company undertook emergency support to ease evacuees' inconvenience and help restore daily life. SK Telecom operated smartphone-charging and counseling booths at 6 evacuee shelters in the Sancheong, Uiseong, and Andong areas so that evacuees could communicate easily and use necessary telecommunications services. SK Telecom also provided essential communications supplies such as chargers and cables to 3 shelters in the Ulju and Yeongdeok area. Wi-Fi and IPTV services were installed at 7 locations, such as Dansung Middle School, Uiseong Gymnasium, and Andong Gymnasium, so that the evacuees could access stable information and use communications even during shelter life. SK Telecom also provided daily necessities — 268 relief sets consisting of toiletries and towels, 280 auxiliary batteries, 250 chargers/cables, wet wipes, and shopping bags — to the 5 areas of Sancheong, Uiseong, Andong, Ulju, and Yeongdeok. In addition, SK Telecom and SK Broadband employees were dispatched to the sites to support the operation of charging booths and the installation of telecommunications infrastructure, contributing to prompt recovery.

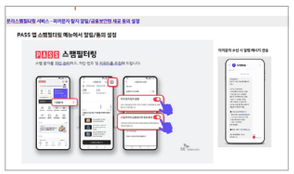
Preventing Cyber Financial Crimes

As a result of adopting telecommunications ICT and AI technology in its spam- and phishing-response, SK Telecom blocked 1.1 billion instances of spam/phishing, which was 35% higher compared to year 2024. SK Telecom also applies "ScamVanguard," an AI-based financial fraud detection security technology, to PASS spam-filtering's fraudulent message alert service and to A-DoT Call's "AI Safe Blocking", providing warning alerts to users when a number suspected of voice phishing or spam is detected.

Through establishing an integrated security center, increasing team staffing, and unifying its spam-response control tower, SK Telecom strives to protect customers from increasingly sophisticated illegal telecommunications fraud. Recognized for its efforts and close cooperation with government agencies, SK Telecom received two letters of appreciation from the National Police Agency and a commendation from the Minister of Science and ICT.

SK Telecom 2025 Spam/Voice-Phishing Blocking Status




Fraudulent-message alert service


A-DoT Call customer alerts

Risk Management

SK Telecom conducts annual assessments of stakeholder impact to identify the potential effects of its business activities on local communities and other stakeholders. The findings are incorporated into the company's mid- to long-term sustainability strategy and stakeholder engagement strategy. These assessments are carried out through tailored communication channels — such as surveys, interviews, and forums — based on each stakeholder group's characteristics. SK Telecom collects and analyzes expectations, concerns, and needs, and reports the assessment results to executives and the board of directors.

Stakeholder Surveys and Dialogue Sessions

Community Survey

(Regular)
- Conduct an annual survey of local communities, local governments, and NGOs

(Ad hoc)
- Continuously collect feedback and views from stakeholders involved in social value enhancement projects.
- Refine, improve, and advance stakeholder engagement strategies based on survey findings.

Dialogue Sessions

- Engage in regular meetings with stakeholders to gather direct feedback on communication channels and engagement strategies, and to identify current issues, potential risks, and stakeholder needs.
- Conduct regular dialogue sessions with local governments and community stakeholders to discuss topics such as the adoption of AI technologies in public education, capacity building and improvement strategies for vulnerable stakeholder groups.

Metrics and Targets

Three key Commitments	UN SDGs and activities	2025 performance	2026 target	2027 target	2028 target
Enhancing quality of life through AI	CareVia service	Developed and deployed an AI Agent specialized in supporting persons with developmental disabilities; introduced at 18 welfare facilities (including the National Forensic Psychiatric Hospital)	Expanding target areas to special schools, elderly-care facilities; Establishing a mental health support platform	Positioning an AI assistive solution specialized in welfare and mental health	Positioning an AI assistive solution specialized in welfare and mental health
Expanding the ICT collaboration ecosystem	Invigorating the startup ecosystem	SKT accelerating program and government/institution-linked startup support: 45 companies	SKT accelerating program and government/institution-linked startup support: 80 companies	SKT accelerating program and government/institution-linked startup support: 90 companies	SKT accelerating program and government/institution-linked startup support: 100 companies
	Participating in the "Korea Social Value Festa"	Introduced SKT's social value programs as experiential content	Strengthening internal/ external promotion through collaboration with the Korea Chamber of Commerce and Industry	Strengthening internal/ external promotion through collaboration with the Korea Chamber of Commerce and Industry	Strengthening internal/ external promotion through collaboration with the Korea Chamber of Commerce and Industry
A sustainable society for all	Happy AI Coding School	4,032 participants	4,300 participants	4,400 participants	4,500 participants
	Creating social value using the video ringback service "V Coloring"	Cumulative 400 pieces of ESG content Cumulative marketplace content received 180,000	Cumulative 500 pieces of ESG content Marketplace content received 190,000	Cumulative 600 pieces of ESG content Marketplace content received 195,000	Cumulative 650 pieces of ESG content Marketplace content received 200,000
	Preventing cyber financial crimes	Social Value (SV) generated: KRW 260 billion	Increase Social Value (SV) generated by 5% year-on-year	Increase Social Value (SV) generated by 5% year-on-year	Increase Social Value (SV) generated by 5% year-on-year
	Expanding precise positioning for emergency rescue for public safety	Applied emergency rescue precise positioning functions to 14 devices, including three Samsung Galaxy S25 models and Style Folder 2 from a small/medium manufacturer	Expanding function application to newly launched devices	Expanding function application to newly launched devices	Expanding function application to newly launched devices

Governance

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Corporate Governance

SK Telecom practices board-centered responsible management to enhance shareholder value and corporate value, and to protect the rights and interests of shareholders. SK Telecom has enacted the Corporate Governance Charter to clarify the direction for developing transparent and robust governance. Building on this foundation, SK Telecom continues to strengthen the independence, expertise, and diversity of the Board of Directors.

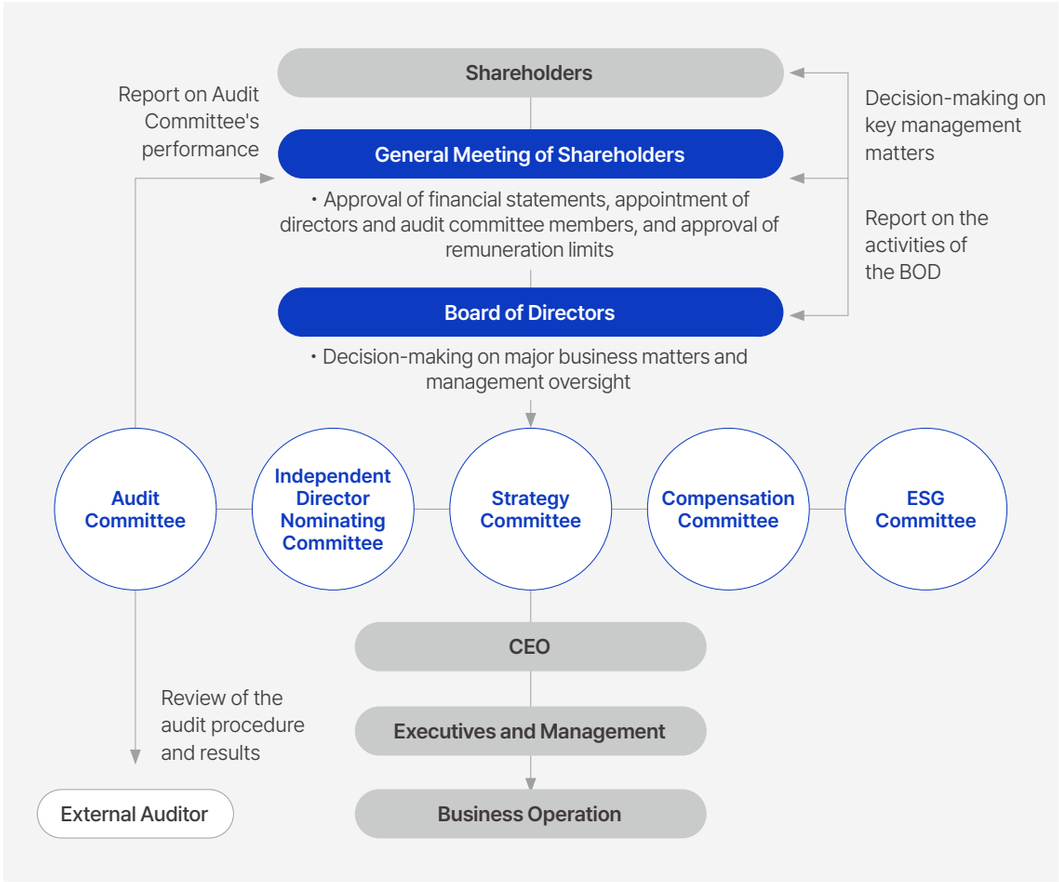
In addition, SK Telecom carries out shareholder-friendly management by establishing and disclosing its shareholder return policy to enhance shareholder value and strives to improve trust with shareholders and various other stakeholders.

Establishing a Board-Centered Advanced Governance Structure

SK Telecom established the institutional foundation for governance innovation by newly establishing the basis for the Corporate Governance Charter within the Articles of Incorporation at the 2021 Annual General Shareholders' Meeting. SK Telecom stipulated its commitment to establishing transparent and robust corporate governance, and publicly announced this to internal and external stakeholders as a management principle to be continuously maintained and developed. Since then, SK Telecom has made continuous efforts to advance the governance system in line with changing global standards and the business environment.

The Board of Directors plays a key role as the highest decision-making body of SK Telecom. The Board of Directors appoints and manages the succession of the CEO, determines compensation, and approves and evaluates business plans and KPIs (Key Performance Indicators). In addition, the Board of Directors is strengthening its role in terms of compliance and management oversight to effectively respond to the rapidly changing business environment and increasing risks. Under the Board of Directors, there are five standing committees: Audit Committee, Independent Director Nominating Committee, Strategy Committee, Compensation Committee, and ESG Committee. All chairpersons of these committees are independent directors to ensure in-depth discussions and independent activities in each area.

Governance Structure



Shares and Capital Structure

Shareholder Status

As of the end of December 2025, the total number of issued shares of SK Telecom is 214,790,053. As for the founder & founding family ownership, Chairman Chey Tae-won, the largest shareholder and CEO of SK Inc., directly holds 303 shares of SK Telecom. Chairman Chey Tae-won's stake in SK Inc. is 17.90%, SK Inc.'s stake in SK Telecom is 30.57%. Additionally, the Korean government does not hold shares (Government Ownership) of SK Telecom. Moreover, SK Telecom, which pursues responsible management based on mid- to long-term performance, encourages its CEO and executives to hold stocks.

In addition, SK Telecom lists its common shares on the Korea Exchange (017670.KS) and its depositary receipts on the New York Stock Exchange (SKM).

Types of Shares and Voting Rights

SK Telecom does not have a differential voting right system that grants multiple voting rights to specific stocks, and follows the principle of one voting right per share. There are a total of 1,807,778 treasury shares with limited voting rights under the Commercial Act. As of December 31, 2025, there are a total of 212,982,275 shares with voting rights (99.16% of total issued shares).

Dividend Policy and Shareholder Returns

SK Telecom seeks to enhance corporate value through cash dividends that reflect business performance and increased shareholder returns from a long-term perspective based on continuous growth. SK Telecom implements a capital allocation strategy aimed at balancing the use of additional free cash flow (FCF) — generated through performance innovation and operational improvement (OI) — across shareholder returns, growth investments, and financial structure enhancement.

SK Telecom's shareholder return is determined by comprehensively considering business performance, investment plans, financial status and prospects, and may be paid to shareholders in cash or stock in accordance with the Articles of Incorporation. SK Telecom determines the cash dividends by comprehensively considering investment for the company's continuous future growth, annual business performance, and the status of its cash flow. When dividends are paid in stocks, if SK Telecom issues several types of stocks, the type of new stocks to be distributed can be determined by resolution at the general shareholders' meeting.

At the 37th General Meeting of Shareholders held in March 2021, SK Telecom amended the Articles of Incorporation in order to introduce quarterly dividends instead of existing interim dividends in line with the global trend of stable dividend payment, and has been paying quarterly dividends since the second quarter of 2021.

SK Telecom disclosed a policy of returning at least 50% of its consolidated adjusted net profit to shareholders each year through cash dividends and share buybacks and cancellations for fiscal years 2024 to 2026. Future dividend decisions will be made by the Board of Directors in accordance with this policy.

Considering the company's stock price and financial capability, SK Telecom continues to repurchase and cancel treasury shares to enhance corporate value. From 2020 to 2021, the company bought back KRW 500 billion worth of treasury shares. In May 2021, 8,685,568 shares (10.76% of the total issued shares) of previously acquired treasury shares were cancelled. In 2023, SK Telecom repurchased shares worth KRW 300 billion and, in February 2024, canceled 4,043,091 shares, equivalent to 1.85% of total issued shares.

In the 2025 fiscal year, SK Telecom paid a total annual dividend of KRW 353.6 billion, with a dividend per share of KRW 1,660 and a dividend yield of 3.1%.

Shareholder Status (As of 2025.12.31)

Category	Number of shares	Percentage of total shares issued (%)
SK Inc.	65,668,397	30.57
National Pension Service	14,332,207	6.67
Institutional investors and other shareholders	129,135,184	60.13
Kakao Investment Co., Ltd.	3,846,487	1.79
Treasury shares	1,807,778	0.84
Total	214,790,053	100.00

Types of Shares and Voting Rights (As of 2025.12.31)

Category	Number of shares	Percentage of total shares issued (%)
Common shares – shares with voting rights	212,982,275	99.16
Common shares – treasury shares	1,807,778	0.84
Preferred shares	0	0
Total	214,790,053	100.00

Stock Holdings by Key Executives

	Name	Shares
CEO	Young Sang Ryu	20,309
Non-registered executive	Bong Ho Lim	7,021
	Jaihun Jung	1,518
	Gi Yun Lee	6,171

* As of the end of December 2025
** Closing price of common shares on December 30, 2025: KRW 53,500

General Shareholders' Meeting

Management Supervision Function

At the 41st Annual General Meeting of Shareholders held on March 26, 2025, SK Telecom appointed Dong Soo Kang as Non-Executive Director, and Chang Bo Kim as Independent Director and a member of the Audit Committee. In addition, resolutions were passed to approve financial statements, partial amendments to the Articles of Incorporation, and the limit on directors' remuneration, thereby fulfilling the management supervision function.

Shareholder-Friendly Management

SK Telecom protects the rights of all shareholders in accordance with laws, the Articles of Incorporation, and other relevant regulations, and ensures fair and equitable treatment for all shareholders, including minority and foreign shareholders. As part of these efforts, SK Telecom has adopted a cumulative voting system to support the voting rights of minority shareholders. SK Telecom has also enhanced the convenience of exercising shareholder rights by introducing an electronic voting system and holding annual General Meetings of Shareholders on dates other than the last Friday of March, a day when shareholder meetings are concentrated.

In particular, to strengthen shareholder-friendly management, the CEO sends out a shareholder letter every year to transparently disclose detailed information regarding overall corporate management, including key business achievements, business vision, and financial status. At the annual General Shareholders' Meeting, the CEO and other key executives directly present business plans and visions, and a separate Q&A session is provided to ensure practical and direct communication between executives and shareholders.

In addition, to expand communication with shareholders, SK Telecom has implemented an online general meeting format starting from the 36th Annual General Meeting, providing real-time, remote viewing services via PCs and mobile devices. Since then, SK Telecom has continuously operated online shareholder meetings, up to the 41st Annual General Meeting held in March 2025. To support the seamless attendance of shareholders, online shareholder meetings are announced through stock exchange disclosures and notices on its website. A pre-registration period is offered to encourage active participation from shareholders.

Meanwhile, SK Telecom has replaced postal dividend notifications with online notifications to improve shareholders' convenience in checking their dividend information.

Board of Directors

Composition and Operations

The Board of Directors of SK Telecom consists of a total of eight directors: five independent directors (Chang Bo Kim, Haeyun Oh, Mi Kyung Noh, Tay Seop Lim, and Sung Yeop Lee), two executive directors (Jaihun Jung and Myung Jin Han), and one non-executive director (Poong Young Yoon). To enhance the independence and transparency of the Board of Directors, the Chairperson of the Board of Directors has been appointed from among the independent directors since 2012, and as of April 2026, Director Chang Bo Kim serves as the Chairperson.

The Board of Directors and its committees deliberate on various agendas concerning business operations and strategic directions, reaching optimal decisions to enhance corporate value based on in-depth Q&A sessions and collective intelligence.

In 2025, the Board of Directors held a total of 16 meetings to deliberate on more than 70 agendas, recording a director attendance rate of 98%. SK Telecom recommends that all directors maintain a minimum attendance rate of 75%.

Characteristics of the BOD

Independence	• Ratio of Independent Directors: 62.5% (The average is 51.3%[1] among Korean conglomerates) • In accordance with laws such as the Commercial Act, the Articles of Incorporation specify criteria for judging independent directors' independence and conflicts of interest • Separated the Board chairman and CEO roles in 2009, and appointed an independent director as chairperson from 2012 to the present • Chairpersons for all five committees under the Board are appointed from among the independent directors
Professionalism	• Established a director election process to secure professional competence in the mobile communications industry[2] • Composed the Board with professionals with extensive expertise or practical experience in areas such as leadership, finance/accounting, ICT, AI, global investment/finance, compliance, ESG, information security • Recommends and elects expert candidates capable of addressing skill gaps identified through the Board Skills Matrix • Maintains a certain proportion of directors with experience in the telecommunications industry • Of the 8 industry experts on the Board, 5 are ICT experts and 4 are AI experts
Responsibility	• Sets the limit for the number of concurrent positions held by Independent Directors and auditors to a maximum of two • Establishes and operates various committees to ensure that the roles and responsibilities of the BOD are conducted efficiently and professionally
Diversity	• Pursuing diversity without discrimination based on gender, nationality, race/ethnicity, religion, or disability

1) The Fair Trade Commission announced the status of corporate governance of large conglomerates in December 2025
2) Telecommunication Services (within the standards of GICS Level 1)

Board of Directors

Independence and Conflicts of Interest Statement of BOD

Reasons for disqualification of independence of independent director (in accordance with the laws and regulations such as the Commercial Act)

1. Directors, executive officers and employees engaged in the company's regular business, or directors, auditors, executive officers and employees who have been engaged in the company's business within the last two years
2. The largest shareholder him/herself, his/her spouse, and lineal ascendants and descendants
3. If the largest shareholder is a corporate body, the directors, auditors, executive officers and employees of that corporation
4. Spouses and lineal ascendants and descendants of directors, auditors and executive officers
5. Directors, auditors, executive officers and employees of the company's parent company or subsidiary
6. Directors, auditors, executive officers and employees of corporations that have important interests, such as transaction relationships, with the company
7. Directors, auditors, executive officers and employees of other companies whose directors, executive officers are directors, executive officers and employees of the company

Criteria for Determining Conflicts of Interest within the Articles of Incorporation

1. The same person and related person under the Fair Trade Act that governs a company that is in competition with the company
2. An executive or employee of a company that is in competitive relationship with the company or a company belonging to the same corporate group under the Fair Trade Act, or an executive or employee of them within the last 2 years
3. An executive or employee of a company who is the largest shareholder or second largest shareholder of a company that is in a competitive relationship with the company and a company belonging to the same business group under the Fair Trade Act, or an executive and employee of them within the last two years

Independent Director Selection Process

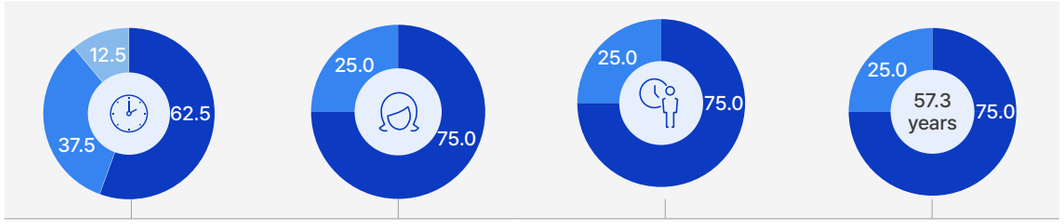
Establishment of Board Composition Direction & Director Appointment Requirements	Reviews independence, areas of expertise, industry experience, career background, and diversity factors
Independent Director Candidate Pool	Verifies independence disqualification grounds, conflicts of interest, and concurrent positions under the Commercial Act and relevant regulations; Analyses expertise and diversity based on board composition direction and the Skillset; Comprehensive consideration of suitability for SK Telecom's business areas and corporate culture
Recommendation by the Independent Director Nominating Committee	Committee resolution: final candidates recommendation Board resolution: deliberation at the General Meeting of Shareholders
Director Appointment Resolution at the General Meeting of Shareholders	Requires a majority of voting rights of attending shareholders and at least one-quarter of the total number of issued shares.

Independence of Independent Directors

Requirements[1]	Compliance status
The director must not have been employed by the company in an executive capacity within the last year.	●
The director must not accept or have a family member who accepts any payments from the company or any parent or subsidiary of the company in excess of $60,000 during the current fiscal year.	●
The director must not be a family member of an individual who is employed by the company or by any parent or subsidiary of the company as an executive officer.	●
The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management.	●
The director must not be affiliated with a significant customer or supplier of the company.	●
The director must have no personal services contract with the company and cannot be a member of the company's senior management.	●
The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.	●
The director must not have been a partner or employee of the company's outside auditor during the past year.	●
The director must not have any other conflict of interest that the board itself determines to not be considered independent.	●

1) Director Independence criteria of the S&P Global Corporate Sustainability Assessment (CSA) and the ICGN Global Governance Principles applied

Board Composition



Professional Background

- Industry experience
- Legal
- Research & Academia

*Two accounting and finance experts (from industry experience and research & academia)

Gender

- Male
- Female

Tenure

- 0 to less than 3 years
- 3 to less than 6 years

Age Group

- 50-60 years
- 61 years and above

*Average age: 57.3

Board of Directors

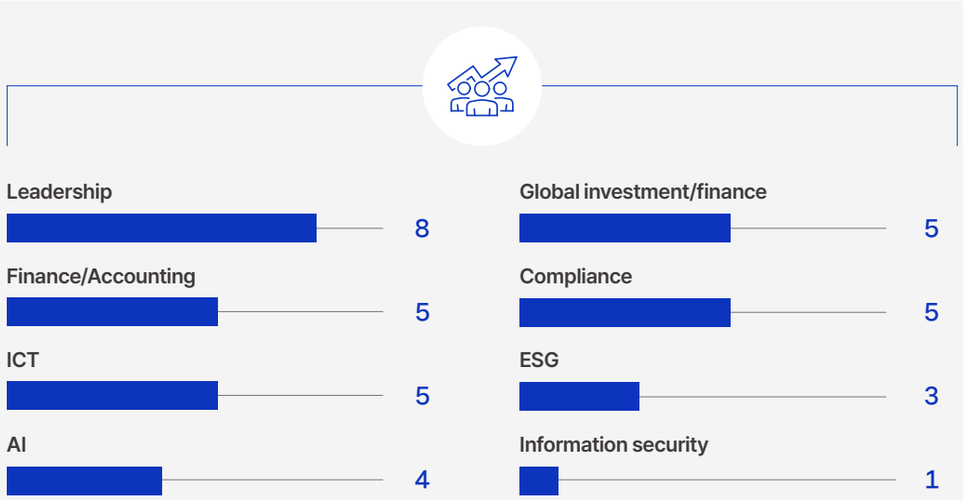
Managing the Board Skills Matrix (BSM)

SK Telecom analyzes and discloses its Board Skills Matrix (BSM) annually to systematically manage the composition of the Board of Directors and actively respond to disclosure demands from the market and stakeholders.

Considering SK Telecom's business areas and corporate characteristics, the BSM management criteria consist of essential leadership qualities required of a director; finance/accounting and compliance capabilities to strengthen management oversight; ICT-related expertise, such as in telecommunications and IT industries; AI-related capabilities; global investment/finance expertise; ESG-related expertise; and information security expertise.

Through the continuous management and disclosure of the BSM, SK Telecom will establish an optimal Board of Directors to maximize shareholder and corporate value, and strive to enhance the understanding and trust of shareholders and stakeholders alike.

Board Skills Matrix



Evaluation of the BOD

To enhance governance credibility and improve operational effectiveness, the Board of Directors of SK Telecom regularly conducts annual evaluations of the activities of the Board and its committees. The evaluation results are reported to and discussed by the Board, and are utilized to establish advanced corporate governance.

[Board Evaluation in 2026]

Evaluators: All directors and the Head of the Board Secretariat

Evaluation Target: The Board and its committees

Evaluation items: Board composition/role/operations (16 questions total), each committee's composition/role/operations (32 questions total)

Evaluation method: Five-point scale and descriptive feedback

Evaluation result: 4.9/5; plans to continue strengthening oversight of information protection and security to enhance shareholder value and discussing mid- to long-term strategic direction

Status of Training for Independent Directors

(as of 2025.12.31)

Date	Training summary	Participating independent directors	Remarks
2025.2.18.	2025 SKT Compliance training	Yong Hak Kim, Seok Dong Kim, Jun Mo Kim, Haeyun Oh, Mi Kyung Noh	Internal
2025.3.26.~7.24.	New independent director training (3 sessions)	Chang Bo Kim	Internal
2025.4.23.	Sharing and discussing 2024 board-evaluation results	Yong Hak Kim, Jun Mo Kim, Haeyun Oh, Mi Kyung Noh, Chang Bo Kim	Internal
2025.4.25.	Group's new independent director workshop	Chang Bo Kim	External
2025.9.24.	Global economic conditions	Yong Hak Kim, Jun Mo Kim, Haeyun Oh, Mi Kyung Noh, Chang Bo Kim	Internal
2025.10.28.	Impact and outlook of the amended Commercial Act on corporate management	Yong Hak Kim, Seok Dong Kim, Jun Mo Kim, Mi Kyung Noh	Internal
2025.11.12.	SK Directors' Summit	Yong Hak Kim, Jun Mo Kim, Haeyun Oh, Mi Kyung Noh, Chang Bo Kim	External

(as of 2026.3.26)

Chang Bo Kim (1959, M)

Independent director, Board chair

Tenure	2025. 3. ~ 2028. 3.
Area of activity (Assigned duties)	• Strategy Committee (chair) • Audit Committee, • Compensation Committee • ESG Committee
Career in brief	• Attorney, DR & AJU LLC (current) • Chief Judge, Seoul High Court • Presiding Judge, Seoul Central District Court
Expertise	Leadership, Compliance, ESG

Haeyun Oh (1974, F)

Independent director

Tenure	2026. 3. ~ 2029. 3. (first appointed 2023. 3.)
Area of activity (Assigned duties)	• Independent Director Nominating Committee (chair) • Compensation Committee • Strategy Committee
Career in brief	• Professor of Computing, KAIST (current) • Director, KAIST Center for MARS Artificial Intelligence Research • Head, KAIST AI Research Institute • Civilian member, Presidential Committee on the Fourth Industrial Revolution
Expertise	Leadership, ICT, AI

Mi Kyung Noh (1965, F)

Independent director, finance/accounting expert

Tenure	2024. 3. ~ 2027. 3.
Area of activity (Assigned duties)	• Compensation Committee (chair) • Audit Committee • Strategy Committee
Career in brief	• Regional Head of Asia-Pacific Risk HSBC Hong Kong & Credit Risk Review • Chief Risk Officer, HSBC Seoul • HR/Financial/Credit Analyst, Chase Manhattan Seoul
Expertise	Leadership, Finance/accounting, Global investment/finance, Compliance

Tay Seop Lim (1963, M)

Independent director, finance/accounting expert

Tenure	2026. 3. ~ 2029. 3.
Area of activity (Assigned duties)	• Audit Committee (chair) • Independent Director Nominating Committee • Strategy Committee • ESG Committee
Career in brief	• Professor, SKK GSB, Sungkyunkwan University (current) • Representative Director & Head of Equity, Macquarie Securities Korea • CEO, Goldman Sachs Asset Management Korea
Expertise	• Leadership, Finance/accounting, Global investment/finance, Compliance

Sung Yeop Lee (1967, M)

Independent director

Tenure	2026. 3. ~ 2029. 3.
Area of activity (Assigned duties)	• ESG Committee (chair) • Audit Committee • Strategy Committee
Career in brief	• Professor, Graduate School of Technology Management, Korea University (current) • President, Korea Information and Communications Law Association (current) • Member, Prime Minister's National Data Policy Committee (current) • Member, Prime Minister's ICT Strategy Committee
Expertise	Leadership, ICT, Compliance, ESG, Information security

Jaihun Jung (1968, M)

Executive director (Representative Director)

Tenure	2026. 3. ~ 2029. 3.
Area of activity (Assigned duties)	• SK Telecom CEO & Representative Director • Strategy Committee
Career in brief	• Chair of the Governance Committee, SK SUPEX Council (Current) • President of Governance & External Affairs, SK Telecom • Head of Investment Support Center, SK Square
Expertise	Leadership, Finance/accounting, ICT, AI, Global investment/finance, Compliance, ESG

Myung Jin Han (1973, M)

Executive director

Tenure	2026. 3. ~ 2029. 3.
Area of activity (Assigned duties)	• Head of SK Telecom MNO CIC • Strategy Committee
Career in brief	• CEO, SK Square • Head of Investment Support Center, SK Square • Former Chief Strategy Officer (CSO), SK Telecom
Expertise	Leadership, Finance/accounting, ICT, AI, Global investment/finance

Poong Young Yoon (1974, M)

Non-executive director

Tenure	2026. 3. ~ 2029. 3.
Area of activity (Assigned duties)	• Independent Director Nominating Committee • Strategy Committee • Compensation Committee
Career in brief	• President, SK SUPEX Council (current) • CEO, SK Inc. AX • CIO (Chief Investment Officer), SK Square • Head of Corp. Center, SK Telecom
Expertise	Leadership, Finance/accounting, ICT, AI, Global investment/finance

Board of Directors

Board Meeting Operations (2025)

Meeting	Key agenda	Attend-ance
1st (2025.1.20)	2024 company-wide KPI performance evaluation (proposal)	100%
	2024 Q4 post-facto reports	
2nd (2025.1.23)	2025 Korea Fencing Association donation (proposal)	100%
	CEO remuneration (proposal)	
	Executive director Jong Ryeol Kang remuneration (proposal)	
	Executive director Yang Sub Kim remuneration (proposal)	
	Board operating budget 2024 results and 2025 plan (proposal)	
3rd (2025.2.11)	2024 year-end dividend (proposal)	100%
	41st financial statements (proposal)	
	41st business report (proposal)	
4th (2025.2.27)	Internal accounting control system operation status	100%
	Convening the 41st Annual General Meeting of Shareholders (proposal)	
	Appointing a compliance officer (proposal)	
	2025 SK Inc. T ID service maintenance service transaction (proposal)	
	Internal accounting control system operation evaluation results	
5th (2025.3.10)	41st financial statements amendment approval (proposal)	100%
	41st business report re-approval (proposal)	
6th (2025.3.26)	Appointing the Board chair (proposal)	100%
	Appointing committee members (proposal)	
	2025 Next BSS build-related transaction with SK Inc. (proposal)	
	2025 Q2 SK Inc. transaction (proposal)	
	Personal-credit-information management/protection status inspection results	
7th (2025.4.24)	2025 Q1 dividend (proposal)	100%
	Disposal of Kakao Corp. shares (proposal)	
	Disposal of treasury shares (proposal)	

Meeting	Key agenda	Attend-ance
7th (2025.4.24)	2025 personnel exchange labor cost settlement transaction (proposal)	
	SK Biopharmaceuticals GPU cloud service supply transaction (proposal)	
	SK Incheon Petrochem P-5GX Managed service supply transaction (proposal)	
	2025 Center for Social Value Enhancement donation (proposal)	
	SUPEX Council operating-cost settlement transaction (proposal)	
	2025 Q1 post-facto reports	
8th (2025.5.2)	Interpretation and impact review of terms of use regarding the cyber breach incident	100%
9th (2025.5.7)	Interim report on the status of and measures for the cyber breach incident	87.5%
10th (2025.5.22)	SK Inc. cloud-use contract (proposal)	100%
	Progress and future plans regarding the cyber breach incident	
11th (2025.6.18)	Progress and future plans regarding the cyber breach incident	100%
	SKT Digital Trust information-protection fund contribution (proposal)	
12th (2025.6.25)	Sale of SK Investment Management Co., Ltd. (HK) stake (proposal)	100%
	Transfer of the public-cloud (AWS) service-supply contract to SK Inc. (proposal)	
	2025 Q3 SK Inc. transaction (proposal)	
	ESG-management (SV creation) donation (proposal)	
	Review of issues on the cancellation penalty related to the cyber breach incident	
	Responsibility & commitment program regarding the cyber breach incident (proposal)	
	Board adjournment (proposal)[1)]	
13th (2025.7.24)	2025 first-half settlement report	100%
	2025 Q2 dividend (proposal)	
	2025 Q2 post-facto reports	
	SKT second-half Master Plan	

1) Modified and approved through additional deliberations on July 3 and 4, following the resolution to adjourn and resume the Board meeting.

Meeting	Key agenda	Attend-ance
14th (2025.9.25)	Change to the 2025 SK Inc. cloud-use transaction amount (proposal)	100%
	A.dot Biz service transaction (proposal)	
	2025 Q4 SK Inc. transaction (proposal)	
	Plan to enhance the personal-information-protection governance system	
	Content and impact of the amended Commercial Act / "Yellow Envelope Act"	
15th (2025.10.29)	Compliance system enhancement plan	100%
	Finalizing the CEO candidate (proposal)	
	Pangyo office sale and lease contract with SK REIT (proposal)	
	Report on the 2025 Q3 dividend (proposal) reflecting the cyber breach incident impact	
	2025 Q3 post-facto reports	
	Strategy to strengthen fundamental competitiveness in company-wide information protection	
16th (2025.12.18)	Issuance and delegation of short-term electronic bonds (proposal)	87.5%
	Long-term borrowing and delegation (proposal)	
	2026 corporate aircraft operating cost settlement transaction (proposal)	
	2026 SK Pinx transaction (proposal)	
	2026 mySUNI contribution settlement transaction with SK Innovation (proposal)	
	2026 SK Academy operating cost settlement transaction (proposal)	
	Change to the 2025 SK Inc. cloud-use transaction amount (proposal)	
	2026 SK Inc. transaction (proposal)	
	2026 management plan (proposal)	
	2026 company-wide KPIs (proposal)	
	2026 OHS Policy Implementation Plan	
	Community Chest neighborly-giving donation (proposal)	
	Compliance-control-standard inspection results and plan	
	2026 board operations (proposal)	

Committees Under the BOD

To perform its responsibilities and roles effectively and professionally, the Board of Directors of SK Telecom operates five subcommittees. The independence of each committee is guaranteed by appointing independent directors as chairpersons for all committees and mandating the minimum ratio of independent directors within each committee in the committee charters.

Audit Committee

The Audit Committee audits the company's accounting and operations, including the review of financial statements and their accompanying schedules, audit procedures and results reported by the external auditor, review of major company issues, and the operational status of the internal accounting control system as reported by the internal accounting manager and the external auditor. In accordance with relevant laws and the committee's regulations, the Audit Committee also deliberates and approves certain transactions such as private contracts exceeding a specified threshold with affiliates. It holds the authority to investigate the performance of directors' duties, inspect the company's business and asset status, request the cessation of unlawful acts, and call extraordinary general meetings of shareholders. The Audit Committee is required to report its evaluations and major activities to the general meeting of shareholders, and this information is disclosed through the business report.

Board Committee Composition (as of April 2026)

Committee	Chair	Members
Audit Committee	Director Tay Seop Lim	Chairman Chang Bo Kim, Director Mi Kyung Noh, Director Sung Yeop Lee
Independent Director Nominating Committee	Director Haeyun Oh	Director Tay Seop Lim, Director Poong Young Yoon
Strategy Committee	Chairman Chang Bo Kim	Director Haeyun Oh, Director Mi Kyung Noh, Director Tay Seop Lim, Director Sung Yeop Lee, Director Jaihun Jung, Director Myung Jin Han, Director Poong Young Yoon
Compensation Committee	Director Mi Kyung Noh	Chair Chang Bo Kim, Director Haeyun Oh, Director Poong Young Yoon
ESG Committee	Director Sung Yeop Lee	Chairman Chang Bo Kim, Director Tay Seop Lim

Audit Committee Operations (2025)

Date	Key agenda	Attendance Rate
2025.2.10	2024 H2 business audit result implementation plan	100%
	Audit office 2024 results and 2025 plan (proposal)	
	Prior approval of external-auditor non-audit services (proposal)	
	2025 external auditor service provision batch approval (proposal)	
2025.2.25	Internal accounting control system operation status	100%
	FY2024 accounting audit results	
	FY2024 internal accounting control system audit results	
	Enterprise division regular audit improvement implementation check results	
	FY2024 Audit Committee oversight activities	
	Audit Committee opinion on internal	
	Internal accounting control system operation evaluation (proposal)	
	Finalizing opinions on the 41st Annual General Meeting of Shareholders agenda (proposal)	
	41st audit report (proposal)	
	Wireline-customer gift-provision contract (proposal)	
2025.3.10	41st audit report re-approval (proposal)	100%
2025.3.25	2025 optical-line maintenance service transaction (proposal)	100%
	2025 transmission equipment maintenance service transaction (proposal)	
	2025 in-house employee welfare fund contribution (proposal)	
2025.4.23	Appointing the chair (proposal)	100%
	2024 PCAOB audit results	
	2025 H1 special-audit results	
	2025 Q1 whistleblowing-channel operation results	
2025.5.21	2025 regular audit plan change (proposal)	100%
	Audit Committee financial reporting oversight system improvement (proposal)	
	FY2025 accounting audit plan	
2025.06.25	Customer USIM delivery fulfillment service transaction (proposal)	100%
	Gasan DC colocation use transaction with SK Broadband for the sovereign AI DC build project (proposal)	
	FY2024 external auditor service evaluation results	
2025.07.23	FY2025 external auditor semi-annual review results	100%
	2025 Q2 whistleblowing channel operation results	
	Board operating budget 2025 H1 results	
2025.09.24	2024 special-audit implementation check results	100%
	2025 leader role-model check results	
	2025 H1 regular business-audit results	
2025.10.28	2025 Q3 whistleblowing channel operation results	75%
	2025 ethical-management program results	
	The Audit Committee's role under strengthened cash controls and the new internal accounting control system evaluation/reporting standards	
2025.11.26	2025 H1 regular business audit improvement-implementation plan	100%
	2025 internal-audit-department head personnel evaluation approval (proposal)	
	2026 internal-audit-department head appointment/dismissal consent (proposal)	
2025.12.17	2025 ethical management level measurement results	100%
	2024 H2 regular audit implementation check results	
	2025 financial reporting internal control test progress and year-end audit plan	
	2026 external audit contract approval (proposal)	
	2026 PS&M transaction (proposal)	
	2026 SK Broadband transaction (proposal)	
	2026 SK Hynix goods/services transaction (proposal)	
	2026 SK Planet goods/services transaction (proposal)	
	2026 Dreamus Company goods/services transaction (proposal)	
	2026 base station maintenance service transaction (proposal)	
	2026 switching equipment operation support service transaction (proposal)	
	2026 customer contact channel operation service transaction (proposal)	
	2026 Happynarae goods transaction (proposal)	
	2026 wired/wireless infrastructure construction service transaction (proposal)	
	2026 distribution network and office facility construction service transaction (proposal)	

Board Committees

Independent Director Nominating Committee

The Independent Director Nominating Committee continuously identifies and manages a pool of independent director candidates to strengthen the independence and responsible management of the Board, while establishing and executing a fair and transparent recommendation and election process. Candidates recommended by the Committee are appointed at the General Shareholders' Meeting following a resolution by the Board of Directors. The Committee must consist of three or more directors, with independent directors comprising a majority.
(Share of independent directors: 67% in 2026)

Independent Director Nominating Committee Activities (2025)

Date	Key agenda	Attend-ance rate
2025.5.21	Appointment of Committee chairperson (Proposal)	67%
	Direction for securing independent director candidate pool in 2025 (Proposal)	
2025.11.26	List of independent director candidates in 2026 (Proposal)	100%
2025.12.17	Recommendation of independent director candidates (Proposal)	67%

Strategy Committee

The Strategy Committee is responsible for reviewing mid- to long-term strategic directions, annual business plans, and the establishment and evaluation of corporate key performance indicators (KPIs). The Strategy Committee must consist of three or more directors, with independent directors comprising a majority.
(Share of independent directors: 62.5% in 2026)

Strategy Committee Activities (2025)

Date	Key agenda	Attend-ance rate
2025.7.24	Appointment of committee chairperson (Proposal)	100%
	First-half performance of corporate KPIs in 2025	
2025.11.27	SKT mid- to long-term strategic direction	100%
	Provisional evaluation of 2025 KPI performance (Proposal)	
	2026 business plan (Proposal)	
	2026 investment plan (Proposal)	
	Provisional 2026 corporate KPIs (Proposal)	

Compensation Committee

The Compensation Committee deliberates on the appointment of the CEO and the compensation of the CEO and executive directors, while establishing and managing the CEO succession plan. To this end, the Compensation Committee must consist of three or more directors, excluding the CEO and executive directors, with independent directors comprising a majority.
(Share of independent directors: 75% in 2026)

Compensation Committee Activities (2025)

Date	Key agenda	Attend-ance rate
2025.1.22	CEO compensation (proposal)	100%
	Executive director Jong Ryeol Kang's compensation (proposal)	
	Executive director Yang Sub Kim's compensation (proposal)	
2025.9.24	Appointment of committee chairperson (Proposal)	100%
	CEO succession plan and candidate pool (proposal)	
2025.10.28	Recommendation of CEO candidate (proposal)	100%
2025.12.17	CEO compensation (proposal)	75%

ESG Committee

The ESG Committee deliberates on key ESG areas, including the environment, society, customers, and information security, focusing on their strategic direction and performance, mandatory ESG disclosures, and ESG-related stakeholder communication. The ESG Committee must consist of three or more directors, with independent directors comprising a majority.
(Share of independent directors: 100% in 2026)

ESG Committee Activities (2025)

Date	Key agenda	Attend-ance rate
2025.2.25	2025 corporate ESG KPI (Proposal)	100%
2025.4.23	Appointment of committee chairperson (Proposal)	100%
	2025 SV shared budget operation plan (Proposal)	
2025.5.21	Corporate governance report (Proposal)	100%
2025.6.25	2024 annual report materiality assessment results and key details	100%
2025.8.27	Report on SV measurement operation among 2025 company-wide KPI indicators	100%
	Human rights management performance and plans	
2025.10.28	2025 supply-chain shared growth and ESG cooperation performance and 2026 direction	75%
2025.11.26	2025 ESG performance	100%
	2025 materiality assessment results	

External Auditor

SK Telecom's external auditor audits the company's financial statements and related schedules in accordance with principles of fairness and transparency. After the audit is completed, the Audit Committee evaluates the appropriateness of the audit results. In accordance with Article 10 of the Act on External Audit of Stock Companies, SK Telecom appoints the same external auditor for three consecutive fiscal years. For the 2025 fiscal year (42nd term), SK Telecom appointed KPMG Samjong Accounting Corp. as its external auditor. The firm issued an unqualified audit opinion with no additional findings.

External Auditor Selection Process

Evaluation and selection of the Audit Committee

↓

Report to General Meeting of Shareholders

↓

Signing of audit contract

Auditor's Opinion

Fiscal year	Auditor	Opinion	Emphasis, etc.	Key audit matters
42nd (current)	KPMG Samjong Accounting Corp.	Unqualified	None	Existence and accuracy of wireless communications sales Impairment assessment of goodwill for the cash-generating unit in the wired communication business
41st	Ernst & Young Han Young	Unqualified	None	Revenue recognition period for wireless communication sales Impairment assessment of goodwill for the cash-generating unit in the wired communication business
40th	Ernst & Young Han Young	Unqualified	None	Revenue recognition period for wireless communication sales Impairment assessment of goodwill for the cash-generating unit in the wired communication business

Audit Service Contract Status

Fiscal year	Auditor	Scope of work	Audit contract details		Actual performance details	
			Fee	Hours	Fee	Hours
42nd (current)	KPMG Samjong Account-ing Corp.	Review of interim and quarterly financial statements Audit of separate financial statements Audit of consolidated financial statements Review of English-language financial statements and other audit services Audit of the internal control over financial reporting (ICFR)	KRW 2,597 million	24,500 hrs	KRW 2,597 million	24,500 hrs

Fair Performance Evaluation and Compensation

Management Performance Evaluation[1)]

SK Telecom evaluates the performance of the CEO and executive management comprehensively, taking into account both financial and non-financial metrics. Notably, since 2019, ESG performance indicators have been integrated into the evaluation of the CEO and executive management. This ensures that SK Telecom's ESG management goes beyond simple social contribution or risk prevention, driving sustained execution through the responsible leadership of the CEO and all executives.

For independent directors, performance evaluation focuses on their professional expertise and job performance, with the results directly influencing their retention and reappointment. In terms of job performance, a multi-faceted evaluation is conducted, covering their understanding of the company, contribution and commitment to the Board of Directors, and synergy with other directors and management.

1) SK Telecom has implemented and enforces a clawback policy, under which performance-based compensation may be reclaimed in cases of unethical conduct, legal violations, financial losses caused by executives, or when such actions result in a negative impact on the company's mid- to long-term performance.

Management Compensation

SK Telecom's executive compensation is determined within the limits approved by the General Shareholders' Meeting, based on business performance and the roles undertaken. Directors' compensation and severance pay are granted following resolutions of the Board of Directors or the General Shareholders' Meeting. Compensation is determined through a comprehensive evaluation that reflects both quantitative metrics, such as corporate value, revenue, and operating profit, and qualitative indicators, including leadership in executing strategic initiatives and achieving management outcomes. The detailed structure is outlined as follows.

Salary

- Determined based on a comprehensive assessment of the individual's role, performance, and existing salary level.
- For the CEO, the base salary adjustment is initially determined within a 0–10% range based on the company's KPI evaluation. Final adjustments are made by the Board of Directors, taking into account changes in the business environment, external compensation competitiveness, and the CEO's role within the SK group.

Short-Term Incentives (STI)

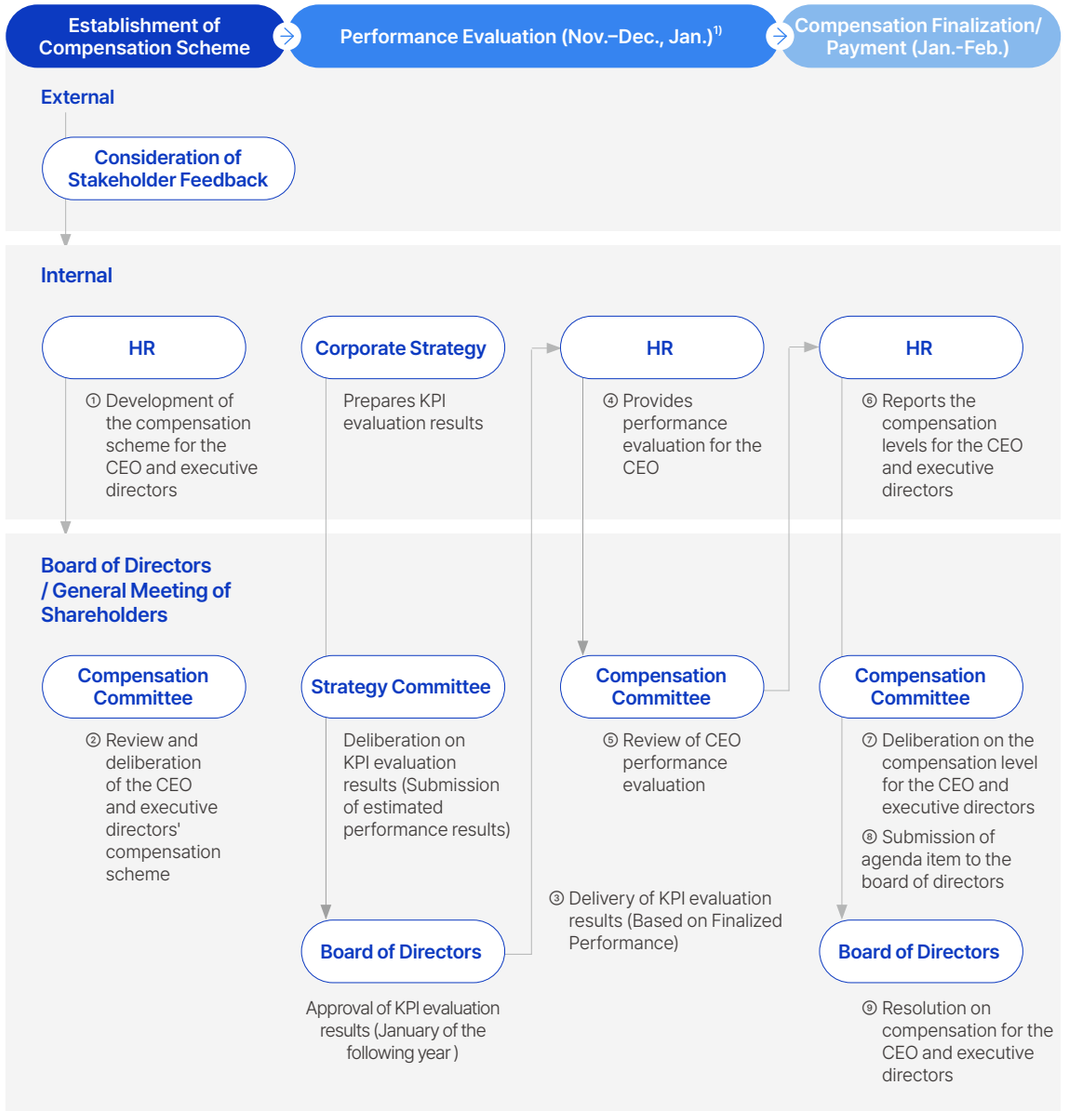
- Short-term incentives are determined based on a comprehensive assessment of both quantitative and qualitative performance, including corporate value, financial performance (revenue, operating profit, ROA/ROE, TSR, stock return, relative stock performance, and economic value added), ESG strategic initiatives, and leadership in achieving business performance.
- The CEO's short-term bonus consists of: - Target Incentive: 0–50% of base salary, based on company KPI evaluations - Value Incentive: 0–110% of base salary, based on financial performance and value creation outcomes Final adjustments are subject to approval by the Board of Directors.

Long-Term Incentives (LTI)

- To align the interests of executives and shareholders and reinforce the linkage between executive pay and corporate value growth, Performance Stock Units (PSUs) are granted. After a three-year vesting period, actual shares are awarded based on the relative performance of SK Telecom's share price compared to the KOSPI200 index.
- The CEO may receive long-term incentives at a level between 0% and 300% of base salary in the form of stock, depending on corporate value growth. Final grants are subject to Board resolution on treasury shares disposal.

Fair Performance Evaluation and Remuneration

Determination Process of Director Compensation



Compensation Payment for Directors

Category	Per-sons	Total (KRW million)	Average per person (KRW million)
Registered directors[2]	3[4]	4,530	2,265[5]
Independent directors[3]	1	147	147
Audit Committee members	4	616	154

CEO–Employee Compensation Ratio (2025)

Total CEO compensation (KRW million)	Average employee compensation (KRW million)	Ratio[6]
3,407	163	20.90

Stock Options for Executives[7]

Grant date	Recipient	Exercise price (KRW)[8]	Shares granted	Shares forfeited	Remaining shares	Period
2020.03.26	Young Sang Ryu	38,452	7,145	-	7,145	2023.3.27~2027.3.26
2020.03.26	Poong Young Yoon	38,452	5,293	-	5,293	2023.3.27~2027.3.26
2020.03.26	Jong Ryeol Kang& 4 others	38,452	357,917	337,408	20,509	2023.3.27~2027.3.26
	Subtotal		370,355	337,408	32,947	
2021.03.25	Young Sang Ryu	50,276	18,190	-	18,190	2023.3.26~2026.3.25
2021.03.25	Myung Jin Han	50,276	4,403	-	4,403	2023.3.26~2026.3.25
2021.03.25	Poong Young Yoon	50,276	10,203	-	10,203	2023.3.26~2026.3.25
2021.03.25	Jae Seung Song	50,276	8,047	-	8,047	2023.3.26~2026.3.25
2021.03.25	Byung Hoon Ryu	50,276	3,796	-	3,796	2023.3.26~2026.3.25
2021.03.25	Jong Ryeol Kang& 3 others	50,276	27,087	-	27,087	2023.3.26~2026.3.25
	Subtotal		71,726	-	71,726	
2022.03.25	Young Sang Ryu	56,860	295,275	196,850	98,425	2025.3.26~2029.3.25
2022.03.25	Bong Ho Lim	56,860	8,858	-	8,858	2024.3.26~2027.3.25
2022.03.25	Hui Seop Kim	56,860	7,086	-	7,086	2024.3.26~2027.3.25
2022.03.25	Myung Jin Han	56,860	11,274	-	11,274	2024.3.26~2027.3.25
2022.03.25	Jung Hwan Ahn	56,860	8,858	-	8,858	2024.3.26~2027.3.25
2022.03.25	Jin Won Kim	56,860	10,629	-	10,629	2024.3.26~2027.3.25
2022.03.25	Jong Ryeol Kang& 3 others	56,860	50,115	-	50,115	2024.3.26~2027.3.25
	Subtotal		392,095	196,850	195,245	

1) The evaluation of executive directors is delegated to the CEO 2) Excludes independent directors and audit committee members 3) Excludes audit committee members 4) The number of registered directors includes one non-executive director who served without compensation 5) The average compensation per registered director excludes the non-executive director who served without compensation. 6) Calculated by dividing total CEO compensation by the average employee compensation 7) As of 2025.12.31 8) The intrinsic value of stock options is calculated based on the grant date, using the arithmetic average of the volume-weighted average prices over the 2-month, 1-month, and 1-week periods prior to the grant date. A maximum vesting period of five years is applied, with performance linkage and compensation alignment aimed at driving long-term corporate value creation.

Fair Performance Evaluation and Remuneration

Status of Individual Compensation Paid to Directors and Executives

(Unit: KRW million, as of 2025.12.31)

Recipient	Total paid	Income	Amount	Results
Young Sang Ryu	3,407	Salary	1,540	• Compensation was determined within the 2025 director remuneration limit in accordance with the company's remuneration standards, based on the individual's role/position (CEO), leadership and expertise, contribution to the company, and management performance. • In the AI sector, the company generated significant results, including sustained growth in AI DC (Data Center) and AIX (AI Transformation) revenues and upward trends in key metrics for A.(A-Dot), while continuously increasing profitability by strengthening the competitiveness of the MNO business. Accordingly, the annual salary was set at a total of 1,540 million KRW, with one-twelfth of this amount, 128.3 million KRW, paid on a monthly basis.
		Bonus	1,820	• Compensation was determined and paid in early 2025 based on the company's executive remuneration standards, considering the executive's role, position, leadership, and both quantitative metrics (such as 2024 revenue and operating profit) and qualitative metrics (such as leadership in strategic initiatives and value creation). • In 2024, SK Telecom focused on "Telecom and AI", achieving balanced growth across all wireline, wireless, and AI business sectors. Consequently, consolidated revenue increased by 1.9% year-on-year to 17.9 trillion KRW, and consolidated operating profit rose by 4.0% year-on-year to 1.82 trillion KRW. Through the concrete execution of the AI Pyramid Strategy, SK Telecom successfully laid the foundation for its transition into a Global AI Company. - Mobile service revenue recorded 10.7 trillion KRW, an increase of 1.1% year-on-year, as the number of 5G subscribers surpassed 16.9 million. At the same time, SK Telecom sustained both quantitative and qualitative growth in high-speed internet and IPTV subscribers, while maintaining solid growth in telecom-related B2B revenues. - AIX business revenue increased by 32.0% year-on-year driven by the growth of core AI B2B products, and AI DC revenue rose by 13.1% year-on-year backed by the increasing utilization rate of the new data center, generating tangible performance results. - A.(A-Dot) secured 8.3 million cumulative subscribers through aggressive expansion strategies, including the launch of A. Call and the multi-LLM web version, while strengthening its collaborative network with global telecommunication companies through the official launch of the Global Telco AI Alliance (GTAA). - Through sustainability efforts—such as AI-driven energy saving and carbon emission reduction, AI-based voice phishing prevention, and caring for vulnerable groups through its AI Care and AI Call services—the company continues to elevate its status as South Korea's representative ESG leader.
		Other	47	• Executive benefits and welfare, etc.
		Gains from stock option exercises	-	• None
Yang Sub Kim	2,338	Salary	480	• Compensation was determined within the 2025 director compensation limit based on the company's compensation standards, taking into account the individual's role and position (Executive Director, CFO), leadership, expertise, contributions to the company, and management performance. • By strengthening the overall portfolio and securing financial soundness, the executive enhanced the fundamental competitiveness of the telecommunications business and contributed to reinforcing the expertise of the Board of Directors as an Executive Director of SK Telecom. Accordingly, the annual salary was set at a total of 480 million KRW, with one-twelfth of this amount, 40 million KRW, paid on a monthly basis.
		Bonus	640	• Compensation was determined and paid in early 2025 based on the company's executive remuneration standards, considering both quantitative metrics (such as 2024 revenue and operating profit) and qualitative factors (such as leadership in strategic initiative execution and management performance), including the individual's role, responsibilities, and leadership. • As the CFO, the executive contributed to enhancing corporate value in 2024 through comprehensive corporate portfolio management and the securing of financial soundness, while supporting decision-making on key management issues as an Executive Director. - As the CFO, the executive strengthened corporate portfolio review and cash management, contributed to achieving financial targets through cost structure improvements and profit-and-loss management, and enhanced corporate value through effective investor relations (IR) and shareholder return policies. - As a member of the Strategy Committee under the Board of Directors, the executive supported decision-making on key management issues from a financial perspective.
		Other	3	• Executive benefits and welfare, etc.
		Stock-option exercise gain	-	• None
		Retirement Benefit	1,215	• Severance Pay upon Retirement

Ethical Management

Governance

Oversight of the Decision-Making Body

Responsibilities and Delegated Authority of the Decision-Making Body

SK Telecom's Audit Committee under the board of directors oversees ethical management and has held 12 meetings in 2025, operating a systematic decision-making process.

The Audit Committee's responsibilities and roles regarding ethical management are specified in the Audit Committee Charter and Internal Audit Regulations. Under the Audit Committee Charter, the committee reviews major investment and transaction matters in advance to ensure that the company's performance aligns with ethical standards and integrity.

In addition, the Internal Audit Office, an independent internal audit department, operates directly under the Audit Committee to secure independence and expertise in auditing. The committee also exercises substantial supervisory authority over the ethical management system by holding the rights to approve the appointment, dismissal, and performance evaluation of the Chief Audit Executive.

Capabilities of the Decision-Making Body and Future Development Plans

Capabilities

SK Telecom recognizes that ethical management risks directly impact corporate sustainability. To manage these risks systematically, SK Telecom ensures the expertise of the Audit Committee. Independent Directors Tay Seop Lim and Mi Kyung Noh are finance and accounting experts under the Commercial Act, possessing professional expertise in financial reporting and internal control. Furthermore, all independent directors on the Audit Committee leverage their deep expertise in risk management and compliance to thoroughly review the effectiveness of SK Telecom's ethical management system and risk management.

Audit Committee Skills Matrix

Name	Category	Skills Matrix		
		Compliance	Finance/ Accounting	Information Security
Tay Seop Lim	Independent director	●	●	
Chang Bo Kim	Independent director	●		
Mi Kyung Noh	Independent director	●	●	
Sung Yeop Lee	Independent director	●		●

Skill Development Plan

SK Telecom conducts year-round training on the internal accounting control system and financial reporting oversight, utilizing both internal and external experts to strengthen oversight capabilities in ethical management. SK Telecom plans to continue supporting the Audit Committee so that it can faithfully fulfill its oversight responsibilities based on its expertise in overall ethical management.

Date	Training details
2025.4.24	- Status of the Audit Committee's roles and supporting organizations - Overview and status of the SK Telecom's internal accounting control system
2025.10.28	- Enhanced fund control and the new internal accounting control system - Roles of the Audit Committee in evaluation and reporting standards

Method and Frequency of Reporting to the Decision-Making Body

Method of Reporting

SK Telecom oversees and monitors ethical management through the Audit Committee under the board of directors and the Internal Audit Office under the Committee. The Audit Committee receives and reviews audit results from the Internal Audit Office, and when necessary, requests the attendance of responsible executives and the submission of additional materials to understand issues in depth.

Frequency of Reporting

In 2025, SK Telecom held a total of 12 Audit Committee meetings to closely review key ethical management issues and audit results, maintaining an oversight system for ethical management risks based on a reporting system grounded in its regulations.

Decision-Making Body's Approach to Key Decisions

The Audit Committee tables and reviews major agenda items related to ethical management. In 2025, SK Telecom deliberated on and resolved key agenda items, including audit plans, regular and special audit results, quarterly reporting channel operation results, ethical management program performance, and ethical management level assessment results.

Consideration of Trade-offs Between Ethical-Management-Related Risks and Opportunities

SK Telecom focuses on increasing corporate value by enhancing long-term reputation and strengthening the independence of the ethical management organization, rather than on short term costs or operational constraints arising from the practice of ethical management. Even if activities entail immediate financial burdens such as ethical training and system advancement for the value chain or digital and AI integration, SK Telecom aims for strategic balance and sustainable growth from a mid- to long-term perspective. This is achieved by establishing an ethical management system specialized in proactive prevention and anchoring a corporate culture based on ethical management.

Target Setting and Progress Monitoring

SK Telecom reviews targets and performance related to ethical management under the oversight of the Audit Committee and senior management, including the CEO. SK Telecom monitors progress against the established ethical management goals and closely reviews audit plans, performance, and reporting channel operation results through the Audit Committee.

Governance

Oversight of Management

Delegated Roles and Oversight of Management

SK Telecom's management systematically administers ethical management based on the responsibilities and roles specified in the Internal Audit Regulations. The Chief Audit Executive oversees the establishment of the Code of Ethics and related regulations, and executes overall operations ranging from planning to operating and advancing the company-wide ethical management implementation system. The Internal Audit Office independently establishes and executes internal audit and reporting investigation plans, reports the results to the Audit Committee, and assists the committee with its duties. Based on these professional practical activities, management, including the CEO, strengthens the management system and faithfully fulfills executive oversight responsibilities for ethical management as specified in the regulations.

Controls and Procedures of Management

SK Telecom operates a company-wide internal control and risk management system, led by the Audit Committee under the board of directors. Through this governance framework, SK Telecom solidifies its control procedures.

Ethical Management Governance



Regular Audits Across All Operations

To support the risk management efforts of the board of directors (Audit Committee) and management, SK Telecom's Internal Audit Office conducts regular audits across all operations, including subsidiaries, in accordance with its principle of auditing all business areas on a three-year cycle. These audits assess compliance with ethical management, operational efficiency, and the adequacy of internal control and risk management systems. Audit results including improvement tasks and plans are reported to the Audit Committee. Additionally, follow-up monitoring is conducted to ensure execution of improvement plans related to risk factors identified in previous audits, with findings also reported to the Audit Committee.

In 2025, to reinforce "basics and principles," SK Telecom conducted internal leadership initiative audits to inspect leaders' expense execution and document security systems. Furthermore, at the management's request for special audits, the company performed audits on SK Telecom's social enterprises to inspect risks, thereby further strengthening the level of company-wide internal control.

Additionally, through a regular audit of one business-related subsidiary, SK Telecom identified areas for improvement across overall business operations and management infrastructure with the target of strengthening management efficiency.

Audit Scope and Mid- to Long-Term Audit Plan in 2025 (Conducting regular audits across all areas on a 3-year cycle[1])

Category	2025	2026	2027	2028
Headquarters audit status and 3-year plan	Leadership initiative, SK Telecom social enterprise (special audits)	Telecom business division, AI business division	Network & security division	Special audit of other business divisions
Subsidiary audit status and 3-year plan	Cost/security audit, 1 business-related subsidiary	1 business-related subsidiary	2 business-related subsidiaries	2 business-related subsidiaries
Headquarters & Subsidiaries	Enterprise-wide management areas (HR, finance, procurement): annual self-checks are conducted, and additional audits or control measures are taken when issues are identified.			

1) Regular audits are conducted every three years for four business divisions and five subsidiaries.

Strategy

Ethical-Management-Related Risks and Opportunities

Identification of Ethical-Management-Related Risks and Opportunities

SK Telecom identifies risks and opportunities from an ethical management perspective that affect corporate sustainability. The company analyzes the effect of these identified risks and opportunities on overall management and manages them by categorizing the expected timeframe of effects into short-, medium-, and long-term.

As for risks, the company identified the insufficient proactive identification of risks and reputational risk caused by a decline in employees' ethical awareness, as well as reduced fairness in control and potential conflicts of interest arising from a lack of independence in the ethical management organization. Unethical practices and insufficient independence of the management system can weaken the effectiveness of internal controls, thereby undermining trust with stakeholders such as customers and investors. Furthermore, illegal acts or misconduct can lead to direct regulatory and reputational risks, such as legal disputes and financial losses.

As for opportunities, SK Telecom is focusing on strengthened proactive prevention by building a digital- and AI-based ethical management system, and establishing an ethical management corporate culture through regular assessment and continuous improvement. Through this, SK Telecom will realize early risk detection and transparent decision-making, and continuously reinforce its value as a leading company in transparent management by enhancing the trust of internal and external stakeholders.

Category		Risks and opportunities	Expected Time Horizon		
			Short	Medium	Long
Risk	Risk1	Insufficient proactive identification of risks and reputational risk caused by a decline in employees' ethical awareness	●	●	●
	Risk2	Lack of independence in the ethical management organization	●	●	
Opportunity	Opportunity1	Strengthened proactive prevention by building a digital- and AI-based ethical management system	●	●	●
	Opportunity2	Establishing an ethical management corporate culture through regular assessment and continuous improvement	●	●	●

Expected Time Horizons of Risks and Opportunities

SK Telecom defines the time horizons reasonably expected for the effects of ethical-management-related risks and opportunities as short term (within 1 year), medium term (more than 1 year and up to 3 years), and long term (more than 3 years).

The reason for defining the timeframe in this manner is to align the assessment of risks and opportunities consistently with business strategy, budgeting, and performance management by applying the same timeline as SK Telecom's annual operating plan (short-term), three-year mid-term management plan (medium-term), and long-term growth strategy (long-term). This clarifies resource allocation, priority setting, and monitoring cycles, while ensuring alignment with the board of directors and management reporting and external disclosure frameworks. Ultimately, this categorization serves as a practical standard that enhances the execution of ethical management, ensuring that identified risks and opportunities are integrated into business strategies.

Strategy

Business Model and Value Chain

Current and Anticipated Effects

SK Telecom identifies the current and anticipated effects of ethical-management-related risks and opportunities on its business model and value chain. Accordingly, SK Telecom derives strategies to respond to risks and opportunities and strengthens its risk management capabilities.

Effects on the Business Model

Category	Risks and opportunities	Current effect	Anticipated effect
Risk	Insufficient proactive identification of risks and reputational risk caused by a decline in employees' ethical awareness	Decline in customer trust due to a drop in brand reputation	Shrinkage in investment due to decreased corporate value and potential breakdown of mid- to long-term partnerships
	Lack of independence in the ethical management organization	Discouragement of whistleblowing and delays in appropriate corrective actions, leading to a lower compliance rate and increased operational inefficiency	Possible decline in stakeholder trust
Opportunity	Strengthened proactive prevention by building a digital- and AI-based ethical management system	Shorter issue detection times and reduced response lead times through streamlined issue monitoring and handling	Improved reliability of internal controls through expanded anomaly prediction and preemptive actions
	Establishing an ethical management corporate culture through regular assessment and continuous improvement	Identifying vulnerabilities through assessments, establishing response priorities, and enhancing the execution of ethical management through the distribution of customized training and guidelines	Continuous reduction in unethical behavior by internalizing an ethical culture, expanding mid- to long-term partnerships, and creating new business opportunities through enhanced stakeholder trust

Effects on the Value Chain

Category	Risks and opportunities	Current effect	Anticipated effect
Risk	Insufficient proactive identification of risks and reputational risk caused by a decline in employees' ethical awareness	Increased misconduct and quality issues from failure to identify supplier issues early; transaction issues and delays from frequent supplier investigations	Loss of outstanding suppliers and higher costs to secure alternative suppliers due to increase in unethical issues
	Lack of independence in the ethical management organization	Reduced information sharing and cooperation from suppliers due to doubts about the fairness of investigations and corrective actions, prolonging dispute resolution	Increased supplier and customer churn rate due to expanding conflicts of interest and corruption risks
Opportunity	Strengthened proactive prevention by building a digital- and AI-based ethical management system	Preemptive blocking of ineligible transactions and enhanced supplier transparency through real-time monitoring and automated reviews (e.g., sanction status, corruption, bid-rigging)	Decreased incidence of corruption through enhanced AI-based risk analysis and anomaly prediction; inflow of outstanding suppliers/customers from greater agility in responding to regulatory changes
	Establishing an ethical management corporate culture through regular assessment and continuous improvement	Enhancing the compliance capabilities of suppliers by diffusing ethical standards, codes of conduct, and training across the entire value chain	Strengthened mid- to long-term partnerships with suppliers and improved customer service levels from resolving ethical risks

Concentrated Effects

Due to the nature of telecom services, SK Telecom identifies customer, distribution, and business partner touchpoints as core management areas. A decline in employee ethical awareness or a lack of organizational independence at these touchpoints can trigger reputational risk, customer complaints and disputes, data privacy and fair trade violations, and unstable partnerships, regulatory burdens, ultimately damaging the brand reputation and business stability.

Conversely, continuous monitoring via digital and AI ethical management systems, along with the internalization of an ethical corporate culture through regular assessments and continuous improvement, prevents unethical behavior, establishes a transparent transaction order, and enhances ecosystem competitiveness at these same touchpoints. This simultaneously strengthens customer trust, operational efficiency, confidence in regulatory compliance, and investor trust. Therefore, SK Telecom focuses on preemptively controlling ethical risks and advancing data-driven decision-making to drive trust, efficiency, and sustainability across the value chain.

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Ethical Management Strategy

SK Telecom has established an ethical management strategy to effectively respond to ethical-management-related risks and opportunities. To ensure sustainable growth built on stakeholder trust, SK Telecom operates a comprehensive, company-wide ethical and compliance management system. Guided by a dedicated Internal Audit Office and a robust Code of Conduct, SK Telecom provides ongoing ethical training to prevent risks and foster voluntary awareness among its employees. Furthermore, SK Telecom maintains a continuous monitoring system against unethical behavior through its Ethical Management Portal and whistleblowing channels. Most notably, the official declaration of the "SK Telecom Anti-Corruption Policy" underscores its commitment to fulfilling corporate social responsibilities and cultivating a transparent business environment.

Prevention

SK Telecom provides annual online training on ethical standards for all members of the organization—including executives, regular employees, contract workers, part-time staff, and dispatched employees, across the company and its subsidiaries. The training covers key topics such as workplace bullying and sexual harassment prevention, prohibition of abuse of power or monetary transactions with partners, conflicts of interest, and misuse of company assets. In addition, the company conducts in-depth, discussion-based offline training on ethical standards (Ethical Management Practice Workshops) focusing on real-life violation cases, led by team heads for all employees, including those at subsidiaries. Customized ethics training is also provided for newly appointed team leaders and new hires to emphasize the importance of ethical leadership and practical approaches to resolving ethical dilemmas in the workplace. After each training session, SK Telecom conducts regular ethical management practice surveys to assess the current ethical climate and incorporate unit-level feedback to improve the ethical practice environment.

Company-wide survey analysis is used to identify and address areas for improvement, enabling the organization to proactively manage potential ethical risks. SK Telecom requires all employees, including those of its subsidiaries, to submit an annual Ethics Pledge at the beginning of each year. The Ethical Management Portal, Letter to HR, female counselor dedicated to sexual harassment cases, and anonymous bulletin boards serve as channels for consulting on ethical issues.

Detection

SK Telecom operates a variety of online and offline whistleblowing and ethics consultation channels to ensure that all stakeholders can report and seek advice at any time. These include the SK Ethics Management website, the Ethical Management Portal, Letter to HR, a dedicated female counselor for sexual harassment cases, and an anonymous bulletin board — all serving as channels for addressing ethical concerns and reporting misconduct or corruption.

SK Telecom is committed to protecting whistleblowers under the "Public Interest Whistleblower Protection Act." Individuals who report violations of ethical standards or misconduct are entitled to confidentiality, personal protection, appropriate personnel measures, and safeguards against any disadvantageous treatment as stipulated by law. Additionally, SK Telecom operates a separate protection program for whistleblowers and consultees to ensure that no harm comes to those who report, cooperate with investigations, or seek ethical guidance.

Participation in Ethics Pledge and Ethical Training

Category	Unit	2023	2024	2025
Ethics pledge	%	100.0	100.0	100.0
Online ethical training		96.3	95.6	96.2
Online sexual harassment prevention training		96.1	96.9	97.9
In-depth, discussion-based offline ethical training (Ethical management practice workshop)		100.0	100.0	100.0

* Includes all employment types: executives, permanent, contractual, part-time, dispatched employees

Operations Status of Ethics Counseling Center in 2025

(Unit: cases, %)

Category	Cases	Completed cases	Processing rate
Ethics counseling and reporting[1)]	12	10	83.3
No issues[2)]	18	18	100
Routine business issues	38	38	100
Customer complaints	223	223	100
Total	291	289	99.3

1) For ethics-counseling and reporting cases, in-house investigations are conducted; other cases are referred to the relevant department.
2) Investigations are not conducted if the whistleblowing content is insufficient or if the report is withdrawn.

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Response

SK Telecom categorizes violations of ethical regulations by type and enforces strict disciplinary actions according to the severity of each case. When necessary, SK Telecom conducts additional verification and investigations to establish facts and takes appropriate action based on internal regulations. Compliance with ethical standards is incorporated into employees' KPIs and performance evaluations. In the event of a violation, the seriousness of the matter is reflected in performance assessments and affects the compensation system. If an employee is found to have violated ethical regulations, a Personnel Committee is convened to determine the level of disciplinary action based on the severity of the case. Disciplinary actions may include dismissal, suspension, salary reduction, or formal reprimand, each of which is linked to the evaluation system in accordance with relevant HR regulations, thereby affecting the employee's compensation level. If a supplier violates ethical regulations, a Procurement Review Committee is held to impose sanctions such as limiting transaction volumes or terminating contracts. All cases of ethical regulation violations and their outcomes are recorded and used to evaluate and improve SK Telecom's ethical management processes.

SK Telecom emphasizes the prevention of workplace discrimination and harassment based on gender, race, religion, disability, or origin through a Human Rights Policy Statement issued under the CEO's name. SK Telecom's Code of Ethics Implementation Guide explicitly states that employees must not engage in any behavior that undermines healthy workplace relationships, including workplace harassment. To continuously raise awareness, SK Telecom conducts ethical management training for all employees, including those at subsidiaries and across all employment types (executives, permanent, contractual, part-time, and dispatched employees). Any violations of these policies are met with strict disciplinary action under a Zero Tolerance policy.

Actions Taken for Violations of the Code of Ethics in 2025[1)]

(Unit: cases)

Category	Cases	Action taken
Discrimination and harassment	4	Severe (4)
Conflict of interest (concurrent employment/ positions)	3	Severe (3)
Unethical conduct toward customers	0	-
Corruption and bribery	0	-
Money laundering and insider trading	0	-
Other unethical conduct	3	Severe (2), Minor (1)
Total	10	Severe (9), Minor (1)

1) There were no violations related to money laundering or insider trading.

Ethical Management System Enhancement

SK Telecom has consistently maintained a "Leader" rating in the SK Group Ethical Management Assessment, proving its excellence externally. To further upgrade its ethical management system to meet top-tier global standards, SK Telecom is strengthening its digital- and AI-based ethical management framework alongside a continuous assessment process. Through data-driven monitoring, SK Telecom proactively identifies and controls anomalies early across all customer and distribution channels as well as supplier collaborations. By continuously integrating these assessment results back into policy, training, and on-site execution, SK Telecom aims to internalize ethical standards throughout the entire organization and value chain.

Strategy

Strategy and Decision-Making

Progress Against Plans Disclosed in Previous Reporting Periods

For SK Telecom's progress against plans regarding ethical management, please refer to the Metrics and Targets section.

Trade-offs Between Ethical-Management-Related Risks and Opportunities

Please refer to the "Consideration of Trade-offs Between Ethical-Management-Related Risks and Opportunities" disclosed in the "Decision-Making Body's Approach to Key Decisions" section.

Financial Position, Financial Performance, and Cash Flows

Current Financial Effects

SK Telecom is analyzing the financial impact pathways resulting from identified risks and opportunities. Insufficient proactive risk identification and reputational risks caused by a decline in employee ethical awareness, combined with a lack of independence in the ethical management organization, can undermine profitability. Specifically, these can drive up costs related to complaint and dispute resolution, increase marketing and sales expenses due to channel operational inefficiencies, and heighten volatility in the subscription and churn structure due to weakened brand trust. Conversely, establishing a digital- and AI-based management system, refining data governance, and internalizing standards and training through regular assessments and continuous improvement can alleviate revenue volatility. This is achieved by decreasing recurring incidents and procedural errors, and mitigating cost increases through the gradual enhancement of ethical practice competencies. Although upfront investments and operational costs will be incurred during this process to enhance systems and expand training and evaluation frameworks, SK Telecom is establishing a foundation to structurally lower regulatory and legal risk costs by enhancing transparency and restoring trust in internal controls. Consequently, the overall financial effect is expected to be evaluated as a coexistence of short-term cost burdens and medium-term efficiency improvements.

Expected Financial Effects

If risks and opportunities related to ethical management are realized, they are expected to exert a mid- to long-term financial impact beyond short-term effects through the financial impact pathways analyzed earlier. However, as of now, there are limitations to quantitatively measuring the current and anticipated financial effects. SK Telecom plans to continuously advance its analytical framework in the future to evaluate the effect on financial positions and cash flows with greater precision.

Resource Allocation Plan

Resource allocation for responding to ethical management issues and implementing strategies focuses primarily on efficiently distributing internal resources and strengthening the ethical management framework. While continuously enhancing the professional capabilities of the Internal Audit Office personnel, SK Telecom plans to actively utilize AI in auditing and investigation tasks. Furthermore, SK Telecom ensures stable execution by prioritizing the budget required to enhance the ethical management system.

Ethical Management Resilience

Ethical Management Resilience Assessment

SK Telecom evaluates whether its strategies and business models can operate continuously and without disruption in the event of ethical management risks and opportunities. To this end, SK Telecom reviews its governance, risk monitoring systems, and employee ethical awareness levels based on key factors that constitute ethical management resilience, and incorporates the review findings into tasks aimed at enhancing its ethical management. The assessment factors for ethical management resilience and the adaptive capacity of SK Telecom are as follows.

Scenario Analysis Methodology

SK Telecom plans to conduct scenario analyses focusing on risk and opportunity factors related to ethical management. Currently, the company qualitatively assesses the likelihood of major risks, and their financial and non-financial impacts. SK Telecom intends to gradually develop quantitative scenario analyses across short-, medium-, and long-term horizons and integrate the findings into its ethical management strategies.

Factor	SK Telecom's adaptive capacity
Ethics governance and response system	Operates an independent ethical management oversight system centered on the Audit Committee within the board of directors, maintaining an organizational structure capable of reviewing key ethical management issues through regular reporting
Preemptive risk monitoring system	Reviews compliance with ethical management through regular inspections across all organizations, including subsidiaries, and operates a continuous monitoring system for unethical activities via the Ethical Management Portal and whistleblowing channels
Employees' ethical awareness and organizational culture	Establishes a foundation for employees to make sound decisions even in crisis situations through ongoing ethics training and internalization programs, promoting a corporate culture where the self-check function operates effectively by encouraging ethical consultation and reporting

Risk Management

Management of Ethical-Management-Related Risks and Opportunities

Process and Policies to Manage Ethical Management Risks

Ethical Management Promotion Process

SK Telecom operates a three-step ethical management process based on its Code of Ethics: prevention, identification, and response. Employees build their capacity to prevent unethical behavior through ethics training and team-level Ethical Management Practice Workshops. SK Telecom has established a continuous monitoring system for unethical issues through the SK Group's integrated whistleblowing channel and SK Telecom's internal Ethical Management Portal, which includes an ethics consultation channel. Under the supervision of the Audit Committee, the CEO, and senior management, the company regularly reviews its ethical management performance and strives for continuous improvement of the process.

Code of Conduct (Code of Ethics, etc.)

SK Telecom has established a Code of Ethics that sets out fundamental principles and its ethical direction, guiding appropriate conduct and value-based decision-making across all business activities. SK Telecom defines specific ethical standards for each stakeholder group, including customers, employees, shareholders, business partners, and society. In 2023, SK Telecom expanded the Code of Ethics to include its social responsibilities in the development and commercialization of artificial intelligence technologies. The Code of Ethics Implementation Guide, which consists of practical codes, principles, and detailed instructions, were established to help employees implement the Code of Ethics in their daily work. These guidelines are regularly updated in response to changes in the internal and external business environment.

Through timely revision of the Code of Ethics and Practice Guidelines, SK Telecom proactively prevents and manages unethical conduct, especially on socially sensitive issues. Additionally, SK Telecom publishes and continuously updates an explanatory guidebook that elaborates on the Practice Guidelines, based on real-life cases and relevant laws and regulations, to enhance employees' understanding and commitment to ethical management. The Code of Ethics and Practice Guidelines provide clear standards for all members of the organization, including executives, permanent, and non-permanent employees. A Zero Tolerance policy is applied in the event of violations of the Code of Ethics as well as the Code of Conduct.

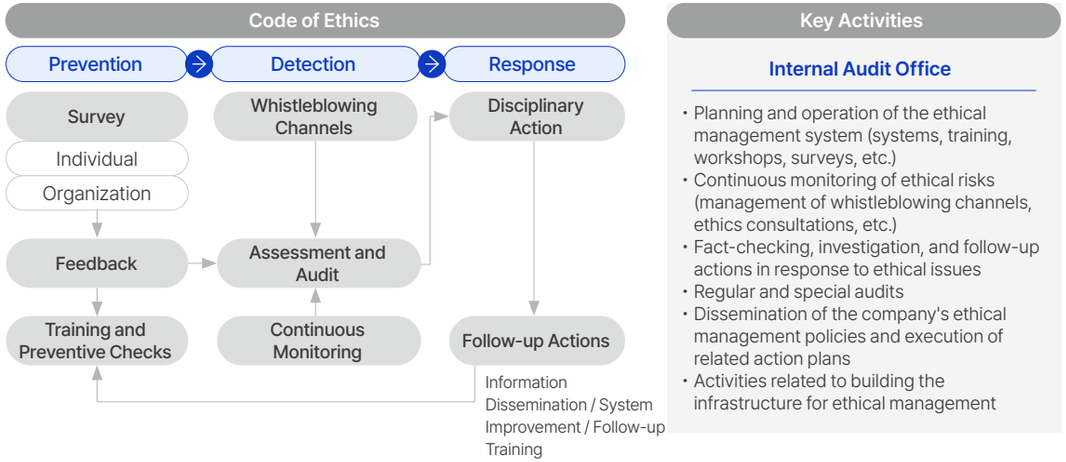
Process and Policies to Manage Ethical Management Opportunities

Through its ethical management process, SK Telecom manages not only the risks arising from ethical management but also the opportunities.

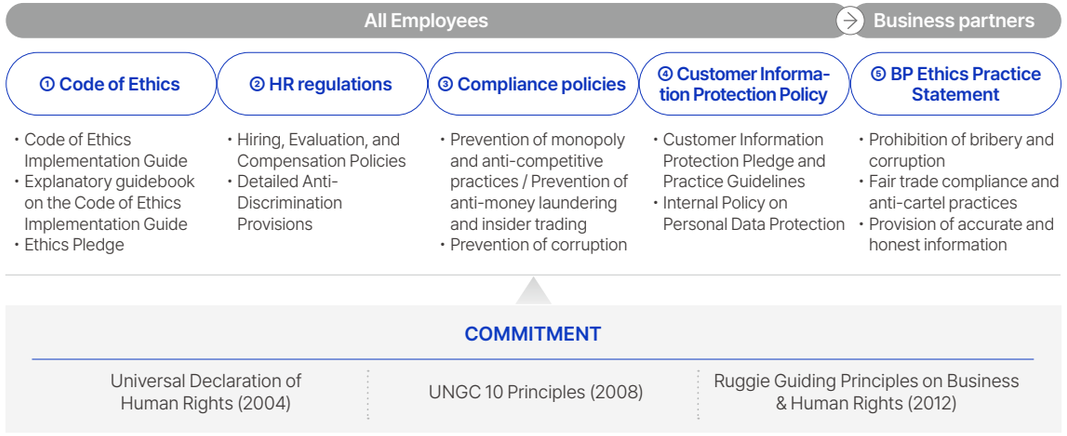
Integration into the Enterprise Risk-Management Process

SK Telecom integrates ethical-management-related risks into its enterprise risk-management system.

Ethical Management Promotion Process



Framework of the Code of Conduct



Metrics and Targets

Metrics

Ethical Management Metrics

Category	Performance		
	2023	2024	2025
Enhancement of ethical management system	Maintained "Leader" grade (92.6 points)	Maintained "Leader" grade (93.4 points)	Maintained "Leader" grade (92.6 points)
Governance support system upgrade	Established the Internal Audit Office under the Audit Committee	Established an ad-hoc reporting system to the Audit Committee	Strengthened periodic oversight system of external auditors
Enhancement of internal audit competencies and quality	Developed and executed 3-year mid-term audit plan	Expanded Internal Audit Office to 3 teams, 24 personnel	Shortened investigation period for whistleblower reports (unmet target rate reduced from 41% to 15%)

Targets

Mid- to Long-Term Ethical Management Targets

Prevention

2026 target

Solidifying top-level ethical management standards in Korea

Enhancing the Effectiveness of Ethical Management Programs
- Develop and operate specialized programs to strengthen ethical awareness among leadership
- Strengthen communication efforts targeting vulnerable groups/departments based on survey results

Revision of the Explanatory Guidebook on the Code of Ethics Implementation Guide
- Provision of concurrent employment/secondary job guidelines, actual disciplinary and counseling case studies, and detailed ethical practice guidelines

Fostering a Culture of Leading by Example through Regular Monitoring of Executive Use of Budget and Assets
- Reinforce ethical conduct by executives and promote a culture of continuous self-monitoring

Use of AI in Internal Audit
- Root cause analysis of recurring unethical practices

Detection

Strengthening audit/investigation competencies and supporting company-wide operational efficiency

Enhancement of Whistleblowing Investigation and Audit Competencies
- Expand internal and external training opportunities for Internal Audit Office personnel

Continuing 3-Year Cycle Audits Across All Operations of SK Telecom
- Conduct audits of core businesses and subsidiaries to improve operational efficiency

Monitoring System Improvement for Anomalies in Expense Execution

Improving the Effectiveness of the Self-Check System
- Restructure risk assessment frameworks for headquarters and subsidiaries, with a focus on high-risk areas

Mid- to long-term target (2027–)

Building a global top-level ethical management system

Enhancement of the Ethical Management System for All Stakeholders
- Continuously upgrade ethical standards to reflect the industry characteristics of a Global AI Company
- Strengthen ethical awareness among leadership and all employees through surveys, training, and workshops
- Provide ethics training support to business partners (BPs) and jointly elevate ethical management standards
- Adopt ethical criteria recognized by global rating agencies such as Ethisphere and MSCI



Achieving global top-tier audit competencies and audit quality

Upgrading Ethical Governance Centered on the Audit Committee
- Reinforce the independence of the internal audit organization under the Audit Committee
- Strengthen expertise through expansion of audit personnel, increased internal and external training, and regular audits
- Establish prompt, fair, and objective investigations of whistleblower reports and institutionalize regular audits across all operations, including subsidiaries, on a three-year cycle
- Enhance subsidiary-level risk management systems through the institutionalization and advancement of self-check mechanisms



Compliance

Governance

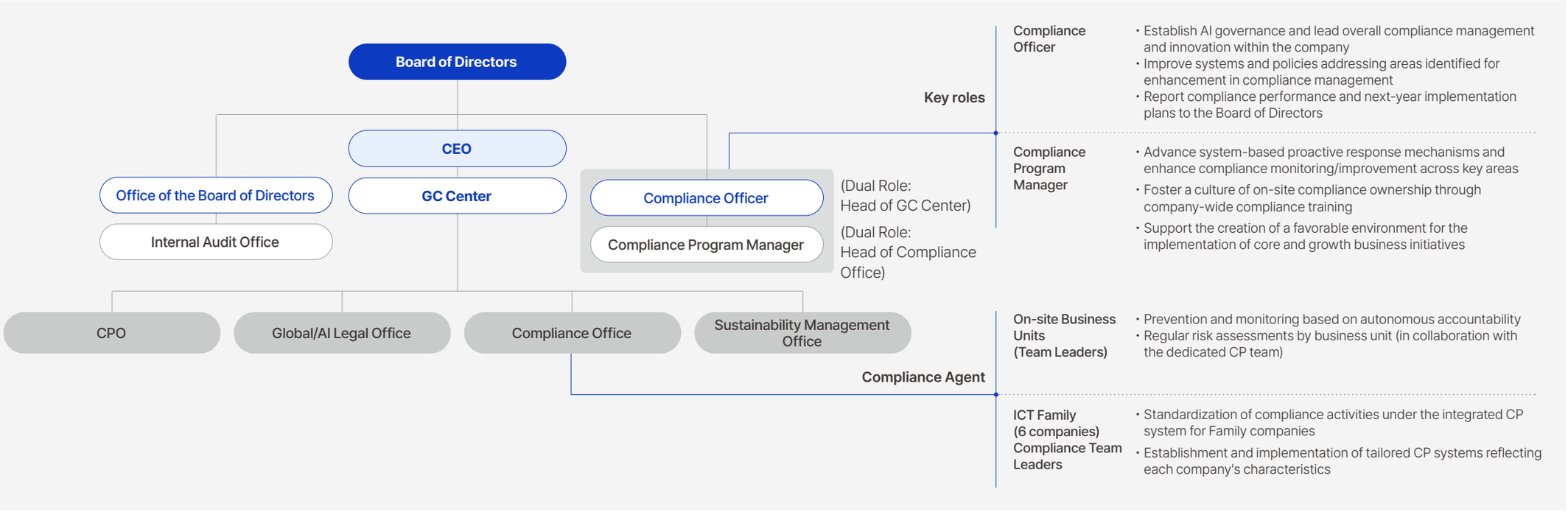
Role of the Board of Directors and Management

Under the oversight of the Board of Directors and the Audit Committee, SK Telecom conducts integrated compliance management across the ICT Family, leveraging strong leadership of top executives including the CEO and General Counsel (GC) Center, as well as organizational capabilities backed by top-tier expertise. In accordance with relevant laws such as the Commercial Act and the Fair Trade Act, the head of the GC Center has been appointed as the Compliance Officer upon approval from the Board. Furthermore, the CEO has appointed a Compliance Program Manager (CPM), ensuring independent, expertise-based execution and continuously enhancing an effective compliance governance system.

Dedicated Compliance Organization

SK Telecom operates a dedicated organization with accumulated business experience and specialized legal capabilities. To promote compliance management performance through the compliance governance system and close collaboration with on-site operations, SK Telecom appoints leaders of 7 key business units and 6 ICT Family companies as "Agents." By doing so, SK Telecom increases the effectiveness of its governance framework and promotes a culture of compliance.

Compliance-Management Governance



Strategy

For SK Telecom, compliance extends beyond legal compliance and fair competition; it is the cornerstone of management that secures customer trust by responding to all regulatory and societal demands. SK Telecom practices compliance management based on an advanced compliance policy, vision, and execution system across the ICT Family, thereby evolving into a company trusted by customers and society.

Establishing and Advancing the Compliance System

SK Telecom is driving a transition toward becoming a Global AI Company across the ICT Family. As business interests grow more complex due to technological innovation and stricter regulations, the importance of compliance in supporting business value and growth continues to grow. In particular, as expectations from society and regulatory authorities rise, the scope of SK Telecom's compliance is also expanding. Moving beyond simple responses to legal risks, SK Telecom has expanded its compliance management framework to encompass the entire spectrum of compliance control, responding to societal demands and fulfilling corporate responsibilities. Reflecting these changes, SK Telecom has established an overall compliance framework to strengthen preventive controls and foster a culture of voluntary compliance at business operations, building on the achievements of the Fair Trade Compliance Program (CP) accumulated over more than 20 years.

Compliance Policy and Vision

SK Telecom is fully committed to achieving its compliance vision and advancing its system in response to changes in the business environment. In the era of AI where business boundaries expand and partnerships are strengthened, SK Telecom continuously improves its policies and vision to meet the heightened expectations of society and regulatory authorities.

First, SK Telecom has established a strong preventive control system by introducing the GC (General Counsel) system, reinforcing prevention against compliance risks across all management areas.

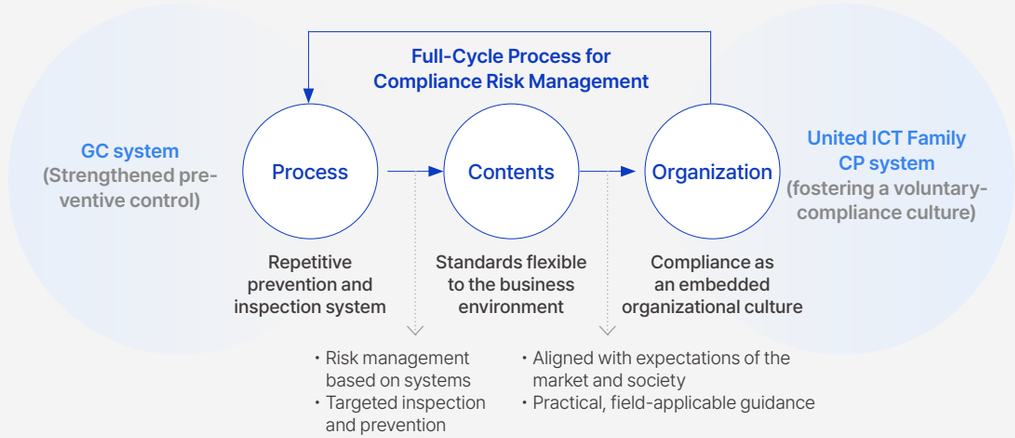
In terms of processes, SK Telecom focuses on pre-emptively extracting and preventing various risk factors directly from business sites through advanced tech-based systems such as the AI Agent. SK Telecom will also continue to execute highly practical inspection and prevention activities leveraging accumulated experience. As for contents, which serve as the standard for compliance policies and execution, SK Telecom will enhance the usability for all ICT Family members, increasing real-world preventive effectiveness.

SK Telecom's compliance system has expanded across the entire ICT Family, driving an upward standardization of overall competencies while considering both the unique business characteristics of each affiliate and operational consistency. This reinforced compliance competency plays a key role in maximizing service value during business development and innovation, establishing itself as an embedded management culture. Sustained external trust built upon this foundation of compliance management serves as the cornerstone for SK Telecom to leap forward as a "Global AI Company."

Role of SK ICT Family Compliance

Vision	To ensure the company's sound and sustainable growth as a model enterprise recognized and supported by the market and society
Key Initiatives	• Minimize risks through the advancement of ICT-based preventive processes and innovation in response capabilities • Strengthen the compliance framework across the ICT Family and embed a culture of compliance • Contribute to enhancing business and service value while fostering a favorable external regulatory environment

SK ICT Family Compliance Management System



Company-wide Management Risk Management

Led by the compliance organization			Collaboration with relevant departments		
Biz Relation Risk	Compliance Risk	IPR Risk	Social Risk	Reputation Risk	Regulation Risk
			Environment Risk	Safety Risk	

Strategy

Establishment of the CP (Compliance Program) Implementation Framework

SK Telecom's compliance implementation framework consists of six main categories. Key compliance activities include establishing a control environment centered on governance, conducting comprehensive risk assessments across businesses, and conducting preemptive inspections of potential risk factors. The framework also involves sharing information and communication with operational units, reinforcement mechanisms, including disciplinary measures and incentives, and continuous evaluation of the overall effectiveness of compliance activities.

This implementation framework has been restructured to align the Group's standardized system with SK Telecom's specific business environments and is shared and used across ICT Family companies.

Compliance Development Framework

1. CP Governance
- Commitment from the Board and Management
- Compliance Officer/ Compliance Program Manager
- Establishment of Dedicated Organization and Standards

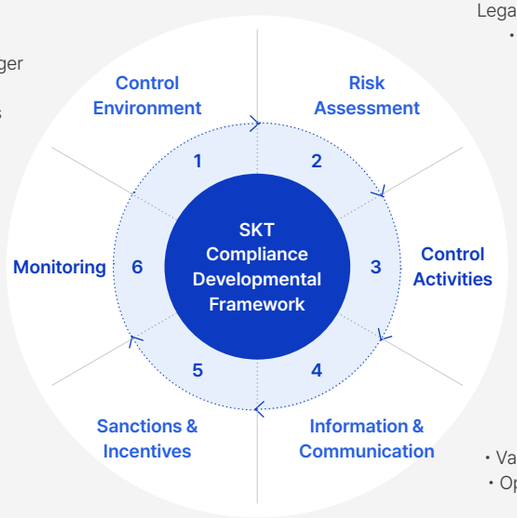
2. Risk Mapping
- Management of Regulatory and Legal Changes Related to Business
- Risk Assessment by Business Area and Legal Requirements

3. Prevention and Inspection
- Advancement of System-Based Processes
- Field-Level Autonomous Responsibility Activities

4. Field-level Interaction
- Various Trainings and Guidelines
- Operation of Reporting Systems
- Document Management (Monitoring/Prevention)
- Integrated CP System within the ICT Family (CP Council)

5. Employee Motivation
- Disciplinary Actions and Rewards
- Reflection of CP in Performance Evaluation of ICT Family companies

6. Evaluation of CP Effectiveness
- Overall Assessment of the CP System
- System and Institutional Maturity Level
- Improvement Measures Based on Evaluation Results

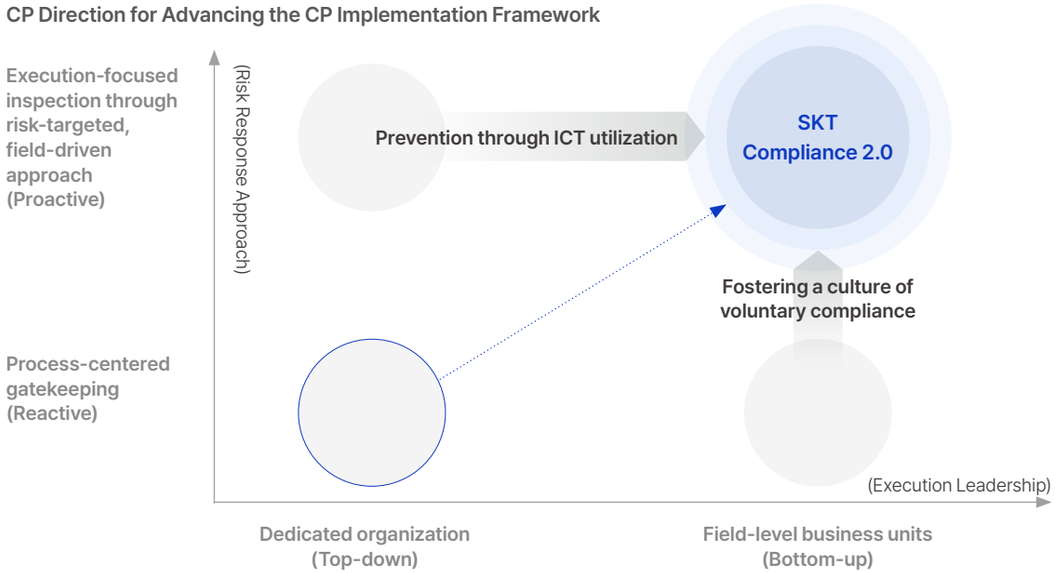


Advancement Direction of the CP Implementation Framework

The core of compliance activities lies in prevention and response methodologies that identify and eliminate risks, as well as execution parties within the organization. SK Telecom's CP implementation framework has driven future-oriented advancements across these two dimensions. Whereas the previous methodology mainly relied on gatekeeping approach focused on post-management through regulations and processes (Reactive), SK Telecom is transitioning towards a proactive approach that leverages systems and ICT technologies to detect risk factors in advance to maximize prevention effects (Proactive). Furthermore, conventional inspection activities are also shifting toward goal-driven, execution-oriented practices.

Additionally, SK Telecom is transitioning the primary responsibility for compliance execution from dedicated departments to frontline units, while reinforcing an autonomy and responsibility-based control system. Such transition more effectively prevents compliance risks, and SK Telecom is striving to embed this as a core part of its corporate culture. Innovating control methodologies and execution parties to advance the compliance management system in this manner represents SK Telecom's "Compliance 2.0."

CP Direction for Advancing the CP Implementation Framework



Risk Management

Principles of Risk Management

Life-cycle-Based Phased Risk Response

SK Telecom classifies compliance risks arising from business execution into Potential Risk, Impending Risk, and Pending Risk according to their stage of occurrence, operating a differentiated control system.

For Potential Risk, SK Telecom focuses on early detection and response to latent risk factors that may emerge during new growth businesses, such as AI, or the innovation of existing businesses. Conversely, for Impending Risk arising from ongoing business operations, SK Telecom responds primarily through on-site inspections to enhance the speed and depth of monitoring.

For Pending Risk which has been raised as an issue by regulatory authorities or business partners, SK Telecom minimizes financial and non-financial impacts on the company by mobilizing internal competencies and cooperating with external stakeholders.

As such, optimized prevention and response activities tailored to the types and phases of compliance risks across all management activities serve as the core methodology of SK Telecom's compliance risk management.

Risk Management by Stage

Potential Risk	Impending Risk	Pending Risk
Prevention actions	Ongoing project review	Response to issues and current matters
Advancement of System-Based Risk Prevention Activities • Identification of risks in emerging growth businesses such as AI • Advancement of technology-based monitoring and improvement systems	**Improved inspection speed and depth** • Identification of risks in ongoing business operations • Focused response to high-risk business areas based on key themes	**Methodology refinement to minimize impact** • Enhancement of one-stop external collaboration • Strengthening regulatory foresight and response capabilities • Development of specialized professionals by risk domain
Proposal of stable business and transaction structures	Suppression and mitigation of investigative risks and transitions	Minimization of financial and non-financial impacts

Internal Audit on Compliance Maturity and Risk Management

In addition to a phased risk-based approach, SK Telecom regularly inspects and evaluates the effectiveness of its compliance management system.

By May 2025, SK Telecom conducted compliance management maturity inspections and risk assessments across a total of 13 compliance areas in cooperation with 18 relevant departments. The inspection found that risks were being managed at a stable level across all 831 items. Nevertheless, SK Telecom took measures to ensure zero flaws in actual business activities, such as providing additional training that reflects compliance training needs from the field. Furthermore, in June 2023, the CEO enacted and publicly announced the "Compliance Code of Conduct," clearly stating the company's compliance direction to meet the expectations of the market and society, raising compliance awareness among all employees.

Compliance Code of Conduct

Compliance Areas

Fair trade	Telecommunications Business	Human Resources and Labor
Partnership and Subcontracting	Information Security	Anti-Corruption
Intellectual Property Rights	Occupational Health and Safety	Corporate Governance
Document Management	E-commerce	Labeling and Advertising
Anti-Solicitation		

Risk Assessment Results

Risk Inspection Items

831 items

Risk Management Coverage Rate

100%

Risk Management

Proactive Risk Management via Systematic Monitoring

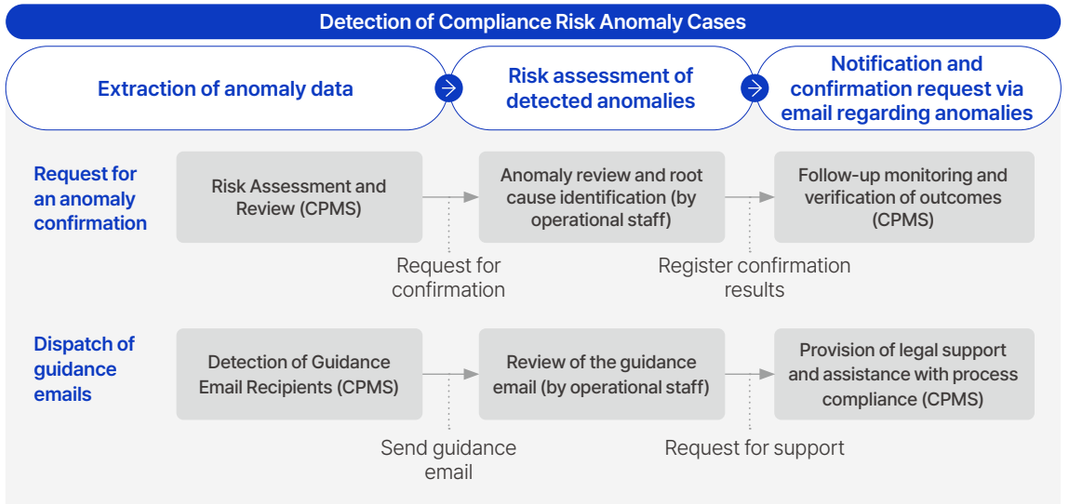
Development and Advancement of CPMS (Compliance Monitoring System)

SK Telecom has implemented and operates the Compliance Monitoring System (CPMS), an ICT-driven risk detection and prevention system, in line with its policy to advance system-based compliance prevention. Through real-time monitoring of major company-wide systems, SK Telecom detects risk signals based on predefined anomaly detection scenarios and executes early-stage response processes.

In 2024, alongside stabilizing the CPMS, SK Telecom refined anomaly detection scenarios and advanced the system by applying AI-based risk pattern analysis, accelerating a shift in the risk management framework toward "real-time compliance monitoring." As a result, SK Telecom addressed 55 anomaly cases and provided 405 instances of guidance and instruction to on-site departments throughout 2024.

In 2025, SK Telecom expanded CPMS data analysis and applied AI technology to develop new scenarios, such as detecting unfair special terms and split contracting. This advanced compliance technology through AI, enhancing the monitoring system, expanding its scope, and improving risk analysis efficiency. Consequently, SK Telecom implemented proactive measures, detecting and addressing 42 anomaly cases and providing 278 instances of preemptive guidance.

CPMS Operation



Introduction of the AI Legal Agent Platform

In addition to the CPMS, SK Telecom is innovating its preventive control tasks using AI to significantly enhance accuracy and expertise for on-site personnel and dedicated staff handling compliance risks. SK Telecom already operates an integrated compliance management system called "T Legalnet," which combines T Compliance Net, CPMS, T Governance Net, and IP Madang. Recently, SK Telecom expanded the features of its AI Legal Agent by applying AI technology to raise the completeness and efficiency of compliance reviews, boosting productivity in compliance tasks and driving fundamental business value innovation.

① AI Contract Agent: Automatically generates draft versions of frequently used business contracts and supports on-site personnel by improving work efficiency and professionalism, helping legal teams maintain thorough proactive risk control regarding contracts.
② AI Legal Review Agent: Prevents oversight or misjudgment when legal teams review matters, improving review accuracy.
③ AI Terms/Advertising Review Agent: A proactive, AI-driven inspection tool for terms and conditions and promotional advertising — areas of growing regulatory attention — widely utilized by reviewers, advertising staff, and field marketing teams

SK Telecom remains committed to continuously expanding and advancing these capabilities, further advancing compliance management processes through AI technologies.

Metrics and Targets

Key Achievements in 2025

Establishment of a Field Compliance Culture and Reinforcement of Compliance Capabilities

In 2025, SK Telecom supported site-centric compliance self-inspections and self-regulatory activities to establish an autonomous and responsible culture across business sites and ICT Family companies, while simultaneously reinforcing overall compliance capabilities.

First, to improve on-site awareness, SK Telecom reorganized its compliance management contents, including major legislative and regulatory trends and detailed operational guides and manuals for each compliance area. Particularly regarding key regulatory directions and reinforced regulations with significant business impact, SK Telecom proactively conducted rapid on-site inspections and provided guidance to on-site business units and ICT Family companies. In addition, in 2025, SK Telecom pursued compliance process innovation and restructured compliance contents to restore market trust. Regular and customized compliance training was conducted for all members, including the CEO and independent directors, achieving an overall completion rate of over 95%.

Since 2021, SK Telecom has continuously implemented annual CP Tasks in accordance with the integrated CP framework shared with ICT Family companies. In 2025, a total of 19 independent compliance action items were carried out across 9 ICT Family companies, achieving a completion rate of 91.6%.

As a result, a total of 241 action items were implemented over the past five years, successfully reinforcing compliance management capabilities and achieving upward leveling across all ICT Family companies.

In addition, to foster a culture of autonomous compliance at the field level, the company worked with ICT Family companies to swiftly address compliance-related issues and develop joint solutions. Customized, specialized training was also provided to meet the specific needs of on-site units. SK Telecom consistently launched internal compliance promotion and campaign activities through in-house media channels to raise employee awareness.

2025 Compliance Task Execution Outcomes Across ICT Family Companies[1] (Total: 19 Tasks)

Task type	ICT-Family-company-specific tasks
Number of tasks	19
Examples	• Reinforcement of compliance competencies and response frameworks • Systematization of the personal information security framework • Establishment of BR risk management • Advancement of the safety and health management system • Improvement of business processes in parallel with compliance policy refinements

1) Established and implemented across 9 SK Telecom ICT Family companies.

Contribution to the Trust Rebuilding Program

In connection with the unprecedented information security incident in 2025, SK Telecom implemented comprehensive institutional and systemic safety measures, while providing prompt and precise guidance to ensure customer communication during the execution of customer trust rebuilding programs.

In addition to customer communication, SK Telecom conducted comprehensive activities to prevent additional risks from arising across overall corporate management, by establishing customer compensation plans serving as the cornerstone of the trust rebuilding program, and reviewing support measures for distribution channels.

Creating an Environment for Becoming a Global AI Company

In 2025, SK Telecom carried out various compliance activities to support the transition into a Global AI Company by establishing a stable business structure and providing solutions that minimize execution risks.

As for major company-wide projects, SK Telecom successfully supported global Big Tech partnerships and diverse projects with strategic partners, while providing proactive guidelines to ensure e-commerce regulatory compliance for subscription services and new strategic products.

Compliance Training by Job Role in 2025

Job role	Training details	Target organizations
ICT Family companies' compliance	- Compliance management environment (unfair trade, unfair competition, etc.) - Analysis of relevant regulatory trends and judicial precedents	All ICT Family companies' compliance organizations
Utilization of technical documents	- Regulatory trends on technology misappropriation under the Fair Trade Act - Relevant processes and guidelines for utilizing internal systems	Network, AI Tech, and B2B-related organizations
Preparation of labeling and advertising	- Trends in reinforced regulations on labeling and advertising - Precautions for producing promotional materials (case-based) - Guidelines for utilizing pre-review agents	AI marketing and mobile phone marketing field-level staff
Collaboration with partners	- "Back to basics" training focused on business relations - Key action guidelines, internal regulations, and processes (including fair trade and fair competition)	Newly established AI service development organizations

Metrics and Targets

Mid- to Long-Term Targets

Since introducing compliance in 2002, SK Telecom has leveraged its accumulated achievements and compliance management competencies to fully drive the transition toward Compliance 2.0, aiming to become a model company recognized and supported by the market and society. Building on this foundation, SK Telecom has established 2026 and mid- to long-term targets for 2027 and beyond, ensuring that annual targets cohesively align with the mid- to long-term vision. For 2026, SK Telecom has designated the year as a year of completion and innovation for the compliance system. The goal is to lead the full-scale execution of the Global AI Company transition while reinforcing the fundamental competitiveness of compliance management for the successful achievement of the 2027 vision. Accordingly, under the overarching objective of the "grand transformation of the SKT compliance system", SK Telecom has established the following four major goals.

First, SK Telecom will establish a framework to prevent and mitigate legal risks prior to the decision-making stage by reinforcing preventive controls across overall business activities.

Second, SK Telecom will upgrade to a system-driven privacy management and control framework that monitors and manages the entire lifecycle of personal information from collection to destruction in real time.

Third, SK Telecom will conduct intensive inspections of potential risks across all areas of business models to actively ensure regulatory compliance.

Lastly, SK Telecom will proactively detect compliance risks at the operational level and strengthen the compliance competencies of all employees by developing and distributing AI compliance agents at the field level.

	2026	2027
	Grand transformation of the SKT compliance system	**Completion of the compliance preventive control framework**
Strengthen preventive control GC-centered preventive control, preventing risk in advance	**Continuous reinforcement of system and process** • Implementation of improvements for the preventive control system in key risk areas • Establishment of a pre-review system for all cases and documents	**Completion of a zero-defect preventive control system** • Finalization of the preventive control systems and processes • Shift in compliance focus toward preventive control
Systematize information security System-driven life-cycle management of personal information	**Establishment of system-driven personal information management and control** • Integration of company-wide governance centered on the Chief Privacy Officer (CPO) • Establishment of system-driven control over the personal information life-cycle • Alignment of incident response, management, and oversight frameworks	**Enhancement of system-driven personal information management and control** • Finalization of the personal information management system • Proactive response to changes in regulatory and technological environments
Comprehensive inspection of all businesses Proactive inspections and active assurance of compliance	**Implementation of risk inspections across all business areas** • Year-round operational inspections by business and sector under the annual plan • Concurrent execution of on-site training and corrective measures during inspections • Integration of compliance key performance indicators (KPIs) across major business units	**Completion of an on-site autonomous inspection system** • Integration of an on-site autonomous inspection system • Integration of compliance KPIs across all business units
Maximizing the utilization of AI and technology Shifting from an innovation project to main task of compliance innovation	**Identification of AI technology application cases** • Discovery of best practices including AI-driven pre-reviews • Expansion of compliance AI transformation (AX) application cases (enhancement of automated legal and compliance opinion generation features)	**Proliferation of AI-based preventive control systems** • Proliferation of AI utilization in major business reviews

AI Governance

Governance

Responsibilities and Roles

SK Telecom has established an AI governance framework aligned with its status as a Global AI Company. SK Telecom reports material AI governance matters to the ESG Committee, the highest decision-making body, for oversight and decision-making.

The AI governance and oversight framework involves the decision-making body, management, and working-level teams, proactively and actively addressing major issues based on clear roles and responsibilities. At the board level, SK Telecom comprehensively reviews the risks and opportunities brought by AI technology and provides strategic oversight to derive optimal decisions. Through these efforts, SK Telecom enhances its risk management in response to the growing social impact of AI and further strengthens its responsible management.

The decision-making body comprises the Board of Directors and the ESG Committee and is responsible for the overall oversight of the establishment, implementation and continuous improvement of the AI governance response strategy. The Board of Directors makes final reviews of and decisions on key AI governance matters (such as investments and business plans). Under the Board of Directors, the ESG Committee deliberates on the direction and performance of major AI governance areas and on the risk assessment and response strategies for its key AI services.

At the management level, the CEO and the Chief Privacy Officer (CPO) take the lead in reviewing major AI governance issues and perform oversight duties regarding policies and issues proposed by working-level teams.

They also provide practical support for the ESG Committee's decision-making process and conduct final reviews of the AI Governance Report to ensure transparency with stakeholders. Based on 'T.H.E. AI,' SK Telecom's AI governance framework, the executive management incorporates strategies into major decisions to ensure timely execution while proactively identifying and managing related risks.

The working-level team supports the decision-making body and executive management as the execution organization for AI governance response. Centered on the dedicated AI governance team and the Red Team, they report various AI governance-related issues to executive management and carry out implementation tasks reviewed by the decision-making body and executives to advance the AI governance execution framework. Meanwhile, the working-level team operates a company-wide AI governance response system by organizing an AI Governance Working Group composed of AI business units and key supporting organizations.

SK Telecom operates a decision-making system through its AI governance review framework to ensure that reliable and safe AI services are launched across all areas of the Full-Stack AI strategy. This represents a proactive adoption of an AI management system at a time when regulatory demands for AI are increasing globally. SK Telecom will continue to strive to establish a global top-tier AI governance framework.

AI Governance

Board of Directors	• Review key AI governance issues (e.g., investment, strategic direction) and make final decisions
ESG Committee	• Deliberate on the direction and performance of each AI governance area • Evaluate AI service risks and discuss response strategies
CEO	• Review and report major issues • Support ESG Committee decision-making
CPO[1]	• Manage/oversee issues across AI governance • Report key AI governance policy agenda items
Privacy Planning Team	• AI governance • Supervise the establishment and management of the AI governance and AI Privacy implementation systems • Manage personal information protection • Establish and execute oversight system
Customer Information Protection Team (Red Team)	• Conduct risk assessments and vulnerability detection for AI services • Check for compliance with trust, ethics, and regulations
AI Governance Working Group[2]	• Respond to legislative, policy, and media issues related to AI governance • Develop cooperation strategies with key domestic and international organizations and institutions

1) CPO: Chief Privacy Officer
2) AI Governance Working Group: A cross-functional body composed of SK Telecom's AI business units and relevant departments (Legal, Compliance, CR, PR)

Strategy

AI Governance Strategy Framework

AI technology is a core driver that creates new economic value, but the associated responsibilities and risks are also increasing. Accordingly, SK Telecom has proactively established and is currently operating an AI governance framework. Through this framework, SK Telecom identifies, assesses, and manages AI-related business risks, enhances customer value, and secures the foundation of trust essential for global business expansion.

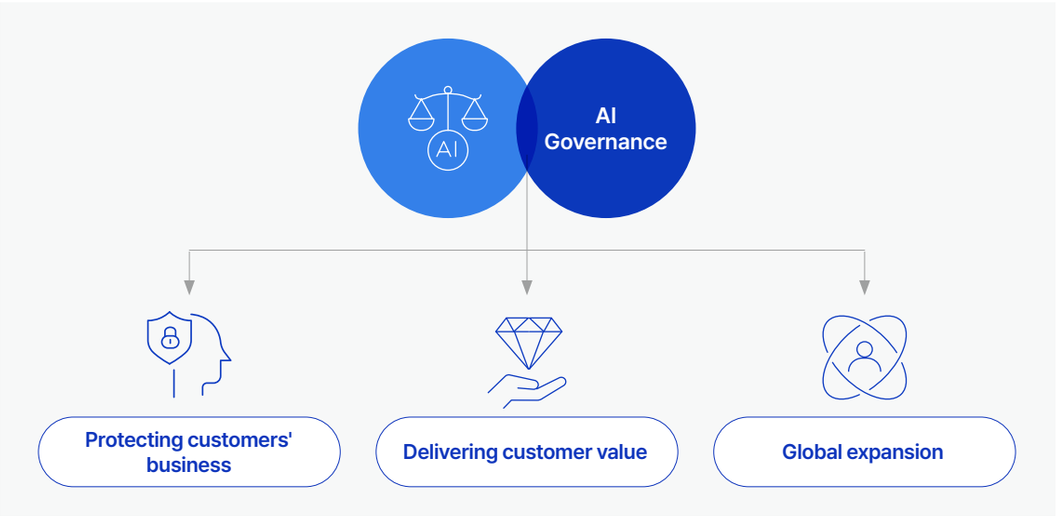
Protecting Customers' Business

SK Telecom strictly operates data security and personal information protection frameworks at the AI governance level to protect customer businesses. In particular, as the prediction and decision-making capabilities of AI become more advanced, SK Telecom ensures that systems operate in a responsible manner. To achieve this, SK Telecom prevents bias in decision-making processes by strengthening transparency and accountability, and provides clear rationales for how AI systems operate and produce outcomes. Through these efforts, SK Telecom enables decision-makers to understand, trust, and appropriately oversee AI-generated outputs.

Delivering Customer Value

To enhance customer value, improving the customer experience through AI technology is essential. SK Telecom focuses on protecting customer privacy while carefully utilizing customer data to deliver personalized services.

Additionally, SK Telecom secures a stable customer base and builds continuous relationships of trust through advanced, AI-driven services. Through these initiatives, SK Telecom aims to elevate its brand value by solidifying customer trust.



Global Expansion

Through AI governance, SK Telecom complies with country-specific regulations and laws to support AI business operations optimized for the global environment. In addition to adhering to data protection regulations and privacy policies in each jurisdiction, SK Telecom supports growth in the global market by developing and operating systems that reflect regional cultural and linguistic differences.

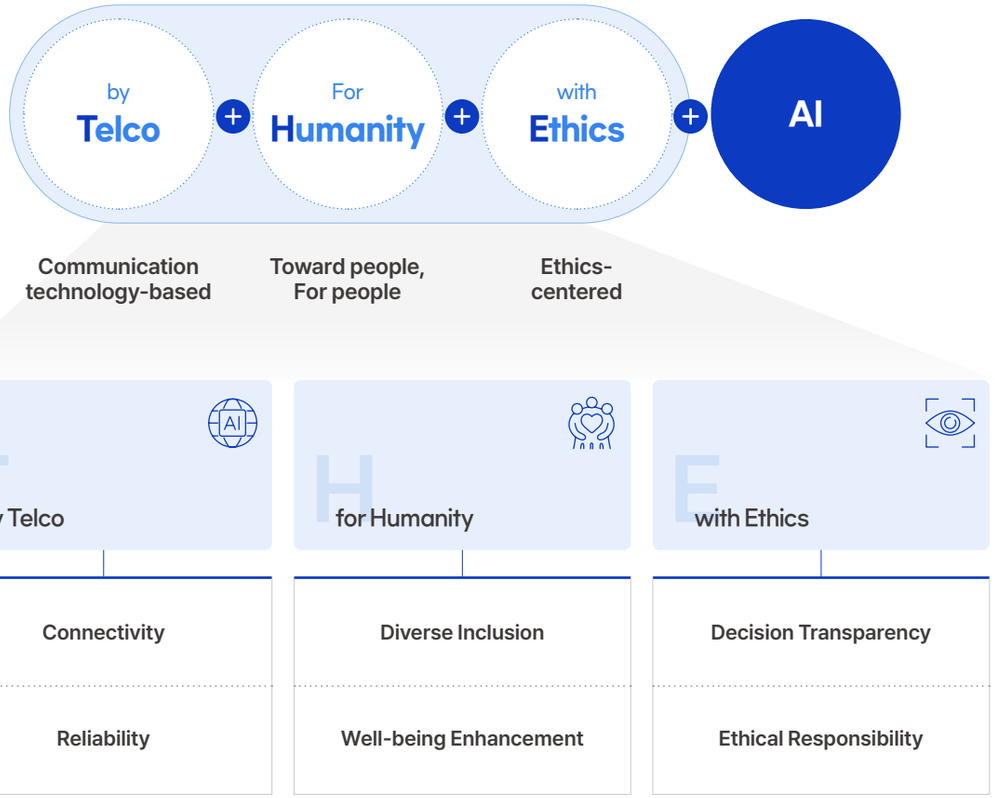
Based on these efforts, SK Telecom introduced its AI governance framework and practical operational cases at MWC 2026, gaining recognition for the reliability and accountability of its AI services and products. Furthermore, SK Telecom has expanded its global influence and maintained collaborative relationships by participating in AI governance discussions with the GSMA and leading global AI companies.

Ultimately, SK Telecom's AI governance aims to protect customer businesses, deliver customer value, and drive global expansion. To achieve this, SK Telecom operates a management system that guarantees the safety and transparency of AI technology to support the company's sustainable growth. Furthermore, AI governance does not merely serve as a tool for corporate innovation and growth, but functions as a core element for fulfilling social responsibility and achieving sustainable development.

Strategy

SK Telecom's Basic AI Principles

In January 2024, SK Telecom formally introduced AI governance into its corporate management to ensure the reliability and safety of AI technologies. At the March 2024 shareholders' meeting, SK Telecom unveiled its AI governance principles, branded as "T.H.E. AI," which stands for "by Telco, for Humanity, with Ethics AI." It symbolizes the defining trait of SK Telecom's AI (Telco, grounded in telecommunications technology), its goal (Humanity, toward and for people), and its value (Ethics, centered on ethical values), together with the corresponding AI governance principles.





T·H·E·AI	SK Telecom, as a telecommunications company
by Telco Communication technology-based	
Connectivity	Advances AI through interaction and international cooperation by leveraging its customer and stakeholder network.
Reliability	Prioritizes customer trust and safety by protecting users from potential AI-related risks and reinforcing reliability.
For Humanity Toward people, For people	
Diverse Inclusion	Makes every effort to uphold and promote the values of diversity, equity, and fairness throughout the AI lifecycle.
Well-being Enhancement	Promotes human welfare and societal progress through AI and spreads its positive impact.
with Ethics Ethics-centered	
Decision Transparency	Ensures transparency by disclosing the basis and process of AI decision-making and continually improves information accuracy.
Ethical Responsibility	Commits to responsible actions for human-centered AI and respects the right to know and self-determination regarding customers' personal data.

Risk Management

AI Governance Risk Management

SK Telecom has established and operates a comprehensive management system to address the risks and opportunities associated with its AI business. AI governance risk management comprises three main areas: AI governance framework management, AI business management, and issue management.

AI governance framework management refers to continuously managing and improving the overall AI governance system through external monitoring, including analyses of domestic and international regulations, policy trends, and technological developments. SK Telecom transparently communicates improvement achievements with external stakeholders, such as the government and media, while simultaneously expanding internal awareness through employee training programs. Issue management is a process to respond rapidly at an early stage when issues such as service disruptions or major VoCs occur, to establish response and compensation plans for customers, institutions, and the media, and to drive improvements through root-cause analysis.

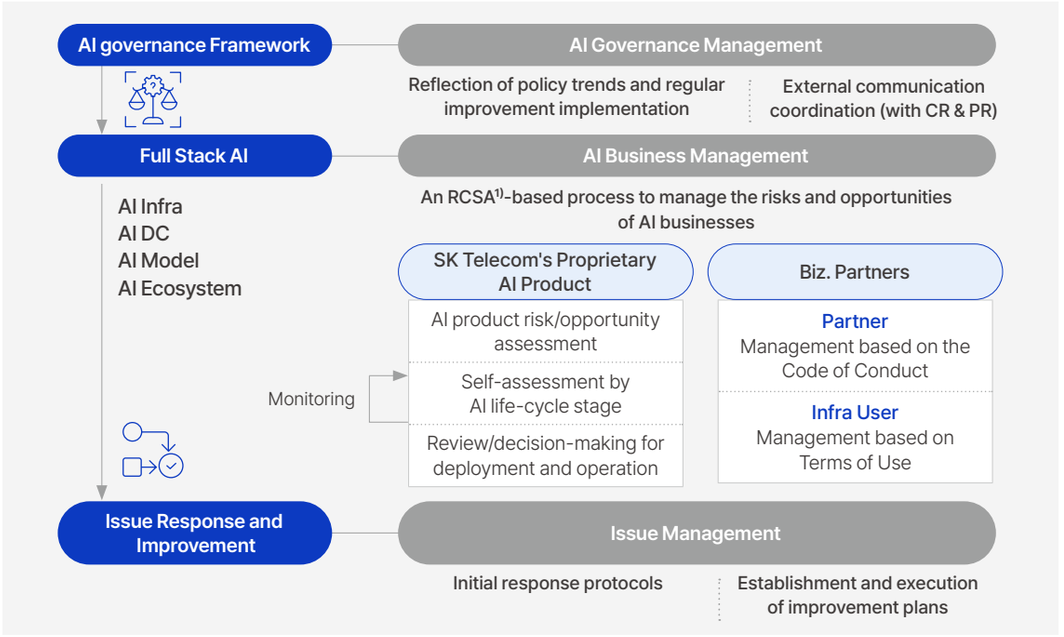
In April 2024, SK Telecom obtained the ISO/IEC 42001 certification, the international standard for AI management systems. This achievement demonstrates global recognition of SK Telecom's effective AI risk management and its establishment and operation of AI systems based on reliability and safety. Going forward, SK Telecom will continue to deliver differentiated value to all stakeholders, including customers, by responsibly utilizing and managing AI technology based on its AI governance framework.

AI business management refers to AI product management and business partner management tailored to each area of the Full-Stack AI strategy. AI product management manages the risks and opportunities across the lifecycle of AI services and businesses, consisting of planning, risk and opportunity identification, self-assessment, review and decision-making, and deployment and operation. Business partner management is a process corresponding to the AI Infrastructure and AI Ecosystem areas of the Full-Stack AI strategy, covering the management of business partners participating in SK Telecom's AI business and the users of AI products.

Operating a Responsible AI Program

When assessing AI product risk levels, SK Telecom evaluates the potential and severity of infringements on data self-determination by examining whether training data is utilized and how it is processed, refined, and authorized. Additionally, to uphold the principle of decision-making transparency, SK Telecom's review process explicitly requires procedures that notify users when they are interacting with AI, alongside clear explanations of the AI's operational mechanics and outputs. SK Telecom's compliance framework also mandates the definition of key performance indicators, the establishment of monitoring plans, and the establishment of corrective action protocols to address any performance degradation. Furthermore, establishing data de-biasing procedures, implementing bias mitigation techniques, and conducting quantitative bias evaluations and monitoring are applied as standardized compliance requirements across every phase of SK Telecom's operations — from data collection and processing through to system implementation.

To protect user rights and interests, SK Telecom mandates that reporting and appeal procedures be specified in internal regulations and publicly disclosed, while recommending the establishment of dedicated organizations and personnel within internal guidelines. Additionally, SK Telecom separately reviews the potential for user damage caused by inaccuracies in AI outputs and corresponding response procedures. For employees handling AI-related tasks, SK Telecom regularly plans and conducts training programs to raise awareness of AI ethics and security. Within the operational framework of its AI management system, SK Telecom includes assessment of climate-related impacts associated with AI operations as a review requirement. SK Telecom is driving initiatives to reduce data center power consumption and research low-carbon innovative technologies through AI-based traffic monitoring and green, low-carbon ICT solutions. Over the medium to long term, SK Telecom also plans to develop and internalize its own AI models designed with high energy efficiency.



1) RCSA (Risk and Control Self Assessment): A method for organizations to self-identify, assess, and manage risks and controls, widely used across industries such as finance, tech, manufacturing, and healthcare.

Risk Management

Company-wide Risk Management Framework

SK Telecom has established and operates a company-wide Enterprise Risk Management (ERM) system to proactively identify risks that may arise in the business environment and respond efficiently to the identified risks. We operate a company-wide risk management working group (W/G) centered around our integrated risk management organization, involving business departments and ICT Family companies (subsidiaries), to regularly identify potential risks from various perspectives. Through these efforts, we are fostering a risk management culture, thereby enhancing the effectiveness of company-wide risk management and business strategy execution.

The Company-wide Risk Management Process

SK Telecom operates a company-wide risk management process to identify and effectively manage major risks affecting its business. This process consists of key activities such as identification, evaluation and analysis, action, and review and monitoring, all of which are essential to business operations.

Risk Identification

Risk Awareness
- Internal and external issues, stakeholders' requirements

Risk Identification
- Risk/opportunity classification for issues

Risk Evaluation/Analysis

Decision of Risk Level
- Analysis of impact and probability
- Determination of risk appetite and tolerance

Risk Prioritization
- Considering business nature, size, complexity, management goals, among others

Risk Action

Risk Action
- Establish a risk mitigation plan, distributing mitigation plans to departments in charge, and implementing improvement tasks

Risk Review

Risk Monitoring
- Conducting regular monitoring for review and improvement, reviewing mitigation/ improvement tasks

Frontline Departments (First line of defense)

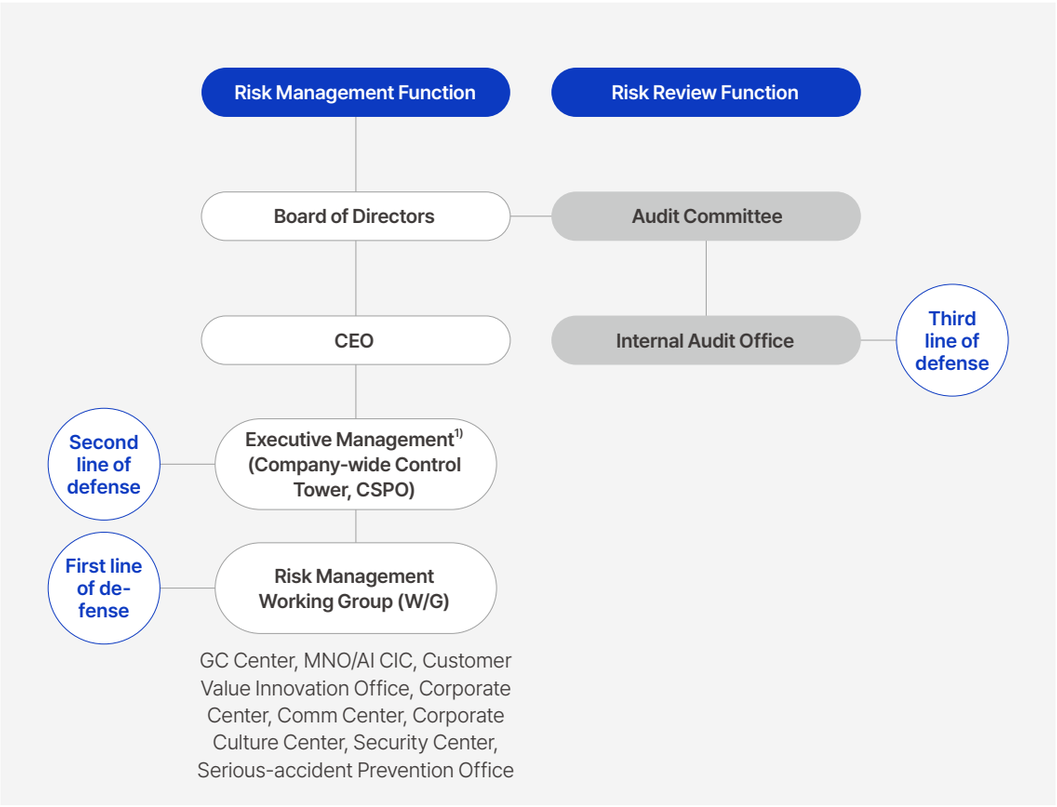
Executive Management (Second line of defense)

Independent Audit Function (Third line of defense)

Risk Identification	Risk Evaluation and Analysis	Risk Action	Risk Review
We continuously monitor internal and external issues related to the organization's purpose and strategic direction, identifying risk factors by considering the influence of stakeholders.	By comprehensively analyzing the impact and likelihood of identified risks and opportunities, we first determine the risk appetite and tolerance, then prioritize risks by considering risk levels and factors such as the nature, scale, and complexity of the business, and management goals.	Based on the results of the risk evaluation, the business departments determine risk priorities and implement appropriate control measures to effectively mitigate and eliminate risks.	The business departments establish monitoring procedures for risk review and improvement and continuously monitor risks in accordance with these procedures. They then submit key risk monitoring reports regularly, at least twice a year.

Risk Management Governance

To continuously monitor and enhance the effectiveness of the risk management system, SK Telecom has integrated the risk management system into the governance framework, and takes risks into account when making decisions and setting strategic goals.



1) CSPO, CFO, CSO, the Head of the Comm Center, the Head of the Corporate Culture Center, the Head of the GC Center, the Head of the MNO CIC, the Head of the AI CIC, and the Heads of RM-Related Organizations

(1) Risk Owner (First line of defense)

SK Telecom operates a Risk Management Working Group consisting of managers from dedicated organizations in each business area. The risk management working group is responsible for identifying and mitigating key risks in each business department, and each working group member is accountable for managing operational risks within their respective areas. In addition, we ensure risk management at the company-wide level by reporting key risk identification and mitigation actions quarterly to the CEO, CSPO, and committees under the Board of Directors. The GC (General Counsel) Center, the dedicated department supporting the company-wide risk management working group, manages risk profiles, maps departments in charge of key risks, defines response measures by risk, and, in accordance with the defined risk standards, oversees activities such as monitoring, risk awareness and dissemination, and response.

(2) Risk Monitoring and Supervision (Second line of defense)

The CSPO oversees enterprise-wide risk management and continuously operates the company's risk response and crisis management systems. When a risk arises that significantly impacts internal operations or business activities, the CSPO convenes the Enterprise Risk Management (ERM) Working Group to initiate a swift response. The GC Center, the dedicated department under the CSPO-led ERM Working Group, provides guidance on defined risk standards and systems to business units and employees, and is responsible for operating the Working Group. Additionally, the Internal Audit Office conducts annual risk assessments for all internal departments and ICT Family companies, based on SK Telecom's corporate values and Code of Conduct. This team also fosters a risk-aware culture and monitors the effectiveness and efficiency of risk management activities while communicating information related to internal controls. SK Telecom annually reviews and validates its risk categories, appoints responsible executives and department heads for each risk area, and strengthens the effectiveness of risk management. Each executive is accountable for meeting objectives set in accordance with their area of risk.

(3) Independent Audit (Third line of defense)

The Board of Directors supervises the company-wide risk management system and process through the Audit Committee. The Audit Committee, together with management, reviews the analysis of the company's risk types, and actions implemented to prioritize, manage or mitigate risks. When necessary, the Audit Committee conducts a review of the approach to key risk types. Additionally, the Internal Audit Office provides operational support to the Audit Committee by conducting internal audits, overseeing financial reporting, and investigating fraud, with the results reported to the Audit Committee.

Risk Management Governance

An Organization Dedicated to Risk Management

Board of Directors

The Board of Directors oversees risk management to support the company's sustainable growth. The Board exercises risk oversight by periodically receiving reports on key risks across major areas including mid- to long-term strategy and business execution, investment, finance/accounting, and compliance, and reviewing the status of response measures. To fulfill this role, the Board is composed of directors with diverse areas of expertise.

Board of Directors – Risk Expertise Areas

Classification	Name	Risk Type			
		Strategic	Operational	Financial	Compliance/Legal
		Risks that affect the execution of Business strategy or achievement of business objectives	Risks that arise from internal processes or systems, member incidents and accidents, among others	Risks that arise from exchange rate, interest rate fluctuations, liquidity, credit, asset and liability management, among others	Risks that are related to changes in industry and ESG regulations and policies, fair trade violations, corruption, and adequacy of accounting and ESG disclosure standards, among others
Executive director	Jaihun Jung	●	●	●	●
	Myung Jin Han	●	●	●	
Non-executive director	Poong Young Yoon	●	●	●	
Independent director	Chang Bo Kim	●			●
	Haeyun Oh	●	●		
	Mi Kyung Noh	●		●	●
	Tay Seop Lim	●		●	●
	Sung Yeop Lee	●	●		●

An Organization Dedicated to Risk Review

Audit Committee

SK Telecom ensures independence and transparency by composing the Audit Committee entirely of independent directors, including the chairperson. Centered on two finance and accounting experts with experience as CEO and CRO at global financial institutions, the Audit Committee is composed of authorities in the fields of compliance/legal and information security, fulfilling the role of company-wide risk oversight and management supervision. In addition, the company operates a specialized support organization for the Audit Committee to support the effective performance of its duties.

Experience and Qualifications of the Members of the Audit Committee

Name (Position)	Classification	Experience and Qualifications	Remarks
Tay Seop Lim (Chairperson)	Independent director	- Professor of Finance, SKK Graduate School of Business at Sungkyunkwan University (2017~Present) - Representative Director & Head of Equity, Macquarie Securities Korea (2013~2015) - CEO, Goldman Sachs Asset Management Korea (2010~2012) - Statutory Auditor, SeAH Steel Corporation (2018-2024)	Global Investment/Finance, Compliance, Finance/ Accounting Expert
Chang Bo Kim (Member)	Independent director	- Attorney, DR&AJU LLC (2024~Present) - Presiding Judge, Seoul Central District Court (2021~2024) - Chief Judge, Seoul High Court (2019~2021)	Compliance/Legal Expert
Mi Kyung Noh (Member)	Independent director	- Hong Kong Asia Pacific Region Risk/Credit Risk Review Manager, HSBC (2017~2024) - Seoul Chief Risk Officer, HSBC (2010~2017) - Deputy Chief Risk Officer, HSBC Seoul (2001~2010)	Global Investment/Finance, Compliance, Finance/Accounting Expert
Sung Yeop Lee (Member)	Independent director	- Professor, Graduate School of Technology Management at Korea University (2019~Present) - President of the Korea Information and Communications Law Association (2025~Present) - Member, National Data Policy Committee (2022~Present) - Member, Strategic Committee for Information and Communications Technology (2020–2024)	Information Security, Compliance/Legal Expert

Risk Management Governance

Support Organization for the Audit Committee

SK Telecom's Internal Audit Office consists of a total of 25 members, including 1 senior executive and 3 team leaders, and reports its audit results and major issues to the Audit Committee every year. In particular, the office includes 2 members with professional qualifications, such as CPAs, to effectively perform Audit Committee support duties.

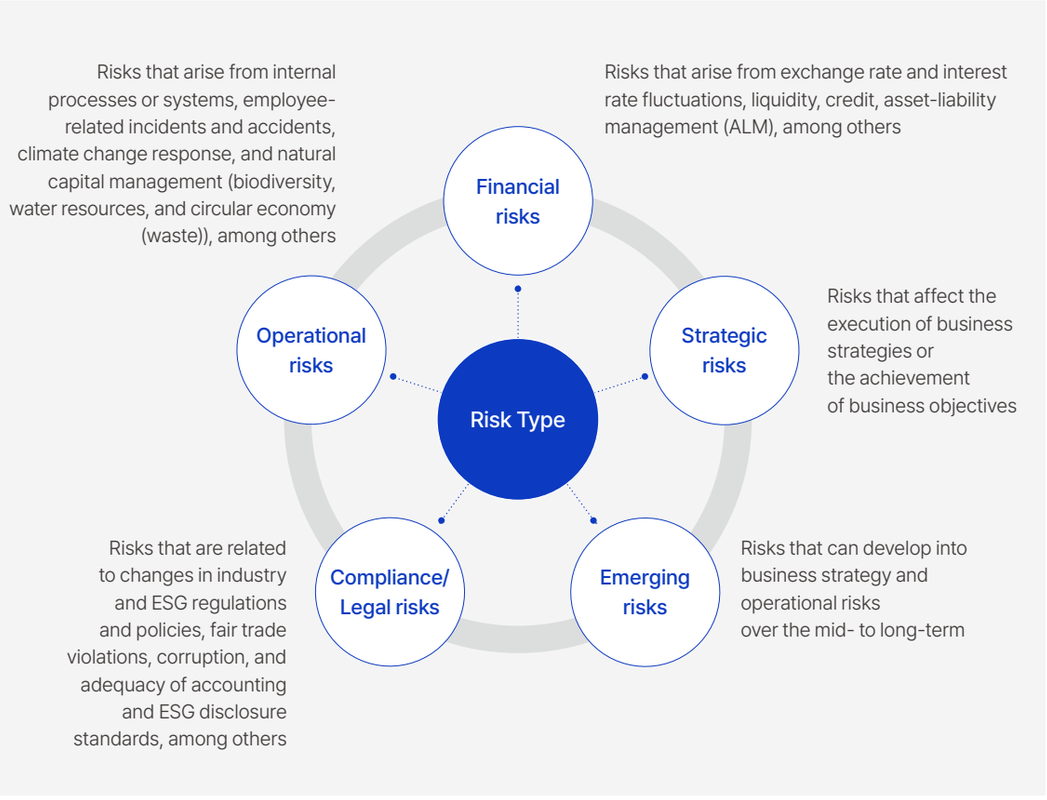
The establishment and reporting duties of the Internal Audit Office are specified in the Audit Committee Regulations. The Internal Audit Office assists the Audit Committee by overseeing the internal accounting control system, overseeing financial reporting, conducting fraud investigations, and reports the results to the Audit Committee.

Risk Management Status and Plan

Risk Identification

SK Telecom classifies risk types to holistically manage the various risks that may arise from financial and non-financial aspects.

Risk Type



Risk Evaluation, Analysis and Actions

To proactively prevent and respond to financial and non-financial risks that may arise across its management activities, SK Telecom regularly reviews key risk factors at least twice a year and identifies potential risks. We derive core risks based on the possibility of occurrence, impact, and material ESG issues identified in the company-wide risk pool, and establish mitigation actions for high-priority risks to proactively address their potential impacts.

In addition, when pursuing new businesses (products, services, among others) or making major policy changes, SK Telecom comprehensively analyzes relevant risk factors to support reasonable business and investment decision-making that accounts for the continuous volatility of the business environment.

SK Telecom's Board of Directors oversees the effectiveness and efficiency of risk management activities and receives reports on internal controls. SK Telecom reviews and validates its risk categories annually and designates responsible executives and department heads for each risk area to strengthen risk management effectiveness. Each executive is accountable for achieving the objectives established for their respective risk area.

Risk Management Status and Plan

Risk Evaluation, Analysis and Actions

Key Risks and Mitigation Actions (2025)

Classification	Key Risks[1]	Mitigation Actions	ESG Material Issues
Strategic Risks	◆ **Business** Alliance (M&A), investment performance management	Establishment and implementation of business strategies through customer needs and demand forecasting, making business decisions, and monitoring technology and industrial environments	Report Issue #5. Enhancing Shareholder Value
	◆ **Finance** Macroeconomic factors such as foreign exchange and interest risks	Periodic monitoring and response to financial trends such as exchange rates, interest rate fluctuations, liquidity, and credit assets	-
	◆ R&D Core technology development and innovation, patent management	Efforts to attract and retain customers through innovative core technology development and to minimize legal risks through strategic patent management of key business technologies	Key Issue #2. Technology Innovation (AI)
	◆ ICT Family Establishment of company-wide risk/ESG management system Establishment of company-wide risk/ESG management system	Efforts to reduce, manage, and supervise subsidiary risks through ICT Family company risk education, establishment of a management system, and regular monitoring	Report Issue #3. Strengthening Governance Integrity and Transparency
	◆ ESG Social value (SV) performance, stakeholder management and communication	Monitoring the impact of investment institutions based on ESG response status, monitoring stakeholder management and communication channels	-
	◆ Safety and Health Strengthening safety for workers and citizens as the postponement period of the Serious Accidents Punishment Act (SAPA) concludes	Monitoring and responding to safety and health impact factors for employees and partners, managing serious industrial and public accidents	-
Operational Risks	◆ HR Welfare, labor-management relations, organizational culture, among others	Company losses due to personal corruption, conflicts between members, incidents and accidents, work negligence, monitoring of other member misconduct, and raising awareness through regular training	Report Issue #4. Talent Acquisition and Development Report Issue #6. Guaranteeing Labor Practices
	◆ Information Security Cyber security, privacy systems, among others	Enhancing the information security response system and conducting comprehensive training to raise employee awareness	Key Issue #1. Strengthening Information Security and Personal Data Protection
	◆ **Supply chain** (Business partners) Partner management, ESG evaluation	Establishment of a robust supply chain management system that includes the oversight of agencies and stores, addressing unfair trade practices, preferential treatment, and conflicts with partners, featuring regular monitoring, risk assessments, and actions based on supply chain ESG evaluations	-
Operational Risks	◆ **Environment** Environmental management strategy/system and environmental efficiency management	Monitoring greenhouse gas emissions and developing reduction strategies, monitoring biodiversity and mitigating related risks, and striving to reduce resource usage	Key Issue #3. Climate Change Response (Adaptation and Mitigation) Report Issue #7. Building a Circular Economy Through Water and Waste Management
	◆ **Service Quality** Ensuring service quality, such as network	Checking network facilities to improve service quality, strengthening and monitoring system failure response training	-
	◆ **Customers** Customer VoC, improvement of customer satisfaction, among others	Improving service quality to reduce risks related to customer (group) behavior, customer information leakage, and large-scale complaints (service failures, computer errors), while raising member awareness through regular training	Report Issue #2. Expanding Customer-Centric Services
	◆ **BCM**[2] Crisis response system and response actions	Establishment of a crisis response system for damage to human life and facilities due to fires, typhoons, infectious diseases, among others, and internalization through simulation training	-
Compliance/ Legal Risks	◆ **Regulatory changes** Changes in government policies and regulations, among others	Responding to strengthened regulations related to climate change, continuous monitoring of changes in accounting and ESG disclosure standards, training of managers, executives, and employees on regulatory changes	-
	◆ Compliance and Legal Issues such as violations of laws and regulations, among others	Establishment of an audit monitoring system and ongoing monitoring to reduce violations of laws and regulations, including fair trade violations, accounting fraud, improper entertainment, and investigations or searches by government authorities	Report Issue #1. Ethical Management and Compliance
Emerging Risks	◆ **Geopolitical factors** Issues resulting from the political and geographical location of Korea, among others	Efforts to mitigate risks arising from geopolitical factors in Korea when pursuing global business initiatives.	-
	◆ **Climate change** Failure to respond to physical and transition risks, among others	Monitoring technological and market changes due to climate change	Key Issue #3. Climate Change Response (Adaptation and Mitigation)

1) Risk exposure, impact: ◆ High ◆ Medium ◆ Low
2) Business Continuity Management

Risk Management Status and Plan

Risk Sensitivity

SK Telecom evaluates financial and non-financial risks by analyzing sensitivity to apply and implement a comprehensive approach to risk management.

Scenario Analysis 1. Profits Before Tax Due to Exchange Rate Fluctuations

Exchange rate risk arises when changes in exchange rates cause the fair value or future cash flows of financial instruments to fluctuate, posing risks to the business operations of overseas consolidated companies. To address this, we evaluate, manage, and report on exchange rate risk on a regular basis each year, analyzing its potential impact and preparing accordingly. SK Telecom's major foreign currencies include USD and EUR. In 2025, we conducted a sensitivity analysis of the impact on profit before tax of a 10% fluctuation in the exchange rate of the functional currency against each foreign currency. We conducted the sensitivity analysis on monetary assets and liabilities denominated in foreign currencies other than the functional currency.

Status of Sensitivity Analysis on the Impact of Exchange Rate Fluctuations

(Unit: KRW million)

Currency	Effect on pre-tax profit		Effect on capital	
	If increased by 10%	If decreased by 10%	If increased by 10%	If decreased by 10%
USD	11,616	-11,616	8,541	-8,541
EUR	1,017	-1,017	748	-748
Others	-1,343	1,343	-987	987
Total	11,290	-11,290	8,302	-8,302

Scenario Analysis 2. Communications Disaster Response

SK Telecom provides services primarily through its communication network, which is constantly at risk of service interruptions due to disasters such as power failures, fires, floods, earthquakes, damage to telecommunication station buildings, and operator errors. Acknowledging the severity of network failures caused by natural disasters or operational errors, we have developed and implemented a communications disaster response strategy. This strategy considers network traffic at the telecommunication station level, actual traffic usage rates, and backup infrastructure to ensure continuity in case of a breakdown.

Since SK Telecom's wireless Average Revenue Per User (ARPU)[1] stands at KRW 28,600[2], the loss of subscribers in the event of a communications disaster may have a significant impact on sales. Accordingly, we are pursuing various investments to strengthen our disaster-response capabilities, such as establishing redundancy and backup systems for services, including common infrastructure systems[3]. In particular, based on an analysis of domestic telecommunications traffic from January to December 2025, which showed a 30.8% increase in demand for 5G Non-Standalone (NSA) mode and a 10.5% decrease for 4G LTE, we invested in data capacity to distribute 5G traffic. Meanwhile, we have analyzed the sensitivity to failures at the telecommunication station building level to prepare for possible problems and actively respond to network infrastructure risks by considering the acceptable limits of inter-station traffic.

Failure Response Strategy at the Telecommunication Station Level

As-Is	To-Be
Dualization of the backbone network Estimated 175% excess of bypass traffic in the event of a telecommunication station shutdown	**Quadruplication of the backbone network** If one of the four telecommunication stations breaks down, core traffic can be distributed and accommodated in the other three stations.

1) Based on SK Telecom MNO profit and wireless subscribers (including 3G/LTE/5G and IoT)
- Based on MNO profit: Includes voice and data profit (excluding subscription fees and connection profit), additional service profit, among others
* Reflection of sales discounts (agreements and combined discounts, among others).
Excluding MVNO-related sales.
- Based on wireless subscribers: quarterly average number of billing line subscribers among the statistics of subscribers from the Ministry of Science and ICT

2) Based on the average amount of ARPU by quarter from previous 2 years

3) Common-based systems: include authentication, DNS (IP address translation), essential operational tools (monitoring / service control and deployment)

Scenario Analysis 3: Response to AI Regulation

Goldman Sachs Research projects that the global cloud services market will grow at an average annual rate of 22% from 2024 to 2030. Generative AI is expected to account for approximately USD 200–300 billion (KRW 267–400 trillion)[4] of total cloud spending. Reflecting this trend, SK Telecom's AI revenue rose 46% year-over-year, indicating continued strong demand in the AI sector.

In response to growing global AI demand, the EU's AI Act—the world's first comprehensive AI legislation—officially entered into force in August 2024. In April 2025, the EU also announced the AI Continent Action Plan to build large-scale AI computing infrastructure. Meanwhile, the second Trump administration in the U.S. announced plans for USD 500 billion in AI infrastructure investments, and in Korea, the Enforcement Decree of the AI Framework Act underwent legislative notice in November 2025 and was fully implemented on January 22, 2026, in line with a promotion-focused policy stance aimed at preventing stagnation of the AI industry. As global markets accelerate the transition to AI services, both AI regulations and policy support for industrial development are expanding worldwide.

To proactively respond to the AI Framework Act and global AI regulations, SK Telecom finalizes and discloses the AI Governance Report based on the 'T.H.E. AI' principles in coordination with the ESG Committee, under the oversight of management led by the CEO and CPO, to manage related risks in advance. In addition, a working group comprising the dedicated AI governance team, the Red Team, and employees from the AI business unit and supporting organizations continues to implement and enhance governance execution. In particular, the company has established an AI Privacy security framework to strengthen personal data protection, and applies AI governance evaluation and inspection processes to internal AI Agents as well, ensuring the reliability of its company-wide AI systems.

To proactively respond to AI industry regulations and market changes, we aim to become a Global AI Company by establishing a growth-oriented AI governance system and operating internal control processes.

4) Cloud revenues poised to reach $2 trillion by 2030 amid AI rollout

Risk Management Status and Plan

Emerging Risk

At SK Telecom, we proactively identify potential long-term risks that could significantly impact our business and implement measures to mitigate these impacts.

Risk	Explanation	Impact	Mitigation Actions
Adverse Outcomes & Improper Use of AI Technologies	**[Increasing Realization of AI Misuse Harms and Deepening Technical Vulnerabilities]** The rapid proliferation of generative AI and agentic AI is causing harm from AI misuse to materialize at an unprecedented pace. Reports of AI-related incidents rose 50% year-over-year from 2022 to 2024, and as of October 2025, incidents had already surpassed the 2024 total. Cases of AI misuse by malicious actors, such as deepfake-enabled scams and the spread of disinformation, have increased eightfold compared to 2022.[1] On the technical side, analysis shows that data poisoning attacks, which can manipulate model behavior by inserting as few as 250 malicious documents into training data, are feasible, and that sophisticated attackers can bypass AI safety guardrails in approximately 50% of attempts across 10 trials.[2] **[Strengthening Regulation and the Emergence of Global Risk]** On January 21, 2025, Korea enacted the Framework Act on the Development of Artificial Intelligence and the Establishment of a Foundation for Trustworthiness (the "AI Framework Act," Act No. 20676), the first comprehensive AI legislation in the Asia-Pacific region, which took effect on January 22, 2026. The Act imposes risk-management, human-oversight, and safety-measure obligations with respect to "high-impact AI", and requires users to be notified in advance when generative AI is being used. The World Economic Forum's Global Risks Report 2026 ranked "Adverse Outcomes of AI Technologies" as the world's 5th largest risk on a long-term (10-year) basis, and recorded the largest shift among all 33 risks in terms of short-term to long-term rank change (from #30 short-term to #5 long-term), indicating that it is rapidly emerging as a structural, long-term risk.[3] As SK Telecom expands AI as a core business across the full spectrum of AI model development, AI data center operations, and AI-based services (such as A.), algorithmic bias, data misuse, or regulatory violations arising from AI misuse and adverse use could result in legal liability and damage to brand trust, with significant implications for the business as a whole.	**[Declining Trust and Threats to Business Continuity from AI Service Expansion]** If issues such as algorithmic bias, data misuse, and inaccuracies in AI-generated content materialize during the expansion of AI services, this could lead to a loss of customer trust and customer churn. A study analyzing 3 million user reviews of AI mobile apps found that Factual Incorrectness accounted for 38% of AI-related user complaints[4] — a finding that could pose a direct risk to service quality management at SK Telecom as it rapidly expands AI services such as A. If an incident arises from AI misuse or adverse use, service disruption, liability for damages, and damage to brand reputation could occur simultaneously, with significant implications for SK Telecom's business competitiveness and profitability as it pursues AI service expansion as a core growth strategy.	As mitigation actions for risks arising from AI technology misuse and adverse use, SK Telecom is establishing an AI governance framework and promoting responsible AI operations. • **Establishing the AI Governance Framework:** SK Telecom has established a structure for a virtuous cycle of AI services and technology through the AI CIC system, and in April 2026, reorganized the AI CIC into responsibility units by domain to continuously manage and improve the governance framework through AI business management, issue management, and external monitoring. The Board of Directors receives reports at least once a year on the direction of technology innovation strategy, the status of organizational restructuring, mid- to long-term key tasks, and business growth opportunities, and provides guidance and advice to ensure that technological innovation leads to the creation of social value and the strengthening of business competitiveness. • **Strengthening the Security Level of AI Services**: SK Telecom has established and distributed AI service personal information protection guidelines to strengthen the level of personal data protection in AI services, and is establishing de-identification standards and operating related processes to ensure that training data is handled safely during AI development. In addition, to implement SK Telecom's AI charter, "T.H.E. AI", the company regularly inspects and improves the security level of its AI services. • **Internalizing AX Security and Responding to External AI Threats:** To address security architecture risks that may arise during the AI and cloud transition process, SK Telecom is developing security technologies to internalize AX security and to respond to external AI threats, and is proactively responding to emerging AI-based threats through the development of social engineering threat response technologies.

1) TIME, What the Numbers Show About AI's Harms (based on the AI Incident Database), January 19, 2026, (https://time.com/7346091/ai-harm-risk/)
2) International AI Safety Report – Second Key Update: Technical Safeguards and Risk Management, November 2025, p.10 (https://internationalaisafetyreport.org/sites/default/files/2025-12/second-key-update-english.pdf)
3) WEF, The Global Risks Report 2026, January 2026, p.9 (Figure 3) and p.14 (Figure 10) (https://www.weforum.org/publications/global-risks-report-2026/)
4) Massenon, R. et al., "My AI is Lying to Me": User-reported LLM Hallucinations in AI Mobile Apps Reviews, Scientific Reports, August 19, 2025 (https://www.nature.com/articles/s41598-025-15416-8)

Risk Management Status and Plan

Emerging Risk

At SK Telecom, we proactively identify potential long-term risks that could significantly impact our business and implement measures to mitigate these impacts.

Risk	Explanation	Impact	Mitigation Actions
Energy & Natural Resource Shortages	**[Surge in Data Center Power Demand Driven by Expanding AI Investment]** The continued expansion of AI technology investment is bringing about changes in the structure of global energy supply and demand. According to the latest analysis by the International Energy Agency (IEA), data center electricity consumption is projected to roughly double from 485 TWh in 2025 to 950 TWh in 2030, while electricity demand from AI-specific data centers is expected to triple over the same period. Data center electricity demand already surged 17% year-over-year in 2025, significantly outpacing the 3% growth rate in overall global electricity demand, and the combined AI infrastructure capital expenditure of five major technology companies exceeded USD 400 billion, with an additional 75% increase expected in 2026.[1] Driven by rising AI demand, data center electricity consumption is projected to grow at an average annual rate of approximately 15% from 2024 to 2030, more than four times the growth rate of overall industrial sector electricity consumption, while electricity consumption from AI-centered accelerated servers is analyzed to be growing at an average annual rate of 30%.[2] **[Energy-Supply Constraints as a Structural Risk]** Data center electricity demand is concentrated in specific regions, accounting for 42% of regional electricity demand in Frankfurt and approximately 80% in Dublin, thereby placing pressure on local grid stability. Grid-connection delays and cooling-water constraints are also creating compounding bottlenecks for AI data center expansion.[3] Together with the intermittency of renewable energy and volatility in conventional-energy prices, these factors are making reliable electricity supply for AI infrastructure a structural risk at the global level. As SK Telecom expands its AI data center (AI DC) business as a core growth driver — AI DC revenue increased 89.3% year on year in the first quarter of 2026 — its reliance on a stable electricity supply is increasing, and changes in energy supply-and-demand conditions could affect business operations.[4]	**[Potential Power-Supply Instability and Net-Zero Transition Costs Associated with AI DC Expansion]** During the approximately 11 months from August 2024 through June 2025, roughly 290 data-center electricity-use applications were filed nationwide in Korea, 67% of them in the Seoul metropolitan area, highlighting the need to address grid bottlenecks.[5] The 11th Basic Plan for Long-Term Electricity Supply and Demand projects that domestic data center electricity demand will reach 30 TWh by 2038. As of April 2025, electricity-use applications for 136 data centers represented approximately 9.26 GW of requested capacity — roughly equivalent to the capacity of nine nuclear power reactors — indicating that pressure on electricity supply and demand is rapidly materializing.[6] If electricity supply-and-demand volatility intensifies, it could adversely affect AI DC operating efficiency and service continuity. In addition, the renewable-energy transition costs associated with pursuing SK Telecom's SBTi-based net-zero target, combined with rapidly rising AI DC electricity demand, could increase the company's medium- to long-term financial burden.	To address rising data center electricity demand associated with expanding AI investment, SK Telecom is pursuing AI DC operational-efficiency improvements and energy-transition initiatives in parallel. • **AI DC Operational Efficiency:** Beyond expanding infrastructure capacity, SK Telecom is building internal solution capabilities and strengthening partnerships to maximize construction and operating efficiency. In collaboration with SK ecoplant, SK Innovation, and global partners, the company is developing methods to shorten construction schedules and optimize energy efficiency. • **AI DC Infrastructure Expansion:** SK Telecom is developing and validating "Petasus AI Cloud," a virtualization solution that flexibly allocates large-scale GPU resources, and is establishing an intelligent operations framework through an integrated data center infrastructure management (DCIM) platform for AI data centers to optimize total cost of ownership (TCO). • **Energy Transition to Achieve the 2050 Net-Zero Target:** SK Telecom is pursuing three core strategies — Green Operation, Green Energy, and Green Asset — to achieve its 2050 Net-Zero target. The company is reducing electricity consumption by replacing aging equipment, deploying Single-RAN technology, and using AI-based traffic diagnostics. It is also increasing renewable-energy use through Green Premium contracts with the Korea Electric Power Corporation (KEPCO) and power purchase agreements (PPAs) with renewable-energy providers.

1) IEA, Key Questions on Energy and AI, April 2026 (Executive Summary and pp.17~23) (https://iea.blob.core.windows.net/assets/3179f7f8-01f6-4dd6-bffa-c9f7b73f1dc9/KeyQuestionsonEnergyandAI.pdf)
2) IEA, Energy and AI, April 2025 (Executive Summary / Energy Demand from AI Chapter) (https://www.iea.org/reports/energy-and-ai)
3) Brookings Institution, Global Energy Demands within the AI Regulatory Landscape, 2026.04.10 (https://www.brookings.edu/articles/global-energy-demands-within-the-ai-regulatory-landscape/)
4) SKT Q1 2026 IR Materials, May 7, 2026, p.6 (https://www.sktelecom.com/img/kor/qua/20260507/1Q26InvestorBriefingKOR.pdf)
5) Ministry of Trade, Industry and Energy and Korea Electric Power Corporation (KEPCO), Power System Impact Assessment Data (cited in Mechanical Equipment News, November 10, 2025)(https://www.kmecnews.co.kr/news/articleView.html?idxno=43757)
6) Ministry of Trade, Industry and Energy, 11th Basic Plan for Long-term Electricity Supply and Demand (cited in ESG Economy, "Data Center Growth Must Be Compatible with National Carbon Neutrality Plans and Climate Budget," December 5, 2025)

Risk Management Status and Plan

Emerging Risk

At SK Telecom, we proactively identify potential long-term risks that could significantly impact our business and implement measures to mitigate these impacts.

Risk	Explanation	Impact	Mitigation Actions
Misinformation & Disinformation	**[Expansion of AI-Based A. Service and the Emergence of Information Reliability Risk]** Amid the ongoing decline in average revenue per user (ARPU) and the continued growth of MVNO (mobile virtual network operator) subscribers in the domestic mobile telecommunications market, SK Telecom is cultivating AI services centered on A. (Adot) as a mid- to long-term core growth driver. The cumulative number of A. subscribers reached 11.2 million as of 2025, strengthening A.'s position as an AI platform, and the AI business is establishing itself as the core of SK Telecom's future growth strategy. Within this strategic context, ensuring the reliability of information provided by A. is emerging as a key factor directly linked to the sustained growth of AI services. **[Rapid Proliferation of Deepfakes and Synthetic Content]** The speed and scale of generating and distributing misinformation and disinformation based on deepfakes and synthetic content are increasing to an unprecedented level. According to a report by the European Parliamentary Research Service (EPRS), the number of deepfakes shared in 2025 reached 8 million, a 16-fold surge compared to 500,000 in 2023, and Europol has warned that up to 90% of online content could be AI-generated by 2026.[1] In addition, deepfake attacks occurred at a rate of one every five minutes in 2024, and digital document forgery is reported to have surged 244% in just one year.[2] Reflecting this trend, the WEF Global Risks Report 2026 ranked "Misinformation & Disinformation" as the world's 2nd largest risk on a short-term (2-year) basis and the 4th largest risk on a long-term (10-year) basis.[3] As the proliferation of deepfakes and misinformation emerges as a structural risk in this way, the AI-based platform services operated by SK Telecom are also increasingly exposed to these external threats.	**[Risk of Declining AI Service Trust and Brand Damage from the Spread of Deepfakes and Misinformation]** If deepfakes or synthetic content are distributed through AI-based platform services such as A., or if false content impersonating SK Telecom's brand, employees, or services is generated and spread on a large scale, this could damage customer trust and lead to customer churn, weakening the growth momentum of the AI business. As Korea's largest telecommunications operator with approximately 31 million mobile subscribers[4], SK Telecom could face a direct impact on the profitability of its wireless business if identified as a major distribution channel for misinformation. The amended Act on Promotion of Information and Communications Network Utilization and Information Protection (the "Network Act"), which passed the National Assembly in December 2025, centers on introducing a punitive damages system imposing up to five times the damages for the intentional distribution of false and manipulated information, and mandating that large-scale platform operators establish self-regulation policies. As a result, the additional investment required to build deepfake detection and blocking systems could increase business operating costs over the mid to long term.[5]	SK Telecom is pursuing mitigation actions to address the risk of misinformation spreading through deepfakes and synthetic content by strengthening the information reliability of its AI services and developing detection and blocking technologies. • **Operating a Dedicated Organization to Respond to Social Engineering Threats:** SK Telecom has established the Social Engineering Threat Response Team and the Social Engineering Defense Technology Team and is collaborating with the National Police Agency's Integrated Response Center for Telecommunications Financial Fraud to dispatch specialized counseling staff and share counseling expertise. The company has also built a system to swiftly block reported numbers through its reporting center, joining efforts to prevent misinformation-based harm and curb its spread. • **Developing AI-Based Technology to Prevent Damage from Telecommunications Financial Fraud:** To provide customers with safe communication services, SK Telecom is developing various AI-powered security technologies. A representative example is ScamVanguard, which prevents damage from telecommunications financial fraud by using AI to analyze bait text messages, impersonation sites, and suspected voice phishing calls based on telecommunications data. ScamVanguard is also linked with financial data to analyze voice phishing exposure and risk levels in real time and is used for proactive responses such as blocking transfers and withdrawals. • **Enhancing Spam and Phishing Blocking Services:** SK Telecom continues to enhance its spam and smishing blocking services, including RCS spam message blocking, bait text message alerts, and international call voice guidance messages, and is strengthening its response system to minimize customer damage through various AI-integrated approaches, including on-site assistance for victims of malicious voice phishing app installations.

1) European Parliamentary Research Service (EPRS), Children and Deepfakes (PE 775855), July 2025, pp. 2–4 (https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/775855/EPRS_BRI(2025)775855_EN.pdf)
2) Observer Research Foundation (ORF), Algorithms of Falsehood, April 3, 2026 (https://www.orfonline.org/expert-speak/algorithms-of-falsehood-the-challenges-of-governing-ai-generated-disinformation)
3) World Economic Forum (WEF), The Global Risks Report 2026, January 2026, p. 9 (Figure 3), p. 16 (Figure 12) (https://www.weforum.org/publications/global-risks-report-2026/)
4) Based on 2025 annual performance data; excludes MVNOs and network infrastructure/interconnection lines (formerly "other lines") for Mobile Network Operators (MNO).
5) Korea Media and Communications Commission, Press Release (Dec. 30, 2025) (https://www.korea.kr/briefing/pressReleaseView.do?newsId=156737450)

Risk Review

SK Telecom has improved the efficiency and transparency of the operation of our company-wide risk management system through regular internal and external audits.

Internal Audit

SK Telecom operates an Internal Audit Office dedicated to supporting the risk management activities of both the Audit Committee under the Board of Directors and management. The Internal Audit Office conducts regular risk-based internal audits covering all management activities of the company and its ICT Family affiliates, in accordance with a 3-year rotational audit principle.

During audits, the Internal Audit Office examines the adequacy of the design and operation of internal controls for key functions within SK Telecom and ICT Family affiliates. It also reviews critical decision-making and risk management processes, as well as internal controls by business area and overall management activities. SK Telecom integrates internal controls with its risk management processes, and through thorough inspections during audits, continuously enhances its risk management system. Audit results, including identified improvement areas and implementation plans, are reported to the Audit Committee. The execution status of improvement plans for risk factors identified during audits is also continuously monitored and reported to the Audit Committee.

Additionally, self-assessments based on checklists are conducted annually for management areas such as HR, finance, and procurement. For areas where intensive risk management or strengthening of internal controls is deemed necessary based on the self-assessment results, the Internal Audit Office undertakes additional audits and improvement management activities. The Internal Audit Office is organized directly under the Audit Committee, which supervises all risk management-related activities of the Internal Audit Office through its authority to consent to the appointment and dismissal of the head of the Internal Audit Office and to approve its work plans, budget, and organizational structure.

Main Activities of the Audit Committee

Classification	Detailed Activities
Ethics Management Office	Ethical management performance and mid-term business audit plan
	Status of external disclosure of ethical management and results of evaluation
	Result of measuring ethical management level
Internal Audit	Evaluation of the operation status of the internal accounting management system
	Opinion of the Audit Committee on internal monitoring system
	Approval of personnel evaluation of the head of the internal audit department
	Consent to the appointment and dismissal of the head of the internal audit department
	Audit report
	Regular and Special Business Audit Plans and Results for SK Telecom and ICT Family Companies
External Audit	Approval of the provision of services by external auditors
	Approval of external audit contract

SK Telecom has established the Code of Conduct and a dedicated organization to practice company-wide ethical management. By doing so, we focus on proactively preventing ethical risks and strengthening voluntary ethical practices among our employees. To strictly manage ethical risks, we conduct regular risk evaluations for all business areas and organizations at least twice a year, implementing risk mitigation and elimination measures based on the evaluation results.

We are also committed to practicing compliance management in order to respond proactively to the rapidly changing business environment and meet the needs of the industrial ecosystem and society. We systematically manage compliance risks by establishing a compliance management system at the company-wide level, including ICT Family companies, such as SKT ICT Family Compliance 2.0 and Compliance Management Portal (T-Compliance Net), to comply with fair trade and business-related laws and minimize risks involved in overall management activities.

External Audit

External Audit under the Act on External Audit of Stock Companies

SK Telecom periodically appoints external auditors in accordance with Article 11(1) and (2) of the Act on External Audit of Stock Companies, Article 17 of its Enforcement Decree, and Articles 10 and 15(1) of the Regulations on External Audit and Accounting. The appointed auditors conduct annual external audits of the company. Ernst & Young Han Young performed the external audit duties for the fiscal years 2022 through 2024, and KPMG Samjong Accounting Corp. has been responsible for the external audit since the 2025 fiscal year. SK Telecom's external auditors conduct audits of the company's financial statements and accompanying schedules annually, based on principles of fairness and transparency, and submit the audit reports. The Audit Committee evaluates the appropriateness of the audit results.

The audit opinion for the 42nd fiscal year (January 1, 2025 – December 31, 2025) was "unqualified," with no additional findings.

External Audits by the SK Group Audit Organization and Other Bodies

The audit organization of SK Group conducts regular annual monitoring of internal control systems, compliance, and investment performance related to the operations of group and ICT Family affiliates, identifying key risks at the group level. SK Telecom is also subject to at least one on-site audit per year by the SK Group audit organization, which assesses the adequacy of risk management processes and regulatory compliance, reporting the results of internal control activities to the Board of Directors.

SK Telecom undergoes annual assessments by independent third-party institutions, in accordance with global risk management standards such as ISO 31000, on the operational effectiveness of the company's overall processes required to identify, analyze, evaluate, and respond to risk. These assessments involve a thorough analysis of the risk management process through advance document reviews and on-site inspections, identifying areas for improvement. Since 2024, SK Telecom has issued an annual "Risk Report" based on the assessment results.

Fiscal year	Auditors	Auditor's opinion	Emphasis etc.	Key audit points
42nd	KPMG Samjong Accounting Corp.	Unqualified	Not applicable	Existence and accuracy of wireless communications revenue, valuation of impairment of goodwill for cash-generating units in the wired telecommunications business
41st	Ernst & Young Han Young	Unqualified	Not applicable	Period attribution of wireless communication sales, valuation of impairment of goodwill for cash-generating units in the wired telecommunications business
40th	Ernst & Young Han Young	Unqualified	Not applicable	Period attribution of wireless communication sales, valuation of impairment of goodwill for cash-generating units in the wired telecommunications business
39th	Ernst & Young Han Young	Unqualified	Not applicable	Period attribution of wireless communication sales, valuation of impairment of goodwill for cash-generating units in the wired telecommunications business

Spreading Risk Management Culture

Strengthening Risk Capabilities

SK Telecom is striving to establish and spread a risk management culture throughout the organization by strengthening the risk response capabilities of our employees. We have created an environment that promotes quick reports and whistleblowing so that all employees, including management and the board of directors, can act with transparency and accountability regarding risks. Furthermore, we have improved employees' risk awareness by identifying risks with mid- to long-term impacts and conducting regular preventive training and simulation training. We provide various training programs such as risk inspection issue-based training, management inspection training for departments related to the compliance management system (ISO 37301), and compliance training at the request of the business departments so that employees can recognize the importance of ethics and compliance management and put it into practice. We incorporate adherence to ethics and compliance management, as well as the code of conduct, into our performance evaluations and compensation structures. Additionally, we are committed to internalizing a company-wide risk management culture by distributing ethics and compliance management guides and newsletters through our compliance management portal (T-Compliance Net). We continuously enhance our risk management practices by sharing analysis data collected through our risk management process with our employees, ensuring they are well-informed and proactive in mitigating risks.

Independent Director Training

SK Telecom conducts various training programs for independent directors every year to strengthen the expertise and efficiency of the Board of Directors. In particular, we strive to achieve more effective risk management by including risk-related topics in the training content to improve independent directors' understanding of the company-wide risk management system, its current status, and key challenges. In 2025, SK Telecom conducted a total of 9 training sessions for independent directors, including training on SKT Compliance, global economic conditions and the impact and outlook of the revised Commercial Act on corporate management.

Compliance Training

SK Telecom contributes to proactive risk prevention and the advancement of ESG management through compliance inspection activities in major compliance areas, and regularly conducts various training programs to improve systems and policies in areas requiring improvement.

Status of Training on Compliance

Training cycle	Details of training
Quarterly	Regular safety and health training for workers
Annually	Training on compliance for company-wide employees
Annually	Online education for self-compliance in the telecommunications market
Annually	Open-source compliance training
At all times	Training on key issues related to business relationships (BR)

Ethical Management Training

To enhance our ethical management system, SK Telecom has established the Code of Ethics and the Code of Ethics Implementation Guide as the standards for decision-making and behavior in all business activities. We strictly enforce a zero-tolerance policy for any violations. Additionally, we collect the Ethics Pledge from all employees annually, provide ethics training, including sexual harassment prevention, and conduct Ethical Management Practice Workshops to foster ethical awareness among all employees.

Appendix

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Materiality Assessment

Materiality Assessment Process

SK Telecom conducts an annual materiality assessment involving internal and external stakeholders to identify material topics and determine priorities for driving ESG management. The Board of Directors reviews and approves these material issues along with their associated risks and opportunities. SK Telecom also operates a response process to manage these identified issues. Furthermore, an independent third-party assurance provider, DNV, validated the integrity of SK Telecom's materiality assessment process and the credibility of its results.

SK Telecom's materiality assessment process is aligned with the guidance provided by the Global Reporting Initiative (GRI) Standards, the International Sustainability Standards Board (ISSB), and the European Sustainability Reporting Standards (ESRS) in identifying disclosure topics and structuring report content.

The materiality assessment identifies the potential risks and opportunities of ESG issues by evaluating both their financial impacts on the company and its value chain, and their environmental and social impacts. Fully integrated with the company-wide risk management framework across environmental, social and governance areas, this process enables SK Telecom to continuously monitor how material issues affect corporate sustainability.

Applying Double Materiality

Environmental & Social Materiality (Impact materiality)

International Standards & Evaluation Indicators	Benchmarking & Media Analysis	Stakeholder Engagement
• Analysis of GRI Standards, ISO 26000, UN SDGs, and UNGC indicators • Review of ESG disclosure requirements from external stakeholders such as government agencies and civil organizations	• Analysis of disclosures and initiatives by global leaders and industry peers • Media analysis to identify articles with potential non-financial impact - Assessment of environmental and social issue impact on reputation, brand, and social value	• Identification of environmental and social issues impacted by SK Telecom's business activities - Impact analysis by type: positive/negative, value chain, stakeholders • Identification of stakeholder expectations and concerns regarding the impact of business activities on ESG issues

Financial Materiality

International Standards & Evaluation Indicators	Benchmarking & Media Analysis	Stakeholder Engagement
• Application of key investor indicator requirements (e.g., CSA (DJ BIC), MSCI, CDP, etc.) • Review of relevance and impact of TCFD and SASB frameworks	• Analysis of SK Telecom's ESG strategies and business portfolio • Media analysis to identify issues with potential financial impact - Consideration of financial impact for shareholders and investors	• Identification of ESG issues that may impact SK Telecom's financial performance - Analysis by impact type: risk/opportunity, cost/revenue/risk • Incorporation of stakeholder (e.g., shareholders) expectations and concerns regarding the impact of non-financial activities

Materiality Assessment Process

STEP 1

Develop an issue pool through internal/external environment analysis

• **Formation of an Issue Pool**
- Develop an issue pool based on international standards (e.g., European Sustainability Reporting Standards (ESRS)), evaluation indicators, media analysis, and business strategy review

STEP 2

Assess materiality of issues

• **Application of Double Materiality**
- Assess materiality of 24 ESG issues from both Financial and Environmental & Social perspectives

STEP 3

Analyze characteristics of issues

• **IRO (Impact, Risk, and Opportunity) Analysis**
- Identify IRO factors (positive/ negative impacts, risks, and opportunities) for each issue
- Gather stakeholder insights through internal and external focus group interviews

STEP 4

Identify and manage key issues

• **Prioritization of Issues**
- Finalize the prioritization of material topics (Select 3 key issues and 7 reporting issues)

• **Key Issue Management and Reporting**
- Report to and obtain approval from the Board of Directors (ESG Committee); integrate key issues into key management decisions
- Disclose performance and plans for each issue, including management direction and mid- to long-term plans

Materiality Assessment Results

Strengthening External Stakeholder Engagement

▶ **Step 1~2** Regular operation of communication channels with external stakeholders such as suppliers, customers, and investors, and incorporating their feedback into the materiality assessment.

▶ **Step 3** Conduct surveys with internal and external stakeholders and reflect the results in the materiality assessment, along with ESG feedback from major investment institutions such as DJ BIC and MSCI.

▶ **Gather feedback through media analysis and incorporate it into the materiality assessment (as of January to December 2025)**

Materiality Assessment Results Matrix



Materiality Assessment Results

Through the materiality assessment, SK Telecom prioritized a total of 24 issues, from which 3 key issues and 7 reporting issues were identified. In 2025, enhancing shareholder value and guaranteeing labor practices were newly identified as material issues. Meanwhile, issues such as service quality management and accountability and expanding occupational health and safety management were excluded from the list.

● High, ◑ Medium, ○ Low

Rank	Issue	Materiality		Nature of Impact		Stakeholders						Pages
		Impact	Financial	Positive	Negative	Employees	Customers	Suppliers	Government	Local Communities	Shareholders	
1	Strengthening Information Security and Personal Data Protection	4.3	3.3	◑	●	●	●	●			●	20-31, 177-179
2	Technology Innovation (AI)	2.5	4.7	●	○		●	●		●	●	32-38, 177-179
3	Climate Change Response (Adaptation and Mitigation)	3.9	2.0	●	●		●	●	●	●		39-58, 177-179
4	Ethical Management and Compliance	3.3	2.1	◑	●	●			●			143-158, 180
5	Expanding Customer-Centric Services	2.9	2.0	◑	●		●	●		●	●	96-100, 180
6	Strengthening Governance Integrity and Transparency	3.1	2.1	◑	●	●					●	131-142, 180
7	Talent Acquisition and Development	3.2	2.0	◑	◑	●				●		73-82, 181
8	Enhancing Shareholder Value*	1.4	4.1	◑	○						●	131-133, 181
9	Guaranteeing Labor Practices*	2.9	1.9	◑	○	●						74, 80, 181
10	Building a Circular Economy Through Water and Waste Management	3.0	1.8	◑	◑				●	●		64, 67-71, 181

* Newly included issues in 2025

Key Issues

Analysis of Material Issues for Corporate Value Creation (*as of December 31, 2025)

* As of 2025.12.31

Category	Material Issue	Risk/ Opportunity Identification	Business cases	Impact on Business	Business Strategy (Response Measures)	Mid- to Long-Term Plans (Target year)	Key Performance (Current Status)	Executive Compensation *		
								Corporate Value	Stock Price Linked	ESG
New Issue	Strengthening Information Security and Personal Data Protection	• Proactive information security governance and technical response to cyber threats and data breaches - AI-driven risk detection and prevention systems and reinforcement of security across the entire supply chain	• Cyberattacks and personal information leaks may undermine customer trust and brand value - Risk of financial losses due to service disruptions, regulatory penalties, and litigation/ compensation costs - Monetary and psychological harm may arise from breaches of customer personal information	• Cost • Risk	• Strengthening the data privacy framework - Managing the entire data lifecycle (collection, use, retention, and destruction) based on explicit customer consent - Enhancing supplier security via regular audits and targeted training programs • Reinforcing dedicated information security risk management organizations and response frameworks	• Information security investment - Investing KRW 700 billion (by 2029) - Securing top-tier domestic security capabilities (by 2028)	• Information security governance restructuring - Establishing policies and procedures aligned with the ISO/IEC 27002 international standard to maximize execution • Sustaining continuous compliance with ISMS and ISMS-P certification standards	• 1.9% increase in consolidated revenue, 4.0% increase in consolidated operating profit compared to previous year - Executive compensation is determined based on role and responsibility, leadership and expertise, contribution to the company, and management performance, in accordance with the Board's compensation policy. • 32.0% increase in AIX (AI Transformation) business revenue, and 13.1% increase in AI DC revenue compared to previous year		
New Issue	Technology Innovation (AI)	• Internalizing technical capabilities across three core business areas: AI DC, AI B2B, AI B2C • Advancing new Agentic AI-driven services and expanding AI ecosystem partnerships	• Revenue base may be weakened if competitiveness declines in the changing AI technology environment - Driving new streams of AI revenue through expanded AI/ICT-based services - Risk of customer churn and diminished user experience (UX) from suboptimal AI service quality	• Cost • Revenue • Risk	• Strengthening AI DC capabilities - Initiating construction of Korea's largest AI DC in Ulsan • Expanding AI B2B operations - Boosting productivity and workplace innovation powered by A. Biz • Advancing AI B2C services - Executing the "AI for All" strategy via daily life-integrated services on A.	• AI business investment - Investing a cumulative KRW 5 trillion in AI (by 2030) • AI DC Infra expansion - Securing a cumulative capacity of over 300MW (by 2030)	• Generated KRW 519.9 billion in AI DC business revenue • A. Biz expansion - Deployed across 18 SK Group affiliates (as of March 2026) • A. subscriber growth - Surpassed 11 million cumulative subscribers in 2025		• AI-driven energy optimization and carbon footprint reduction • Protecting the vulnerable through AI-driven voice phishing prevention and care/call services
Maintained from Previous Year	Climate Change Response (Adaptation and Mitigation)	• Conducting physical risk analysis for climate events (wildfires, heavy rainfall, typhoons) based on SSP scenarios • Evaluating socioeconomic impacts under shifting market conditions aligned with IEA and NGFS scenarios	• Operational costs for critical infrastructure (e.g., base stations) can increase and potential market competitiveness may be undermined - Risk of network blackouts and physical asset damage to nationwide wired/wireless telecom facilities from natural disasters • Strengthened climate regulations and a continued rise in carbon pricing	• Cost • Risk	• Reducing power consumption by 25% - Replacing worn-out equipment with energy-efficient models - Expanding the deployment of Single-RAN across its network - Expanding AI-driven smart cooling and low-power architectural solutions • Transitioning to 100% renewable energy - Installing on-site solar power generation at offices and telecom facilities - Applying renewable energy via Power Purchase Agreements (PPAs)	• GHG emissions - 47.7% reduction (by 2030)** - Achieving Net Zero (by 2050) **Compared to 2020 levels • Share of renewable energy use - Reach 65% (by 2030) - Reach 100% (by 2050) • Securing domestic and international carbon credits	• Reduced 319,756 tCO_2e through network energy optimization and high-efficiency equipment replacements (Single-RAN, advanced Power Saving, and joint 5G network infrastructure deployment) in offices and telecom facilities • RE100: Sourced 284 GWh via Green Premium and generated 5.6 GWh through solar power		• External ESG assessment (capital market) ratings • Strengthening ESG and climate change communication with major shareholders.	• Meeting carbon emission targets (maintaining market-based emissions at or below 1.052 million tons)

Key Issues

Analysis of Material Issues for External Stakeholders

Category	Material Issue	Value Chain (Scope of Impact, %)	Stakeholder	Impact Type	External Stakeholder Relevance and Materiality	Output Metric	Impact Assessment	Impact Metric
New Issue	Strengthening Information Security and Personal Data Protection	Product/ Service - 100%	Society, Customers (End Users), External Stakeholders	Positive/ Negative (Neutral)	**[Prevention of Damage from Cyber Threats and Data Breaches]** • Preventing the churn of current and potential users through data breach response strategies and operational security measures **[Prevention of Cyber Crime Damage]** • Protecting customers from cyber crimes, including voice phishing and SIM swapping	• Revenue impact per customer • Number of prevented cybercrime cases	• Social costs incurred	**[Strengthening Information Security Response]** • Revenue impact from mobile subscriber churns due to data breaches - SKT Mobile Average Revenue Per User (ARPU)[1]: KRW 28,600[2] **[Strengthening Social Safety Nets]** • Number of voice phishing cases blocked in 2025: 310,958 - Social Value created: KRW 259.85 billion
New Issue	Technology Innovation (AI)	Product/ Service - 100%	Society, Customers (End Users), External Stakeholders	Positive/ Negative (Neutral)	**[Creating Social Value for Customers through AI Innovation]** • Enhancing daily customer convenience through A. **[Fostering an ICT Cooperation Ecosystem]** • Driving shared growth through AI/ICT technology convergence and support with startups and business partners **[Expanding AI-driven Social Safety Nets]** • Broadening AI-driven social safety nets and expanding support for vulnerable groups	• Number of A. subscribers • Number of suppliers that received technology support • Number of households provided with AI Care/Call services	• Social costs incurred	**[AI Technological Innovation]** • Cumulative subscribers: Over 11 million for A. **[Shared Growth]** • Startups: 528 companies supported since 2013, growing to a corporate value of KRW 20 trillion • Joint technology development and market pathway expansion for business partners - SV support totaling KRW 78 billion **[Voice Phishing Prevention / Support for Vulnerable Groups]** • Blocking of incoming and outgoing voice phishing calls, including fraudulent roaming calls from abroad - SV created: KRW 399.15 billion • Digital inclusion programs for low-income groups, harmful-content blocking services for low-income users, and fee discounts for people with disabilities - SV created: KRW 1.56 billion
Maintained from Previous Year	Climate Change Response (Adaptation and Mitigation)	Product/ Service - 100%	Environment, Society, Customers (End Users), External Stakeholders	Positive/ Negative (Neutral)	**[GHG and Energy Reduction]** • Intensifying demands for response measures, including GHG reduction and decarbonization investments • Expanding eco-friendly energy investment activities to proactively address climate change **[Establishing a Resource Circularity Ecosystem]** • Providing a positive impact across local communities and the broader industry by establishing a resource circularity ecosystem	• GHG emissions reduction • Eco-friendly energy investment expenditure • Carbon credits secured	• Social costs incurred	**[GHG Emissions Reduction]** • Energy efficiency optimization: 320,000 tons **[Renewable Energy Procurement Costs]** • Green Premium purchases: KRW 4.64 billion **[Cookstove Project in Least Developed Countries]** • Cumulative carbon credits secured: 260,000 tons • Cumulative Social Value (SV) created since 2020 (6-year period): KRW 145.2 billion

1) Based on SK Telecom MNO profit and wireless subscribers (including 3G/LTE/5G and IoT)
- Based on MNO profit: Includes voice and data profit (excluding subscription fees and connection profit), additional service profit, etc.
* Reflection of sales discounts (agreements and combined discounts, etc.). Excluding MVNO-related sales.
- Based on wireless subscribers: Quarterly average number of billing line subscribers among the statistics of subscribers from the Ministry of Science and ICT
2) Based on the average amount of ARPU by quarter from previous 2 years

Focus Group Interviews

Q. Please share your views on the impacts, risks, and opportunities related to SK Telecom's material issues, as well as SK Telecom's current responses to them.

Category	Employees	External Experts
Strengthening Information Security and Personal Data Protection	SK Telecom recognizes information security and data privacy not merely as matters of regulatory compliance, but as core business elements that safeguard customer trust and define corporate brand value. Amid an increasing number of domestic and international security breaches, internal vigilance regarding reputation risk management has significantly intensified. Consequently, SK Telecom continuously inspects security vulnerabilities in alignment with its company-wide risk management processes, focusing on reinforcing substantial security capabilities beyond basic compliance. Furthermore, during its strategic transition into an AI company, SK Telecom recognizes the critical importance of data security, making proactive efforts to identify data-specific security risks that may emerge during future AI business expansion while systematically securing necessary response personnel and technical capabilities.	Given the highly public nature of the telecommunications industry, stakeholders maintain exceptionally high expectations for information security. Accordingly, SK Telecom needs to transition beyond its traditional image of stability and establish a more transparent, advanced disclosure framework that can objectively verify the effectiveness of its security management. With the arrival of AI era, the security paradigm is expanding from system-centric defenses to data protection. Thus, it will be crucial to enhance technical resilience by securing a well-balanced pool of internal experts. To fortify security across the entire value chain, SK Telecom must also advance the security standards of its subsidiaries and business partners, while playing a pivotal role in strengthening national security capabilities through collaboration with the domestic cybersecurity ecosystem. Moving forward, strategic initiatives to lead industry security standards such as activating external communication channels through hosting security conferences will be highly required.
Technology Innovation (AI)	SK Telecom defines technology innovation as a core engine driving transformation across industries by combining the company's unique assets with its AI capabilities. In terms of risks, SK Telecom is closely monitoring the intensifying competition to secure specialized talent driven by rapid technological environment changes, as well as the potential depreciation of existing technological assets. Meanwhile, opportunities related to technology innovation are identified in the rising demand for hyper-personalized services fueled by advancing AI technologies, the expanding supply of tailored solutions for enterprise-wide AI Transformation (AX), and the growing demand for building and operating high-performance intelligent infrastructure. In practice, the company is solidifying its foundation for sustainable growth by generating tangible AX outcomes, spearheaded by B2C services like A. alongside the expansion of AI DC infrastructure and global partnerships.	In a rapidly shifting AI regulatory environment, establishing an advanced AI governance framework that moves beyond basic legal compliance is essential for SK Telecom to solidify its status as a global leading company. In particular, SK Telecom must look past policy and staffing to secure operational control through technical systems, while enhancing expertise by raising AI readiness across auditing bodies and management. From a technological standpoint, proactive investment is required in strategic domains with high future growth potential, such as Physical AI. Furthermore, to minimize bias in AI models and enhance reliability, internal and external multi-layered validation frameworks must be secured, while developing human-centric AI models ensuring that everyone can experience the benefits regardless of race, age, or disability status. Moving forward, SK Telecom is expected to actively utilize regulatory sandboxes through close communication with government institutions, thereby fulfilling its role as a policy pioneer that leads social value creation and industrial promotion.
Climate Change Response	SK Telecom recognizes climate change response as a critical focus for key stakeholders, including customers and investors, and as a strategic imperative that determines the company's sustainable growth. Because energy price volatility and strengthened regulations such as the GHG emissions trading scheme can directly impact profitability, SK Telecom is focusing on minimizing its environmental footprint by deploying high-efficiency energy equipment and expanding the use of renewable energy. To address increasing stakeholder demands for disclosure, SK Telecom is preparing for comprehensive climate-related disclosures, ensuring transparent communication regarding its adaptation and mitigation strategies. Furthermore, SK Telecom views climate change response as a new business opportunity rather than a mere risk management exercise. SK Telecom is actively working to generate new value by delivering diverse AI-driven climate response solutions to other industry sectors.	As the global climate agenda becomes a defining paradigm, companies are required to adopt proactive and preemptive response strategies that go beyond basic regulatory compliance. Given that mid- to long-term power demand management is becoming increasingly critical due to AI business expansion and infrastructure advancement, establishing systematic response measures to secure energy supply stability and optimize operational efficiency is essential. SK Telecom must leverage its own ICT and AI capabilities to identify differentiated business models within energy efficiency and resource optimization, while expanding its industry influence through close collaboration with group affiliates and government institutions. Moving forward, strategic initiatives will be required to advance carbon emission management frameworks across the entire supply chain, while solidifying external trust by enhancing transparency throughout stakeholder communication channels.

Reporting Issues

No.	Issue	Context	Our approach	Activities	Long Term Target	Linked KPI
4	Ethical Management and Compliance	Ethical responsibility and compliance are core elements that determine corporate sustainability and stakeholder trust. Fair decision-making and regulatory compliance are no longer just basic management principles; they are essential prerequisites for survival amid rapid technological shifts and intensifying global regulatory environments. Leading global companies are moving beyond basic norm compliance to upgrade their ethical management frameworks, focusing on managing ethical risks stemming from the adoption of new technologies like AI and reinforcing integrated risk response capabilities across supply chains and subsidiaries. In particular, they focus on enhancing long-term stakeholder trust and corporate value by establishing disclosure frameworks and risk identification processes (IRO) that align with international standards.	SK Telecom operates a company-wide ethical management framework to achieve sustainable growth grounded in deep stakeholder trust. To address a rapidly changing business environment and stricter regulatory standards, SK Telecom has established an integrated compliance system to preemptively mitigate operational risks. Within the compliance domain, SK Telecom operates an updated CPMS rooted in the "ICT Family Compliance 2.0" framework. By conducting continuous monitoring across company-wide systems, SK Telecom implements prevention-oriented governance that detects anomalies in advance. Furthermore, SK Telecom enhances credibility and solidifies its ESG management through specialized response systems, including a dedicated compliance portal and an insider trading prevention system.	• Advancing Ethical Management Frameworks - Operating a three-stage ethical management process: Prevention, Identification, and Response - Applying a Zero Tolerance policy to enforce strict disciplinary actions against non-compliance and violations - Establishing a dedicated ethics organization with a direct reporting line to the Audit Committee - Cultivating a culture of compliance through ethics training, campaigns, and dedicated reporting/grievance channels • Establishing Integrated Compliance Systems - Establishing the ICT Family Compliance 2.0 framework and expanding its implementation across affiliates - Implementing CPMS alongside preliminary review processes and AI-driven document risk detection technologies - Delivering training programs tailored to each department and fostering an environment of voluntary compliance	Achieving zero ethical risks	Establishing and enforcing a Code of Conduct framework
5	Expanding Customer-Centric Services	With the advancement of digital technology, the quality of customer experience has become a core metric that determines a company's fundamental competitiveness. Telecommunications services, serving as an essential infrastructure for daily life, must go beyond maintaining simple service quality to preemptively resolving latent customer inconveniences and build lasting trust. As cyber threats such as voice phishing grow increasingly sophisticated, the responsibility to leverage technology for customer protection is highly emphasized. Consequently, companies are focusing on securing a long-term foundation of trust by driving innovation across all customer touchpoints and reinforcing social safety nets.	Prioritizing customer trust, SK Telecom operates a dedicated customer rights protection framework under the oversight of the CEO, objectively reviewing risks across all business activities. In particular, SK Telecom runs an internal control system between the customer rights protection department and business units to preemptively prevent grievances, securing operational effectiveness by aligning department-specific R&Rs with the performance evaluation system. Furthermore, SK Telecom has diversified both in-person and remote channels to enhance customer convenience, establishing a preventive customer grievance management framework focused on prompt resolution and thorough root-cause analysis.	• Operating Customer-Centric Governance: Hosting the "Customer Value Innovation Meeting" presided over by the CEO, launching the "Customer Trust Committee" composed of external experts (May 2025), and operating a 100-member "Customer Advisory Panel" (June 2025). • Innovating AI-Driven Personalized Services: Applying AI data-driven recommendation services within T World and T Membership, and improving customer awareness of personalized benefits. • Reinforcing Infrastructure against Cyber Threats: Establishing the Social Engineering Threat Response Team, building a collaborative framework with the National Police Agency, and advancing spam and voice phishing blocking systems utilizing AI technology. • Delivering Touchpoint Innovation: Improving consultation quality through AI and data-driven insights, securing the top ranking in major domestic customer satisfaction surveys (NCSI, KS-SQI) in 2025.	Sustaining zero violations of customer rights	Managing customer satisfaction levels, reducing VoCs, and expanding support for vulnerable groups
6	Strengthening Governance Integrity and Transparency	As non-financial ESG metrics carry increasing weight in investor decision-making, demands for integrity and transparency regarding corporate governance continue to expand. This importance is further underscored by recent government-led company value-up programs, which identify governance practices as a key factor behind the undervaluation of the domestic stock market. In response, companies are proactively improving corporate governance by strengthening the accountability of the Board of Directors, ensuring the independence of auditing bodies, and protecting shareholder rights.	Emphasizing the establishment, maintenance, and advancement of sound and transparent corporate governance as a core management principle, SK Telecom amended its Corporate Governance Charter in 2021 and reinforced its institutional foundation by establishing a basis for the Charter within the Articles of Incorporation. Playing a pivotal role in this framework, the Board of Directors has expanded its authority over major corporate decisions and continuously strengthens its compliance and management oversight functions amid intensifying operational risks and environment changes. Moving forward, grounded in the Board's accountable management and transparent governance, SK Telecom plans to protect shareholder rights and continuously enhance both shareholder and corporate value.	• Declaring commitment and action plans to establish sound corporate governance, advancing corporate governance structures and strengthening Board-centric management. - Amending the Corporate Governance Charter and Articles of Incorporation, and strengthening strategic communication with shareholders * Aligning with the Code of Best Practices for Corporate Governance of the Korea Institute of Corporate Governance and Sustainability (KCGS) • Expanding Board authority and enhancing compliance oversight (2021–Present)	Establishing Board-centric accountable management and optimal decision-making framework	Improving corporate governance and elevating stakeholder trust

Reporting Issues

No.	Issue	Context	Our approach	Activities	Long Term Target	Linked KPI
7	Talent Acquisition and Development	Human capital is a company's most vital asset, driving corporate innovation and performance generation. Consequently, the entire lifecycle of human capital development, spanning from talent acquisition to competency-building, is a prerequisite for corporate growth. Recognizing the critical importance of talent, global companies pursuing sustainable growth compete intensely to secure top-tier talents while maintaining aggressive investments to elevate the professional expertise of their workforce.	SK Telecom operates a robust human capital cultivation system to drive "AI Sustainability" and the "AX Transformation," focusing on generating tangible outcomes. Specifically, SK Telecom preemptively secures industry-leading talent in AI and core technology sectors while reinforcing specialized training programs to enhance employee AX proficiency. Furthermore, by fostering a self-directed learning culture through job-specific tailored curricula and internal educational infrastructure, SK Telecom forges a robust platform for top talent to maximize their capabilities and achieve continuous growth.	• Establishing a Cultivation Framework to Accelerate Enterprise-Wide AX - AX Design Camp : Redefining business processes and identifying AI transformation tasks - AX Frontier : Developing AI Agents based on internal data and platforms - AX Boot Camp : Promoting the continuous utilization of AI Agents and developing advanced Agentic Systems	Transforming all employees into AX experts (One AI Agent per employee)	Ensuring over 20% of employees secure AI Agent development capabilities (by 2026)
8	Enhancing Shareholder Value	Along with the advancement of the capital market, market demands are increasing not only for profitability but also for capital efficiency and shareholder returns. In particular, predictable dividend policies and transparent governance have become core elements of corporate value-up programs. In response to these environment changes, companies are focusing on securing market trust by establishing capital allocation standards and fostering a shareholder-friendly management environment, such as enhancing the convenience of exercising shareholder rights.	Grounded in stable business performance, SK Telecom establishes a balanced capital allocation strategy and strives to maximize corporate value through predictable and sustainable shareholder returns. To achieve this, SK Telecom evenly distributes free cash flow among shareholder returns, growth investments, and financial structure optimizations. SK Telecom has also established and publicly disclosed a mid- to long-term shareholder return policy that returns over 50% of consolidated adjusted net income to shareholders. Furthermore, by implementing quarterly dividends and disclosing dividend decisions prior to the dividend record date, SK Telecom has significantly enhanced the predictability of its shareholder returns. To protect shareholder rights, SK Telecom adheres to the one-share-one-vote principle, schedules annual General Meetings of Shareholders away from peak dates, and utilizes electronic voting alongside online shareholder meetings, while continuously strengthening information transparency through CEO shareholder letters and quarterly earnings releases.	• Implementing Predictable and Sustainable Shareholder Return Policies - Disclosing the shareholder return policy targeting over 50% of consolidated adjusted net income (FY2024–2026) • Executing quarterly dividends and announcing dividend decisions prior to the dividend record date to maximize predictability	Maximizing corporate value by executing predictable, sustainable shareholder return policies and anchoring a transparent communication framework	Establishing and executing corporate value-up initiatives while reinforcing ESG investor relations
9	Guaranteeing Labor Practices	For a company to achieve sustainable growth, protecting employee rights and establishing sound labor-management relations are essential. Particularly as global ESG disclosure standards intensify, guaranteeing the freedom of association and ensuring the substantive implementation of collective bargaining rights have become core metrics for evaluating corporate social responsibility. In response to these shifts, enterprises are moving beyond basic legal compliance to anchor collaborative relationships built on mutual trust between labor and management, thereby simultaneously enhancing working conditions for employees and strengthening organizational competitiveness.	Under the principles of mutual cooperation and respect, SK Telecom maintains close communication with its labor union to foster a sound labor-management culture. The company operates a Union Shop system to substantively guarantee the basic labor rights of its workforce and extends the application of collective bargaining agreements to non-union employees to promote equitable improvements in working conditions across the entire enterprise. In particular, SK Telecom incorporates on-site feedback into its management through regular wage negotiations, collective bargaining, and labor-management councils, maintaining a strong foundation of trust by thoroughly executing all derived agreements.	• Operating the Union Shop - Implementing automatic labor union enrollment for all eligible employees - Extending the scope to also include non-union employees • Strengthening Collective Bargaining and Labor-Management Cooperation - Conducting annual wage negotiations and biennial collective bargaining - Conducting quarterly labor-management council meetings	Anchoring an advanced labor-management culture grounded in mutual trust and cooperation	Conducting regular wage negotiations and collective bargaining
10	Building a Circular Economy Through Water and Waste Management	As the global transition toward a circular economy to respond to climate change and protect the environment accelerates, corporate responsibility for the entire product lifecycle is being further emphasized. In particular, as the domestic "Act on Promotion of Transition to Circular Economy and Society" took effect in January 2024, resource circulation has become a core element of environmental management. Accordingly, companies are moving away from the traditional linear structure that leads from "production-consumption-disposal" and are deploying multi-faceted resource circulation activities to establish a circular structure that continuously recycles resources.	SK Telecom is establishing a systematic governance framework and strategy to respond to global environmental regulations and resource crises and to increase execution capabilities. The circular economy implementation organization, which consists of the Sustainability Management Office and a separate TF, identifies resource circulation risks and improvement tasks and reflects them in the climate crisis response strategy. In addition, SK Telecom is securing sustainable competitiveness by improving resource efficiency through RE:FINE, its circular economy strategy.	• Operating the ECO LOOP TF - Supporting the execution of circular economy tasks, reviewing performance, and coordinating collaboration between departments - Operating a resource circulation risk identification and reporting system • Enhancing Resource Circulation Execution through the "RE:FINE" Strategy - Improving the operational efficiency of discarded device collection channels and increasing the collection rate - Developing participatory circular economy campaigns such as hand towel recycling - Expanding network waste disclosure and standardizing management processes - Strengthening the USIM ESG package and the reliable compensation program for used devices	Embedding environmental management through water reduction and zero waste	Increasing the implementation rate of circular economy tasks and the risk response systems

Stakeholder Engagement

Communication Status and Key Issues by Stakeholder Group

Since 2016, SK Telecom has pursued stakeholder happiness by creating economic and social value, guided by the SK Management System (SKMS), SK Group's management framework. SK Telecom incorporated SKMS into its Articles of Incorporation in March 2017 and further specified its management objectives by including the relevant provisions in its Corporate Governance Charter in February 2018. In 2020, the company amended its Articles of Incorporation to define the scope of its stakeholders — including customers, employees, business partners, local communities, and shareholders — and to state its commitment to pursuing their happiness.

SK Telecom enhances management transparency and efficiency by ensuring stakeholder engagement, and to encourage such engagement it revised its 'Stakeholder Engagement Policy' in 2024 and declared it internally and externally. Based on the AA1000 Stakeholder Engagement Standard (AA1000 SES), the revised policy codifies company-wide guidelines and an issue-resolution process, including engagement implementation principles and frameworks, stakeholder identification and impact assessment processes, and review and improvement procedures. Building on this revision, SK Telecom continues to advance its communication approaches, strengthen stakeholder capabilities, and pursue ongoing improvements.

Going forward, in line with its 'DBL (Double Bottom Line)' management approach, which treats not only economic value but also the social value created through corporate operations as one axis of management performance, SK Telecom will continue to advance its existing communication channels and steadily expand engagement and the frequency of communication with key stakeholders.

Stakeholder Engagement Policy

Scope	• This Stakeholder Engagement Policy applies consistently to all stakeholders and local communities associated with SK Telecom's operations and supply chain, including those of its overseas subsidiaries.
Purpose	• By establishing and disclosing requirements for stakeholder participation and communication in connection with its business activities, SK Telecom affirms its commitment to stakeholder engagement and provides company-wide guidance to relevant internal functions.
Goal	• The goal is to enhance transparency and efficiency in management and to earn stakeholder support and trust through active stakeholder engagement and communication.
Responsibility	• Communication channels and engagement methods for each stakeholder group are managed and overseen by the company-wide stakeholder engagement coordinating function, with designated departments and personnel accountable for implementation. • Policies and key issues related to stakeholder engagement are reported to the ESG Committee under the Board of Directors.
Issue management	• If any potential or actual negative impacts are identified through stakeholder engagement and communication, SK Telecom develops and actively implements measures to mitigate or eliminate them. • The outcomes of complaint and grievance handling are tracked and disclosed internally and externally to enhance transparency. • The company also operates capacity-building programs to strengthen stakeholders' capacity to participate and improve access to relevant information.

Stakeholder Engagement Policy

Communication Status and Key Issues by Stakeholder Group

Stakeholder Engagement and Communication on Material Issues

Employees

Communication Channels
- Labor union (labor union website)
- "Cider" bulletin board (internal intranet)
- Safety & Health Story (internal intranet)

Topics of Communication
- HR-related issues such as changes in the business environment and wage negotiations

Business Partners

Communication Channels
- Partner meetings
- Partner surveys

Topics of Communication
- Issues related to win-win cooperation such as fair contracts and unfair trade practices

Government

Communication Channels
- Regular meetings and forums

Topics of Communication
- Issues related to telecommunications regulatory policies, business opportunities, and risks

Media

Communication Channels
- Press briefings
- Press release distribution

Topics of Communication
- Corporate promotion, business introductions and new business strategies, and transparent information disclosure



Shareholders

Communication Channels
- Corporate Day
- Annual General Meeting (held once a year)
- Quarterly earnings announcements and Non-Deal Roadshows (NDRs)

Topics of Communication
- Issues related to stock and dividend fluctuations, business environment changes, performance, and shareholder meetings

Customers

Communication Channels
- T World (online customer center), customer service center
- Social media channels such as blogs and Facebook
- Year-round meetings and events

Topics of Communication
- Inquiries, suggestions, and other feedback regarding products and services

NGOs & Local Communities

Communication Channels
- Semiannual meetings with NGOs

Topics of Communication
- Issues such as consumer complaints, telecom pricing policies, and environmental protection

Industry Associations

Communication Channels
- Regular meetings and seminars with associations
- Ad hoc meetings

Topics of Communication
- Issues including initiative dissemination, climate change, and ICT industry regulations

Communication Status and Key Issues by Stakeholder Group

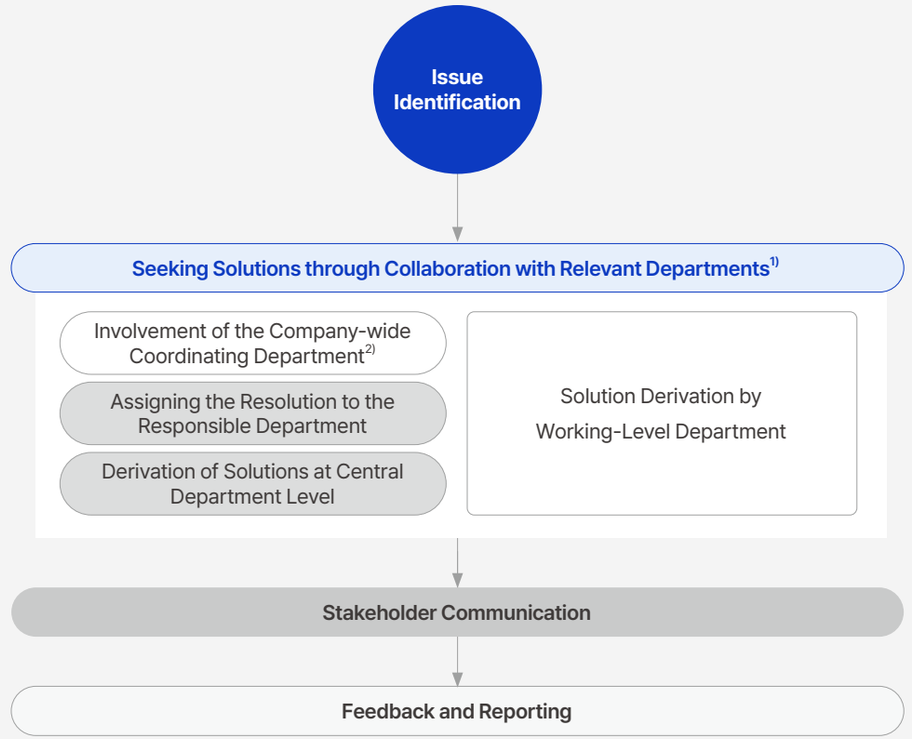
Stakeholder Engagement Program

SK Telecom operates a Stakeholder Engagement Program to enhance management transparency and efficiency and to secure stakeholders' trust. The program applies across SK Telecom's business operations — including overseas subsidiaries, local business sites, and business partners — to all affected stakeholders and local communities. It includes stakeholder impact assessments, stakeholder communication channels, capacity-building support, regular surveys and meetings, and grievance handling and monitoring.

Stakeholder Impact Assessment (Including Local Communities)	To identify the potential impact of corporate activities on local stakeholders, including local communities, and incorporate the findings into its mid- to long-term sustainability and stakeholder engagement strategies, SK Telecom conducts annual stakeholder impact assessments through surveys, interviews, and stakeholder meetings.
Operation of Stake-holder Communication Channels and Engagement	SK Telecom has established clear communication channels based on the characteristics and needs of each stakeholder group to ensure efficient and close engagement. Information received through these channels is promptly relayed to relevant departments for timely response.
Stakeholder Capacity Building	To strengthen stakeholders' capacity to communicate and participate and improve access to information, SK Telecom operates ongoing online and offline engagement and capacity-building channels. Through these channels, the company provides updates on business activities that may affect stakeholders, information on conflicts of interest, and training on available communication channels and methods of participation.
Stakeholder Surveys and Meetings	To gather insights on stakeholders' understanding of the engagement policy and directions for improvement, and to incorporate these into the stakeholder engagement strategy and the company's mid- to long-term sustainability strategy, SK Telecom conducts regular and ad hoc surveys and meetings with diverse stakeholders, including local communities.
Grievance Handling and Monitoring	SK Telecom operates stakeholder complaint and grievance handling processes in areas including business operations, business ethics, customer support, and occupational safety. Submitted matters are handled by the company-wide coordinating function and the responsible departments, and follow-up monitoring is conducted to track material issues that may affect stakeholders.

Stakeholder Engagement Program

Issue Resolution Process



1) Seeking Solutions through Collaboration with Relevant Departments: If the department that first receives an issue determines that it cannot develop a solution at the department level after considering the issue's urgency, significance, potential impact, and available means of resolution, it requests the involvement of the company-wide coordinating function.
2) Involvement of Company-wide Coordinating Department: If the issue can be resolved through additional R&C and delegated authority, resolution is delegated to the responsible department. If a company-wide response is required, the company-wide coordinating function addresses the issue directly.

Financial Statements

Consolidated Financial Statements

Consolidated Statement of Financial Position

(Unit: KRW million)

	42nd	41st	40th
Assets			
Current Assets	6,727,130	7,476,682	6,585,602
Cash and Cash Equivalents	1,490,024	2,023,721	1,454,978
Short-term Financial Instruments	151,426	323,890	294,934
Short-term Investment Securities	35,217	0	0
Trade Receivables	1,918,502	1,989,306	1,978,532
Short-term Loans	69,664	65,205	78,129
Other Receivables	346,326	369,192	344,350
Contract Assets	124,831	90,385	89,934
Accrued Revenue	1,998	4,242	4,295
Advance Payments	26,064	38,656	51,804
Prepaid Expenses	2,135,763	1,945,610	1,953,769
Current Tax Assets	6,217	21	161
Current Derivative Financial Assets	6,945	119,500	8,974
Inventories	167,640	209,783	179,809
Assets Held for Sale	143,489	174,839	10,515
Other Current Assets	103,024	122,332	135,418

(Unit: KRW million)

	42nd	41st	40th
Assets			
Non-Current Assets	23,380,653	23,038,573	23,533,625
Long-term Financial Instruments	370	373	375
Long-term Investment Securities	3,188,572	1,877,922	1,679,384
Investments in Associates and Joint Ventures	2,238,470	2,341,827	1,915,012
Investment Properties	39,841	26,611	34,812
Property, Plant and Equipment	11,902,173	12,617,394	13,006,196
Goodwill	2,072,493	2,072,493	2,075,009
Intangible Assets	1,710,620	2,194,871	2,861,137
Long-term Contract Assets	63,778	46,352	39,837
Long-term Loans	32,184	34,446	30,455
Long-term Other Receivables	164,762	173,252	312,531
Long-term Prepaid Expenses	1,280,751	1,108,406	1,086,107
Guarantee Deposits	167,823	155,875	156,863
Derivative Financial Assets	303,201	221,608	139,560
Deferred Tax Assets	0	0	11,609
Defined Benefit Assets	205,477	154,329	170,737
Other Non-Current Assets	10,138	12,814	14,001
Total Assets	30,107,783	30,515,255	30,119,227

Consolidated Financial Statements

Consolidated Statement of Financial Position

(Unit: KRW million)

	42nd	41st	40th
Liabilities			
Current Liabilities	6,529,775	9,224,278	6,993,980
Trade Payables	110,867	126,508	139,876
Other Payables	1,576,870	2,798,978	1,913,006
Withholdings	1,011,918	928,679	802,506
Contract Liabilities	207,682	168,194	155,576
Accrued Expenses	1,345,998	1,522,750	1,439,786
Current Tax Liabilities	28,482	243,564	142,496
Current Derivative Financial Liabilities	5,782	0	0
Current Provisions	145,953	50,016	38,255
Short-term Borrowings	130,000	100,000	0
Current Portion of Long-term Borrowings and Debentures	1,122,584	2,460,109	1,621,844
Current Portion of Long-term Other Payables	368,572	367,765	367,770
Lease Liabilities	407,959	351,363	372,826
Liabilities Held for Sale	67,108	106,352	39
Non-Current Liabilities	10,622,716	9,463,343	10,896,848
Debentures	7,294,445	6,363,646	7,106,299
Long-term Borrowings	300,000	203,125	315,578
Long-term Other Payables	179,389	539,955	892,683

(Unit: KRW million)

	42nd	41st	40th
Liabilities			
Long-term Accrued Expenses	279	271	956
Long-term Lease Liabilities	1,117,839	1,286,588	1,238,607
Long-term Contract Liabilities	194,261	61,512	56,917
Defined Benefit Liabilities	0	2,086	0
Derivative Financial Liabilities	621	3,437	305,088
Non-Current Provisions	80,094	70,044	83,169
Deferred Tax Liabilities	1,363,191	851,200	832,236
Other Non-Current Liabilities	92,597	81,479	65,315
Total Liabilities	17,152,491	18,687,621	17,890,828
Equity			
Equity Attributable to Owners of the Parent Company	12,863,103	11,698,627	11,389,046
Share Capital	30,493	30,493	30,493
Capital Surplus and Others	-12,131,340	-11,954,936	-11,828,644
Retained Earnings	22,938,268	22,976,127	22,799,981
Reserves	2,025,682	646,943	387,216
Non-controlling Interests	92,189	129,007	839,353
Total Shareholders' Equity	12,955,292	11,827,634	12,228,399
Total Liabilities and Shareholders' Equity	30,107,783	30,515,255	30,119,227

Consolidated Financial Statements

Consolidated Income Statement

(Unit: KRW million)

	42nd	41st	40th
Operating Revenue	17,099,213	17,940,609	17,608,511
Sales	17,099,213	17,940,609	17,608,511
Operating Expenses	16,025,998	16,117,200	15,855,307
Labor Costs	2,711,262	2,725,765	2,488,245
Commissions	5,494,689	5,564,289	5,549,899
Depreciation and Amortization	3,467,134	3,560,374	3,614,766
Network Interconnection	635,085	692,881	678,459
Leased Lines	267,348	265,518	275,477
Advertising	182,669	186,340	235,769
Rent	134,075	136,753	142,356
Cost of Goods Sold	1,269,541	1,326,159	1,266,357
Others	1,864,195	1,659,121	1,603,979
Operating Profit (Loss)	1,073,215	1,823,409	1,753,204
Finance Income	219,358	355,035	248,376
Finance Costs	481,996	605,919	527,401
Gain (Losses) Relating to Investments in Subsidiaries, Associates and Joint Ventures, Net	-63,602	321,787	10,928
Other Non-operating Income	170,434	72,288	50,366
Other Non-operating Expenses	195,148	204,835	47,294
Profit (Loss) Before Income Tax	722,261	1,761,765	1,488,179
Income Tax Expense	347,177	374,670	342,242
Profit (Loss) for the Year	375,084	1,387,095	1,145,937
Attributable to:			
Owners of the Parent Company	408,410	1,250,155	1,093,611
Non-controlling Interests	-33,326	136,940	52,326
Earnings Per Share			
Basic Earnings Per Share (in won)	1,825	5,780	4,954
Diluted Earnings Per Share (in won)	1,825	5,765	4,950

Consolidated Statement of Comprehensive Income

(Unit: KRW million)

	42nd	41st	40th
Profit (Loss) for the Year	375,084	1,387,095	1,145,937
Other Comprehensive Income (Loss)	1,529,834	160,776	-23,967
Items That Will Not Be Reclassified Subsequently to Profit or Loss	1,515,733	-14,652	-16,989
Net Change in Other Comprehensive Income (Loss) of Investments in Associates and Joint Ventures	56,652	0	0
Remeasurement of Defined Benefit Plans	-6,432	-25,905	1,853
Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	1,465,513	11,253	-18,842
Items That Are or May Be Reclassified Subsequently to Profit or Loss	14,101	175,428	-6,978
Net Change in Other Comprehensive Income (Loss) of Investments in Associates and Joint Ventures	-6,416	132,581	9,225
Net Change in Unrealized Fair Value of Derivatives	22,623	-6,573	-17,460
Foreign Currency Translation Differences for Foreign Operations	-2,106	49,420	1,257
Total Comprehensive Income (Loss) for the Year	1,904,918	1,547,871	1,121,970
Total Comprehensive Income (Loss) Attributable to:			
Owners of the Parent Company	1,937,762	1,409,090	1,072,785
Non-controlling Interests	-32,844	138,781	49,185

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

(Unit: KRW million)

	Equity					Non-Controlling Interest	Total Equity
	Controlling Interest of Parent Company						
	Share Capital	Capital Surplus	Retained Earnings	Reserves	Sub-total		
Balance at January 1, 2023	30,493	-11,567,117	22,463,711	391,233	11,318,320	836,876	12,155,196
Total Comprehensive Income (Loss) for the Year	0	0	1,076,802	-4,017	1,072,785	49,185	1,121,970
Profit (Loss) for the Year	0	0	1,093,611	0	1,093,611	52,326	1,145,937
Other Comprehensive Income (Loss)	0	0	-16,809	-4,017	-20,826	-3,141	-23,967
Transactions with Owners	0	-261,527	-740,532	0	-1,002,059	-46,708	-1,048,767
Annual Dividends	0	0	-180,967	0	-180,967	-50,557	-231,524
Interim Dividends	0	0	-542,282	0	-542,282	0	-542,282
Share Option	0	7,157	0	0	7,157	10,463	17,620
Interest on Hybrid Bonds	0	0	-17,283	0	-17,283	0	-17,283
Redemption of Hybrid Bonds	0	-400,000	0	0	-400,000	0	-400,000
Issuance of Hybrid Bonds	0	398,509	0	0	398,509	0	398,509
Increase (Decrease) from Treasury Share Transactions	0	-265,120	0	0	-265,120	0	-265,120
Acquisition and Disposal of Treasury Shares	0	0	0	0	0	0	0
Retirement of Treasury Shares	0	0	0	0	0	0	0
Change in Scope of Consolidation	0	0	0	0	0	0	0
Changes in Ownership in Subsidiaries	0	-2,073	0	0	-2,073	-6,614	-8,687
Balance at December 31, 2023	30,493	-11,828,644	22,799,981	387,216	11,389,046	839,353	12,228,399
Balance at January 1, 2024	30,493	-11,828,644	22,799,981	387,216	11,389,046	839,353	12,228,399
Total Comprehensive Income (Loss) for the Year	0	0	1,149,363	259,727	1,409,090	138,781	1,547,871
Profit (Loss) for the Year	0	0	1,250,155	0	1,250,155	136,940	1,387,095
Other Comprehensive Income (Loss)	0	0	-100,792	259,727	158,935	1,841	160,776
Transactions with Owners	0	-126,292	-973,217	0	-1,099,509	-849,127	-1,948,636
Annual Dividends	0	0	-223,335	0	-223,335	-50,927	-274,262
Interim Dividends	0	0	-530,082	0	-530,082	0	-530,082
Share Option	0	5,173	0	0	5,173	402	5,575
Interest on Hybrid Bonds	0	0	-19,800	0	-19,800	0	-19,800

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

(Unit: KRW million)

	Equity					Non-Controlling Interest	Total Equity
	Controlling Interest of Parent Company						
	Share Capital	Capital Surplus	Retained Earnings	Reserves	Sub-total		
Redemption of Hybrid Bonds							
Issuance of Hybrid Bonds							
Increase (decrease) from treasury share transactions							
Acquisition and Disposal of Treasury Shares	0	9,154	0	0	9,154	0	9,154
Retirement of Treasury Shares	0	200,000	-200,000	0	0	0	0
Change in Scope of Consolidation	0	0	0	0	0	-902	-902
Changes in Ownership in Subsidiaries	0	-340,619	0	0	-340,619	-797,700	-1,138,319
Balance at December 31, 2024	30,493	-11,954,936	22,976,127	646,943	11,698,627	129,007	11,827,634
Balance at January 1, 2025	30,493	-11,954,936	22,976,127	646,943	11,698,627	129,007	11,827,634
Total Comprehensive Income (Loss) for the Year	0	0	559,023	1,378,739	1,937,762	-32,844	1,904,918
Profit (Loss) for the Year	0	0	408,410	0	408,410	-33,326	375,084
Other Comprehensive Income (Loss)	0	0	150,613	1,378,739	1,529,352	482	1,529,834
Transactions with Owners	0	-176,404	-596,882	0	-773,286	-3,974	-777,260
Annual Dividends	0	0	-223,531	0	-223,531	-1,533	-225,064
Interim Dividends	0	0	-353,551	0	-353,551	0	-353,551
Share Option	0	-1,156	0	0	-1,156	0	-1,156
Interest on Hybrid Bonds	0	0	-19,800	0	-19,800	0	-19,800
Redemption of Hybrid Bonds							
Issuance of Hybrid Bonds							
Increase (decrease) from treasury share transactions							
Acquisition and Disposal of Treasury Shares	0	5,303	0	0	5,303	0	5,303
Retirement of Treasury Shares							
Change in Scope of Consolidation							
Changes in Ownership in Subsidiaries	0	-180,551	0	0	-180,551	-2,441	-182,992
Balance at December 31, 2025	30,493	-12,131,340	22,938,268	2,025,682	12,863,103	92,189	12,955,292

Consolidated Financial Statements

Consolidated Statement of Cash Flows

(Unit: KRW million)

	42nd	41st	40th
Cash Flows from Operating Activities	3,923,847	5,087,285	4,947,205
Cash Generated from Operating Activities	4,667,495	5,591,495	5,418,112
Profit (Loss) for the Year	375,084	1,387,095	1,145,937
Adjustments for Income and Expenses	4,436,619	4,313,213	4,546,338
Changes in Assets and Liabilities Related to Operating Activities	-144,208	-108,813	-274,163
Interest Received	52,646	74,787	60,134
Dividends Received	75,537	43,536	50,899
Interest Paid	-371,502	-356,081	-341,488
Income Tax Paid	-500,329	-266,452	-240,452
Cash Flows from Investing Activities	-1,737,109	-2,711,827	-3,352,905
Cash Inflows from Investing Activities	1,384,263	362,262	272,578
Decrease in Short-term Financial Instruments, Net	127,141	0	0
Collection of Short-term Loans	100,801	131,823	136,242
Proceeds from Disposal of Short-term investment Securities	75,664	0	0
Proceeds from Disposals of Long-term Investment Securities	702,184	51,741	100,817
Proceeds from Disposals of Investments in Associates and Joint Ventures	31,540	77,974	4,950
Proceeds from Disposals of Non-current Assets Held for Sale	25,944	13,031	1,353
Proceeds from Disposals of Property and Equipment	240,487	47,078	12,900
Proceeds from Disposals of Intangible Assets	10,137	32,685	4,428
Collection of Long-term Loans	2,915	1,680	1,547
Decrease in Deposits	11,317	5,758	5,922
Cash Inflows from Settlement of Derivatives	5,047	492	1,452
Net Cash Inflow from Disposal of Interests in Consolidated Subsidiaries	51,086	0	0
Government Grants Received	0	0	2,967
Cash Outflows for Investing Activities	-3,121,372	-3,074,089	-3,625,483
Increase in Short-term Financial Instruments, Net	0	26,581	51,421
Increase in Short-term Loans	98,284	110,810	130,041
Increase in Long-term Loans	13,264	14,118	11,602
Acquisition of Short-term Investment Securities	110,000	0	0
Acquisitions of Long-term Investment Securities	39,538	222,568	324,997
Cash Outflows from Settlement of Derivatives	0	112,903	0
Acquisition of Investments in Associates and Joint Ventures	11,672	8,014	17,656
Acquisitions of Property and Equipment	2,206,567	2,487,360	2,973,882
Acquisition of Intangible Assets	116,685	71,856	106,761
Increase in Deposits	18,518	15,525	6,848
Cash Decrease Due to Changes in Consolidation Scope	0	4,354	2,275
Cash Outflow Due to Business Acquisition	506,844	0	0
Cash Flows from Financing Activities	-2,711,763	-1,809,853	-2,020,990
Cash Inflows from Financing Activities	2,258,251	1,552,192	2,416,817
Issuance of Debentures	1,875,300	1,236,475	1,785,108
Proceeds from Long-term Borrowings	300,000	200,000	49,950
Proceeds from Short-term Borrowings, Net	30,000	100,000	0
Cash Inflows from Settlement of Derivatives	52,859	0	183,090
Transactions with Non-controlling Shareholders	92	15,717	160
Issuance of Hybrid Bonds	0	0	398,509
Cash Outflows for Financing Activities	-4,970,014	-3,362,045	-4,437,807
Repayments of Short-term Borrowings, Net	0	0	142,998
Repayments of Long-term Payables - Other	369,150	369,150	400,245
Repayments of Debentures	2,121,501	1,235,750	1,869,190
Repayment of Long-term Borrowings	312,500	402,500	125,000
Payments of Dividends	628,359	804,317	773,806
Interest Paid on Hybrid Bonds	19,800	19,800	17,283
Repayments of Lease Liabilities	372,834	381,347	402,465
Acquisition of Treasury Shares	0	15,788	285,487
Transactions with Non-controlling Shareholders	0	133,393	21,333
Cash Outflow from Consolidated Capital Transactions	1,145,870	0	0
Redemption of Hybrid Bonds	0	0	400,000
Net Increase (Decrease) in Cash and Cash Equivalents	-525,025	565,605	-426,690
Cash and Cash Equivalents at Beginning of the Year	2,023,721	1,454,978	1,882,291
Effects of Exchange Rate Changes on Cash and Cash Equivalents	-4,088	26,124	-623
Cash and Cash Equivalents Included in Assets Held for Sale	-4,584	-22,986	0
Cash and Cash Equivalents at End of the Year	1,490,024	2,023,721	1,454,978

Tax Policy

SK Telecom aims to adhere to both the spirit and letter of tax laws and regulations in the countries where it operates and faithfully fulfills its tax liability stipulated in the applicable laws to contribute to its economic development. Accordingly, SK Telecom has defined the direction of its tax management and compliance principle to reach this goal more effectively.

Tax Management Principles

1	Compliance with Tax Laws	• SK Telecom complies with the spirit and the letter of all applicable tax laws and regulations of each country that pertain to our business operations and faithfully fulfills our responsibilities by accurately estimating the tax liability and timely paying all of the taxes.
2	Tax Authorities Cooperation	• SK Telecom cooperates closely with tax authorities based on mutual trust to strengthen national competitiveness through progressive revision of the tax system and related regulations and procedures. Furthermore, SK Telecom monitors advanced taxation systems at home and abroad and propose amendments to the relevant tax laws to reduce the cost of cooperating with society and strengthen the rationality of the taxation system.
3	Ensuring Transaction Transparency	• SK Telecom fully discloses the tax information to stakeholders as part of the efforts to ensure transaction transparency. SK Telecom also reports the taxes per item stipulated in the applicable tax laws through an independent accounting firm to protect stakeholders by appropriately applying and interpreting the relevant laws.
4	Adherence to the Arm's Length Principle	• SK Telecom applies an appropriate procedure and reasonable price to all related-party transactions. Likewise, SK Telecom sustains the business and investment structure by complying with all relevant tax laws and regulations and the arm's length principles to prevent transfer pricing issues.
5	Fulfillment of International Tax Obligations	• SK Telecom is faithfully fulfilling its tax obligations in international transactions. SK Telecom will not conduct transactions solely for tax avoidance by utilizing taxation structures without commercial substance, such as transferring profits to countries with low tax rates or operating in a tax haven.

Compliance Principles

1	Risk Management	• SK Telecom identifies compliance with tax-related laws and principles as the top priority of tax risk management to prevent tax risks that may arise from business activities. To manage tax risks, SK Telecom establishes and amends the tax policy based on the review and approval of the ESG Committee under the Board of Directors, and policy adjustment is disclosed in its sustainability report.
2	Management Organization	• SK Telecom has a tax department within its organization which monitors and prevents any tax compliance risks that can arise in the process of business pursuit. The tax management department assesses and manages all types of tax risks, and fully mobilizes both internal and external expertise and resources to ensure compliance.
3	Processes	• For compliance within rigorous tax risk assessment and management both home and abroad, SK Telecom has introduced a tax compliance process as the following: - Document and file all tax report data, supporting evidence, major tax management data - Incorporate all the revisions of tax laws into the tax compliance scheme and implement the changes - Monitor risks by analyzing internal/external business environment, business structures and transactions - Analyze financial/non-financial impact of risks - Collect experts' opinions on material issues when necessary and make the final decision based on them

Effective Tax Rate

In 2025, SK Telecom's consolidated earnings before tax was KRW 722.3 billion, with a nominal tax charge of KRW 172.8 billion, resulting in a nominal tax rate of 23.92%. The income tax expenses was KRW 347.2 billion, resulting in an effective tax rate of 48.07%. The effective tax rate in 2025 was 24.15%p higher than the nominal tax rate, the main reasons for which include the effects stemming from tax-exempt income, nondeductible expenses, and tax deductions and exemptions. This result is also attributable to changes in deferred income tax that are not feasible, additional corporate tax assessed in past, and the effect of tax rate fluctuations.

Category	Unit	2023	2024	2025
Earnings Before Tax	KRW million	1,488,179	1,761,765	722,261
Nominal Taxes		382,517	450,819	172,771
Adjustments		-40,275	-76,149	174,406
Income Tax Expenses		342,242	374,670	347,177
Effective Tax Rate	%	23	21.27	48.07
Cash Tax Paid	KRW million	231,667	266,611	121,764
Cash Tax Rate (Cash Tax Paid / Earnings Before Tax)	%	15.57	15.13	16.86

Adjustments	Unit	2023	2024	2025
Tax Exempt Income	KRW million	-3,091	-9,843	-10,095
Non-Deductible Payment		15,725	15,216	64,361
Tax Deductions and Exemptions		-64,829	-26,204	-26,708
Changes in Deferred Corporate Tax That Cannot Be Made		14,354	-37,958	-12,997
Effects of Changes in Tax Rates		3,444	980	48,064
Refund of Corporate Tax in Past, etc.		-5,878	-18,340	111,781

Tax Information by Business Location[1]

(Unit: KRW million)

Region	Operator Name	Major Business	Revenue	Profit before Income Tax	Income Tax Accrued (Current Year)	Income Tax Paid[3]
Korea[2]	SK Telecom Co. Ltd	Fixed and Mobile Telecommunication Business	17,083,928	729,267	28,437	347,034
USA	SK Telecom Americas, Inc.	Information Collection and Consulting Business	12,945	-7418	-	35
China	SK Telecom China Holdings Co., Ltd.	Investment Business	2,340	412	45	108
Total			17,099,213	722,261	28,482	347,177

1) According to SK Telecom's 2025 annual business report, 99.9% of revenue was generated in Korea, with the remaining 0.1% from other countries (USA, China, etc.)
2) Includes SK Telecom Co., Ltd. (Headquarters) and all domestic subsidiaries
3) Income tax paid according to K-IFRS

Internal Accounting Control System[4]

SK Telecom, listed in Korea and the United States, is subject to the internal accounting provisions of Korea's Act on External Audit of Stock Companies and the US Sarbanes-Oxley Act (SOX Act). It secures the reliability of its separate and consolidated financial statements by operating an internal accounting control system for each area that takes into account the size of SK Telecom and its major consolidated subsidiaries. The company's management, external auditors, and the audit committee independently assess the adequacy of the internal control system and report and disclose the results.

- SK Telecom's management annually conducts self-assessments through design evaluations to improve the internal accounting control system and reports the results to the audit committee, the board of directors, and the shareholders' meeting.
- External auditors perform independent verification audits on SK Telecom's internal accounting control system and report to the audit committee.
- The audit committee independently assesses and decides on the operational status of SK Telecom's internal accounting and reports the results to the board of directors.

To practically operate the internal accounting control system, SK Telecom has divided it into three areas: Entity Level Control (ELC), Transaction Level Control (TLC), and Information Technology General Control (ITGC). It maintains a Risk Control Matrix (RCM) that describes methods to identify potential risks in each area and manage and evaluate control activities. This Risk Control Matrix is updated annually to reflect changes in the external environment and business operations, serving as a benchmark for management's self-assessment. Management's self-assessment is conducted through design evaluations and bi-annual operational evaluations. Any deficiencies identified during the self-assessment and auditing processes are rectified in collaboration with the dedicated internal accounting evaluation department and external auditors.

4) SK Telecom operates a separate "Dedicated Organization for the Management and Evaluation of Internal Accounting Control System" and "Independent Support Organization of the Audit Committee"

Financial Statements (Separate)

Statement of Financial Position

(Unit: KRW million)

	42nd	41st	40th
Assets			
Current Assets	4,932,557	5,242,405	4,703,844
Cash and Cash Equivalents	771,861	1,165,158	631,066
Short-term Financial Instruments	89,155	79,000	186,364
Accounts Receivable - Trade	1,469,426	1,508,893	1,495,617
Short-term Loans	60,122	55,577	68,806
Accounts Receivable - Other	393,136	390,243	343,036
Accrued Revenue	1,089	2,243	2,643
Contract Assets	5,958	5,275	9,228
Advance Payment	20,400	34,553	37,863
Prepaid Expenses	1,997,049	1,802,742	1,828,646
Security Deposit	58,513	67,521	72,479
Current Tax Assets	8,827	0	0
Derivative Financial Assets	0	80,650	0
Inventories, Net	16,940	38,982	28,096
Assets Held for Sale	40,081	11,568	0

(Unit: KRW million)

	42nd	41st	40th
Assets			
Non-Current Assets	20,216,179	19,343,221	20,292,088
Long-term Financial Instruments	354	354	354
Long-term Investment Securities	2,396,996	1,418,465	1,426,290
Investments in Subsidiaries and Associates	5,892,726	4,899,558	4,670,568
Property, Plant and Equipment	7,680,504	8,515,225	9,076,459
Investment Property	47,287	35,462	46,080
Goodwill	1,306,236	1,306,236	1,306,236
Intangible Assets	1,230,202	1,683,018	2,250,829
Long-term Loans	363	490	119
Long-term Accounts Receivable	235,980	239,008	308,868
Long-term Contract Assets	11,363	13,301	12,385
Long-term Prepaid Expenses	1,065,238	894,226	898,754
Long-term Guarantee Deposits	92,213	85,939	91,220
Long-term Derivative Financial Assets	156,256	148,172	118,533
Defined Benefit Assets	100,212	103,518	85,144
Other Non-current Assets	249	249	249
Total Assets	25,148,736	24,585,626	24,995,932

Financial Statements (Separate)

Statement of Financial Position

(Unit: KRW million)

	42nd	41st	40th
Liabilities			
Current Liabilities	5,070,242	6,240,886	5,505,470
Short-term Borrowings	130,000	0	0
Other Payables	1,527,175	1,543,989	1,794,997
Contract Liabilities	108,613	76,682	59,814
Withholdings	773,970	717,547	608,352
Accrued Expenses	792,458	996,204	911,460
Current Tax Liabilities	0	172,008	133,543
Short-term Provisions	137,750	40,710	31,313
Current Bonds and Long-term Borrowings	864,696	1,930,070	1,249,516
Lease Liabilities	354,906	308,141	341,075
Current Portion of Long-term Other Payables	368,572	367,765	367,770
Short-term Derivative Financial Liabilities	581	78,467	0
Other Current Liabilities	11,521	9,303	7,630

(Unit: KRW million)

	42nd	41st	40th
Liabilities			
Non-Current Liabilities	8,087,444	7,383,886	9,054,369
Debentures	5,416,644	4,955,124	5,807,423
Long-term Borrowings	300,000	200,000	250,000
Long-term Other Payables	179,389	539,955	892,683
Long-term Contract Liabilities	1,699	1,528	4,398
Derivative Financial Liabilities	621	3,437	295,876
Long-term Lease Liabilities	782,702	850,311	885,470
Non-current Provisions	69,517	60,395	69,791
Deferred Tax Liabilities	1,277,326	717,278	801,995
Other Non-current Liabilities	59,546	55,858	46,733
Total Liabilities	13,157,686	13,624,772	14,559,839
Equity			
Share Capital	30,493	30,493	30,493
Capital Surplus and Others	-4,547,673	-4,551,820	-4,766,147
Retained Earnings	15,199,915	15,273,451	15,032,473
Reserves	1,308,315	208,730	139,274
Total Shareholders' Equity	11,991,050	10,960,854	10,436,093
Total Liabilities and Shareholders' Equity	25,148,736	24,585,626	24,995,932

Financial Statements (Separate)

Income Statement

(Unit: KRW million)

	42nd	41st	40th
Operating Revenue	12,051,068	12,774,060	12,589,220
Sales	12,051,068	12,774,060	12,589,220
Operating Expense	11,239,226	11,250,885	11,133,350
Labor Costs	1,102,748	1,139,968	943,924
Commissions	4,807,803	4,773,925	4,831,879
Depreciation and Amortization	2,510,464	2,645,850	2,698,436
Network Interconnection	405,834	463,783	490,114
Leased Lines	193,454	193,896	189,059
Advertising	124,709	136,723	174,403
Rent	127,268	122,499	127,182
Cost of Goods Sold	607,219	600,190	548,155
Other Operating Expense	1,359,727	1,174,051	1,130,198
Operating Income (Loss)	811,842	1,523,175	1,455,870
Finance Income	307,372	513,884	342,646
Finance Cost	372,807	485,535	441,390
Other Non-operating Income	152,505	51,855	40,844
Other Non-operating Expense	170,266	141,478	24,019
Gain (Loss) Related to Investments in Subsidiaries, Associates and Joint Ventures	7,852	15,183	-19,012
Profit Before Income Tax	736,498	1,477,084	1,354,939
Corporate Tax	325,703	196,600	295,189
Net Profit for the Term	410,795	1,280,484	1,059,750
Earnings Per Share			
Basic Earnings Per Share (in won)	1,836	5,923	4,798
Diluted Earnings Per Share (in won)	1,836	5,907	4,794

Statement of Comprehensive Income

(Unit: KRW million)

	42nd	41st	40th
Net Profit for the Term	410,795	1,280,484	1,059,750
Other Comprehensive Income (Loss)	1,212,136	3,167	-7,053
Items That Will Not Be Reclassified Subsequently to Profit or Loss	1,199,691	7,888	4,435
Remeasurement of Defined Benefit Plans	-22,748	-5,771	43,656
Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	1,222,439	13,659	-39,221
Items That Are or May Be Reclassified Subsequently to Profit or Loss	12,445	-4,721	-11,488
Net Change in Unrealized Fair Value of Derivatives	12,445	-4,721	-11,488
Total Comprehensive Income (Loss) for the Term	1,622,931	1,283,651	1,052,697

Financial Statements (Separate)

Statement of Changes in Equity

(Unit: KRW million)

	Equity									
	Share Capital	Other Paid-in Capital						Retained Earnings	Reserves	Total Equity
		Capital in Excess of Par Value	Treasury Stock	Hybrid	Share Option	Others	Total			
Balance at January 1, 2023	30,493	1,771,000	-36,702	398,759	2,061	-6,641,811	-4,506,693	14,691,461	168,121	10,383,382
Total Comprehensive Income (Loss) for the Year	0	0	0	0	0	0	0	1,081,544	-28,847	1,052,697
Profit (Loss) for the Year	0	0	0	0	0	0	0	1,059,750	0	1,059,750
Other Comprehensive Income (Loss)	0	0	0	0	0	0	0	21,794	-28,847	-7,053
Transactions with Owners	0	0	-265,279	-250	7,757	-1,682	-259,454	-740,532	0	-999,986
Annual Dividends	0	0	0	0	0	0	0	-180,967	0	-180,967
Interim Dividends	0	0	0	0	0	0	0	-542,282	0	-542,282
Share Option	0	0	0	0	7,757	-600	7,157	0	0	7,157
Interest on Hybrid Bonds	0	0	0	0	0	0	0	-17,283	0	-17,283
Redemption of Hybrid Bonds	0	0	0	-398,759	0	-1,241	-400,000	0	0	-400,000
Issuance of Hybrid Bonds	0	0	0	398,509	0	0	398,509	0	0	398,509
Increase (Decrease) from Treasury Share Transactions	0	0	-265,279	0	0	159	-265,120	0	0	-265,120
Acquisition and Disposal of Treasury Shares	0	0	0	0	0	0	0	0	0	0
Balance at December 31, 2023	30,493	1,771,000	-301,981	398,509	9,818	-6,643,493	-4,766,147	15,032,473	139,274	10,436,093
Balance at January 1, 2024	30,493	1,771,000	-301,981	398,509	9,818	-6,643,493	-4,766,147	15,032,473	139,274	10,436,093
Total Comprehensive Income (Loss) for the Year	0	0	0	0	0	0	0	1,214,195	69,456	1,283,651
Profit (Loss) for the Year	0	0	0	0	0	0	0	1,280,484	0	1,280,484
Other Comprehensive Income (Loss)	0	0	0	0	0	0	0	-66,289	69,456	3,167
Transactions with Owners	0	0	209,019	0	4,680	628	214,327	-973,217	0	-758,890
Annual Dividends	0	0	0	0	0	0	0	-223,335	0	-223,335
Interim Dividends	0	0	0	0	0	0	0	-530,082	0	-530,082
Share Option	0	0	0	0	4,680	493	5,173	0	0	5,173
Interest on Hybrid Bonds	0	0	0	0	0	0	0	-19,800	0	-19,800
Redemption of Hybrid Bonds	0	0	0	0	0	0	0	0	0	0

Financial Statements (Separate)

Statement of Changes in Equity

(Unit: KRW million)

	Equity									
	Share Capital	Other Paid-in Capital						Retained Earnings	Reserves	Total Equity
		Capital in Excess of Par Value	Treasury Stock	Hybrid	Share Option	Others	Total			
Issuance of Hybrid Bonds	0	0	0	0	0	0	0	0	0	0
Acquisition and Disposal of Treasury Shares	0	0	9,019	0	0	135	9,154	0	0	9,154
Retirement of Treasury Shares	0	0	200,000	0	0	0	200,000	-200,000	0	0
Balance at December 31, 2024	30,493	1,771,000	-92,962	398,509	14,498	-6,642,865	-4,551,820	15,273,451	208,730	10,960,854
Balance at January 1, 2025	30,493	1,771,000	-92,962	398,509	14,498	-6,642,865	-4,551,820	15,273,451	208,730	10,960,854
Total Comprehensive Income (Loss) for the Term	0	0	0	0	0	0	0	523,346	1,099,585	1,622,931
Net Profit for the Term	0	0	0	0	0	0	0	410,795	0	410,795
Other Comprehensive Income (Loss)	0	0	0	0	0	0	0	112,551	1,099,585	1,212,136
Transactions with Owners Recognized Directly in Equity	0	0	4,429	0	13	-295	4,147	-596,882	0	-592,735
Annual Dividends	0	0	0	0	0	0	0	-223,531	0	-223,531
Interim Dividends	0	0	0	0	0	0	0	-353,551	0	-353,551
Share Option	0	0	0	0	13	-1,169	-1,156	0	0	-1,156
Interest on Hybrid Bonds	0	0	0	0	0	0	0	-19,800	0	-19,800
Redemption of Hybrid Bonds	0	0	0	0	0	0	0	0	0	0
Issuance of Hybrid Bonds	0	0	0	0	0	0	0	0	0	0
Acquisition and Disposal of Treasury Shares	0	0	4,429	0	0	874	5,303	0	0	5,303
Retirement of Treasury Shares	0	0	0	0	0	0	0	0	0	0
Balance at December 31, 2025	30,493	1,771,000	-88,533	398,509	14,511	-6,643,160	-4,547,673	15,199,915	1,308,315	11,991,050

Financial Statements (Separate)

Statement of Cash Flows

(Unit: KRW million)

	42nd	41st	40th
Cash Flows from Operating Activities	2,753,008	4,188,933	4,008,340
Cash Generated from Operating Activities	3,149,620	4,473,471	4,245,570
Net Profit for the Term	410,795	1,280,484	1,059,750
Adjustments for Income and Expenses	3,107,322	3,093,252	3,334,194
Changes in Assets and Liabilities Related to Operating Activities	-368,497	99,735	-148,374
Interest Received	27,661	36,833	32,673
Dividends Received	240,015	216,886	208,026
Interest Paid	-281,519	-293,944	-283,654
Income Tax Paid	-382,769	-244,313	-194,275
Cash Flows from Investing Activities	-1,553,583	-1,802,028	-2,371,006
Cash Inflows from Investing Activities	1,056,273	415,759	185,310
Decrease in Short-term Financial Instruments	0	109,738	0
Collection of Short-term Loans	90,387	121,314	126,398
Proceeds from Disposals of Long-term Investment Securities	650,145	36,171	17,939
Proceeds from Disposal of Investments in Associates and Joint Ventures	37,268	80,691	26,819
Disposal of Non-current Assets Held for Sale	34,389	0	0
Proceeds from Disposals of Property and Equipment	236,842	43,052	9,731
Proceeds from Disposals of Intangible Assets	7,242	24,793	4,423
Cash Outflows for Investing Activities	-2,609,856	-2,217,787	-2,556,316
Increase in Short-term Financial Instruments	10,155	0	11,115
Increase in Short-term Loans	94,850	108,326	125,072
Acquisitions of Long-term Investment Securities	500	1,145	284,509
Cash Outflows from Settlement of Derivatives	78,467	112,903	0
Acquisition of Investments in Associates and Joint Ventures	1,081,986	285,604	90,355
Acquisition of Property and Equipment	1,260,722	1,676,884	1,977,806
Acquisition of Intangible Assets	83,176	32,925	67,459

	42nd	41st	40th
Cash Flows from Financing Activities	-1,592,813	-1,852,974	-2,223,771
Cash Inflows from Financing Activities	1,599,126	897,143	1,465,694
Proceeds from Short-term Borrowings	130,000	0	0
Proceeds from Long-term Borrowings	300,000	200,000	0
Issuance of Debentures	1,116,267	697,143	941,185
Cash Inflows Due to Transaction of Derivative Products	52,859	0	126,000
Issuance of Hybrid Bonds	0	0	398,509
Cash Outflows from Financing Activities	-3,191,939	-2,750,117	-3,689,465
Repayment of Short-term Borrowings	0	0	100,000
Repayment of Long-term Borrowings	250,000	390,000	100,000
Repayments of Long-term Payables	369,150	369,150	400,245
Repayments of Debentures	1,654,420	860,000	1,309,000
Payments of Dividends	577,054	753,390	723,215
Redemption of Hybrid Bonds	0	0	400,000
Interest Paid on Hybrid Bonds	19,800	19,800	17,283
Repayments of Lease Liabilities	321,515	341,989	354,235
Repurchase of Treasury Stock	0	15,788	285,487
Net Increase (Decrease) in Cash and Cash Equivalents	-393,388	533,931	-586,437
Cash and Cash Equivalents at Beginning of the Year	1,165,158	631,066	1,217,504
Effects of Exchange Rate Changes on Cash and Cash Equivalents	91	161	-1
Cash and Cash Equivalents at End of the Year	771,861	1,165,158	631,066

Independent Auditors' Report

Based on a report originally issued in Korean

The Shareholders and Board of Directors

SK Telecom Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of SK Telecom Co., Ltd. and its subsidiaries (the "Group") which comprise the consolidated statement of financial position as of December 31, 2025, and the consolidated statements of income, comprehensive income, changes in equity and cash flow for the year then ended, and notes, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025, and its consolidated financial performance and its consolidated cash flow for the year then ended in accordance with Korean International Financial Reporting Standards ("K-IFRS").

We also have audited, in accordance with Korean Standards on Auditing ("KSAs"), the Group's Internal Control over Financial Reporting ("ICFR") for consolidation purposes as of December 31, 2025 based on the criteria established in Conceptual Framework for Designing and Operating Internal Control over Financial Reporting issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea, and our report dated March 10, 2026 expressed an unmodified opinion on the effectiveness of the Group's ICFR for consolidation purposes.

Basis for Opinion

We conducted our audit in accordance with KSAs. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements as of and for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Existence and Accuracy of Wireless Service Revenue

As described in Notes 3 (21) and 4 to the consolidated financial statements, the Group provides a wide range of telecommunications services with a broad and complex set of rate plans and frequent subscriber activities, such as activations, cancellations and plan changes. Revenue is initiated, processed, measured and recognized through multiple complex information technology (IT) systems involving subscriber activation and cancellation, rate plan changes, usage rating, billing and related interfaces. Because of the significant reliance on complex, interdependent IT systems and the high transaction volume, errors arising from system changes or system operation could have a significant impact on the consolidated financial statements. Accordingly, we identified the existence and accuracy of wireless service revenue as a key audit matter. The related revenue recognized for 2025 amounted to ₩9,715,601 million.

The primary procedures we performed to address this key audit matter included:

- Inspecting key terms of subscriber contracts to assess whether the Group's revenue recognition policies comply with the requirements of K-IFRS No. 1115 Revenue from Contracts with Customers.
- Assessing the IT environment, systems and related processes supporting revenue recognition, including usage aggregation; rating; and billing, and testing the designs and operating effectiveness of relevant internal controls associated with the Group's revenue recognition.
- Selecting samples of customer billing data for customers with cancellation activity during 2025, and comparing billed amounts to contract terms, rating data, and cash collections.

Independent Auditors' Report

Impairment Assessment of Goodwill Allocated to the Fixed-Line Telecommunication Services Cash Generating Unit ("CGU")

As described in Notes 3(10) and 15 to the consolidated financial statements, the Group performs an annual impairment assessment of goodwill regardless of whether indicators of impairment exist. As of December 31, 2025, goodwill allocated to the fixed-line telecommunication services CGU amounted to ₩764,082 million.

Management estimated the recoverable amount of the CGU using a value-in-use ("VIU") model based on discounted future cash flows. This assessment involves significant management judgment regarding projected operating revenue and perpetual growth rate in estimating future cash flows, and in selecting discount rate. These key assumptions involve uncertainty and could significantly affect the outcome of the impairment assessment. Accordingly, we identified this impairment assessment as a key audit matter.

The primary procedures we performed to address this key audit matter included:

- Evaluating the design and testing the operating effectiveness of internal controls related to impairment analysis. This includes controls related to the development of projected operating revenue, perpetual growth rate, and discount rate assumption.
- Performing sensitivity analysis on discount rate and perpetual growth rate to assess the impact of changes in these assumptions on the Group's determination of the VIU of the fixed-line telecommunication services CGU.
- Assessing projected operating revenue by comparing with the financial budget approved by the Group. We also compared the forecasted operating revenue in prior years with the actual results to assess the Group's ability to accurately forecast.
- Involving our valuation professionals with specialized skills and knowledge, who assisted in evaluating projected operating revenue and perpetual growth rate by comparing them with telecommunication industry reports as well as the Group's historical performance and evaluating the discount rate by comparing it with a discount rate that was independently developed using publicly available market data for comparable entities.

Other Matters

The consolidated financial statements of the Group as of and for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on March 10, 2025.
The procedures and practices utilized in the Republic of Korea to audit and such consolidated financial statements may differ from those generally accepted and applied in other countries.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with KSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditors' Report

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used in the preparation of the consolidated financial statements and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is In Hye Kang.

KPMG Samjong Accounting Corp.
Seoul, Korea
March 10, 2026

KPMG Samjong Accounting Corp.

This report is effective as of March 10, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

Non-Financial Data

Non-Financial Management Discussion & Analysis

Reporting Standards and Principles for Non-Financial Statements

This Non-Financial Management Discussion & Analysis (MD&A) has been prepared to provide management's analysis commentary on key performance across non-financial dimensions — including human, social, and environmental capital — for the reporting period from January 1 to December 31, 2025. This Non-Financial MD&A applies the following international reporting standards and principles.

1. GRI Standards, the sustainability reporting standards of the Global Reporting Initiative (GRI)

GRI provides information on reporting topics and disclosures so that stakeholders can recognize an organization's performance from internationally recognized economic, social, and environmental perspectives. GRI requires reporting topics to be determined according to their impact on stakeholders and their relevance to each of the organization's economic, social, and environmental dimensions. In particular, it calls for a Double Materiality Assessment that considers not only how external environmental and social factors affect a company's financial value but also how the company's management activities affect the environment and society. For the Double Materiality Assessment in accordance with GRI requirements, please refer to p.175–176.

2. AccountAbility's AA1000 Series

The AA1000 series provides a framework and principles for identifying, prioritizing, and responding to sustainability issues relevant to an organization. The sustainability information disclosed in this report has been independently assured in accordance with the AA1000 Assurance Standard v3 (AA1000AS v3). Please refer to the independent assurance statement on p.215–217.

Reference Standards and Frameworks

1. UNGC COP

UN Global Compact Communication on Progress (CoP). A reporting mechanism through which participating companies disclose their progress in implementing the UN Global Compact's Ten Principles.

2. ISO 26000

An international standard providing guidance on social responsibility, published by the International Organization for Standardization (ISO) in November 2010.

3. CDSB Reporting Framework

A carbon disclosure framework released in September 2010 by the Climate Disclosure Standards Board (CDSB), which standardizes the reporting of climate-related information.

4. SASB Standard for the Telecommunication Services Industry

Industry-specific sustainability disclosure topics and metrics for the telecommunication services industry, published in April 2014 by the Sustainability Accounting Standards Board (SASB).

5. TCFD

Task Force on Climate-related Financial Disclosures. A task force focused on the disclosure of climate-related financial risks and opportunities.

Data Scope

Unless otherwise stated, the non-financial information presented in this Non-Financial Management Discussion & Analysis is calculated within the scope of "SK Telecom", excluding subsidiaries and the supply chain. More than 99% of SK Telecom's revenue is generated in the Republic of Korea, so the included data coverage satisfies a threshold of 99%+ against revenue. This scope is consistent with the revenue scope of SK Telecom, the parent company, as presented in its separate financial statements under K-IFRS. Environmental data — including energy, greenhouse gas emissions (Scopes 1, 2 and 3), waste, and water — and social data — including employment, training and development, and social contribution — cover SK Telecom's 27 major business sites, including network infrastructure such as base stations, repeaters, and core network facilities.

Social Value Creation

Based on SKMS (SK Management System), SK Group's management philosophy, SK Telecom pursues a Double Bottom Line (DBL) management approach that seeks to create economic and social value simultaneously. Since 2018, the company has measured the monetary value of its social-value creation performance in accordance with SK Group's Social Value (SV) measurement methodology to manage DBL performance systematically. The measurement covers social value created across corporate activities including product development, operations and production, sales, workforce management, collaboration with business partners, and CSR programs, and categorizes the results into three areas — Indirect Economic Contribution, Environmental Performance, and Social Performance — to enhance reliability.

In 2025, SK Telecom generated KRW 2.4685 trillion in social value, a decrease of KRW 622.2 billion from 2024. The decrease was attributable to lower Indirect Economic Contribution amid the 2025 operating environment.

SV Measurement Areas[1)]

Indirect Economic Contribution

The value contributed indirectly to the economy through corporate activities

- Employment: Salaries, welfare benefits, etc.
- Dividends: Dividend amounts distributed to shareholders
- Taxes: National and local taxes

Environmental Performance

Products and Services

- The positive environmental impact created through the development, production, and sale of eco-friendly products and services (e.g., reduction of pollutant emissions, resource conservation, etc.)

Environmental Impact from Production Processes

- The negative environmental impact associated with product and production processes (e.g., greenhouse gases, pollutant emissions, etc.)

Social Performance

Products and Services

- Value derived from enhancing the quality of life for consumers through the provision of products and services

Labor and Shared Growth

- Value from improving labor conditions and shared growth activities

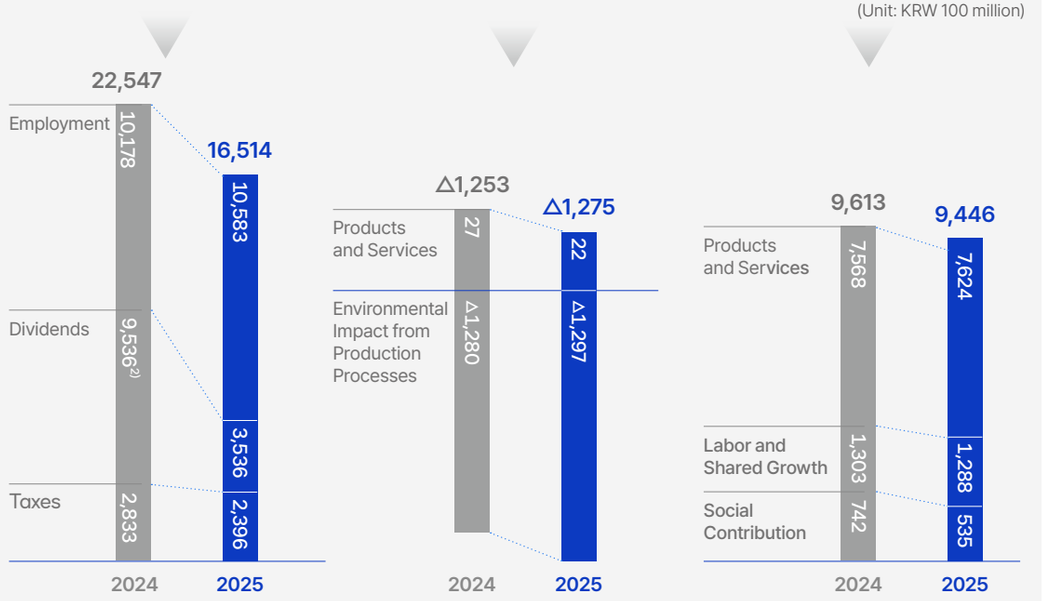
Social Contribution

- Value created through donations, community engagement programs, and other CSR activities

1) Governance indicators are scheduled to be disclosed as non-monetary performance indicators (e.g., stock exchange disclosures and key ESG indicators).

Indirect Economic Contribution	Environmental Performance	Social Performance
KRW 1,651.4 billion Down 26.8% year on year (△KRW 603.3 billion)	- KRW 127.5 billion Down 1.8% year on year (△KRW 2.2 billion)	KRW 944.6 billion Down 1.7% year on year (△KRW 16.7 billion)

(Unit: KRW 100 million)



2) Change in 2024 performance: KRW 200 billion in treasury-share cancellations was reflected under "Dividends."

Social Value Creation

Social Value Measurement Results

(Unit: KRW 100 million)

		2024	2025	Change
Indirect Economic Contribution	Employment	10,178	10,583	405
	Dividends	9,536	3,536	-6,001
	Taxes	2,833	2,396	-437
	Subtotal	**22,547**	**16,514**	**-6,033**
Environmental Performance	Product and Services	27	22	-5
	Environmental Impact from Production Processes (Total)	-1,280	-1,297	-18
	Subtotal	**-1,253**	**-1,275**	**-22**
Social Performance	Product and Services	7,568	7,624	56
	Labor	341	507	166
	Shared Growth	962	780	-182
	Social Contributions	609	392	-217
	Donations	133	142	10
	Volunteering	0.4	0.3	-0.1
	Subtotal	**9,613**	**9,446**	**-167**
Total		**30,907**	**24,685**	**-6,222**

Performance by Measurement Area

Indirect Economic Contribution

Indirect Economic Contribution totaled KRW 1.6514 trillion, down KRW 603.3 billion year on year, reflecting lower dividends and taxes amid the 2025 operating environment.

Environmental Performance

Environmental Performance was –KRW 127.5 billion, down KRW 2.2 billion year on year. Despite ongoing infrastructure investment to meet market demand, SK Telecom is working to improve environmental performance from its operating processes through the integration and upgrade of 3G and LTE network equipment using Single-RAN technology, AI-based network design, and energy-efficient cooling and low-power design.

Social Performance

Social Performance totaled KRW 944.6 billion, down KRW 16.7 billion year on year. The decline reflected lower performance in Shared Growth and Social Contribution Activities amid changes in the 2025 operating environment.

Social Value Measurement Case

① Blocking Fraudulent Roaming Calls (Preventing Harm from Voice-Phishing Fraud)

When an overseas criminal organization attempts to place an international roaming call using a spoofed caller ID that matches the number of a family member or acquaintance, SK Telecom identifies the call as potentially fraudulent if the legitimate subscriber is located in Korea and blocks the voice call. This function helps prevent customer harm from voice-phishing fraud.

② CareVia (Reducing Caregiver Burden in Supporting People with Developmental Disabilities through Vision AI)

CareVia uses AI to analyze challenging behaviors captured in CCTV footage at care centers, enabling remote behavioral-intervention specialists to provide individualized guidance on appropriate responses and mitigation interventions.

Environmental Data

GHG Emissions — Location-Based Scope 2 Method[1)]

Category	Unit	2022	2023	2024	2025	2025 target
Total GHG Emissions	tCO_2e	1,101,340	1,149,240	1,166,518	1,173,904	1,360,099
Direct GHG Emissions (Scope 1)		6,394	6,063	5,923	5,940	6,254
Stationary Combustion		4,448	4,143	4,352	4,509	
Mobile Combustion		1,947	1,920	1,571	1,431	
Indirect GHG Emissions (Scope 2)		1,094,967	1,143,195	1,160,614	1,167,979	1,353,845
Electricity (location-based)		1,094,388	1,142,609	1,160,016	1,167,347	
Steam		579	586	598	632	
GHG Intensity[2)]	tCO_2e per KRW billion of stand-alone revenue	88.7	91.3	91.3	97.4	
Direct		0.5	0.5	0.5	0.5	
Indirect		88.2	90.8	90.9	96.9	

1) Location-based Scope 2 emissions were calculated in accordance with the Guidelines for Reporting and Certification of GHG Emissions under the Korea Emissions Trading Scheme (Ministry of Environment Notice No. 2025-64). See the GHG Emissions Verification Statement on p.221.
2) GHG intensity is calculated based on GHG emissions per KRW billion of stand-alone revenue.

GHG Emissions — Market-Based Scope 2 Method[1)]

Category	Unit	2022	2023	2024	2025	2025 target
Total GHG Emissions	tCO_2e	1,046,153	1,053,142	1,059,935	1,043,431	1,052,000
Direct GHG Emissions (Scope 1)		6,394	6,063	5,923	5,940	6,254
Indirect GHG Emissions (Scope 2)		1,039,780	1,047,097	1,054,031	1,037,506	1,045,746
GHG Intensity[2)]	tCO_2e per KRW billion of stand-alone revenue	84.3	83.7	83.0	86.6	

1) Market-based Scope 2 emissions were calculated in accordance with the GHG Protocol, reflecting renewable electricity procured through the Green Premium program in 2025. See the GHG Emissions Verification Statement on p.221.
2) GHG intensity is calculated based on GHG emissions per KRW billion of stand-alone revenue.
* Totals may differ from the sum of Scope and energy-source components because values are truncated at the facility level before aggregation under the government methodology.
** Calculations follow the methodology prescribed in the Guidelines for Reporting and Certification of GHG Emissions under the Emissions Trading Scheme.

Energy Consumption (TJ)

Category	Unit	2022	2023	2024	2025	2025 target
Total Energy Consumption	TJ	22,995.3	23,997.3	24,379.4	24,512.0	28,247.2
Direct Energy Consumption		111.1	104.8	102.8	104.5	
Natural Gas		64.9	58.7	60.2	65.3	
Diesel		5.4	4.7	8.9	6.5	
Kerosene (Heating)		11.9	11.5	9.1	9.3	
Jet Fuel		5.0	4.0	3.4	2.7	
Gasoline		22.0	23.2	19.3	18.0	
LPG		1.9	2.8	1.9	2.6	
Indirect Energy Consumption		22,884.2	23,892.6	24,276.6	24,429.0	
Electricity		22,868.7	23,876.3	24,259.6	24,411.5	
Steam		15.5	16.3	17.0	17.4	
Energy Intensity[1)]	TJ per KRW billion of stand-alone revenue	1.85	1.91	1.91	2.04	
Direct		0.01	0.01	0.01	0.01	
Indirect		1.84	1.9	1.9	2.03	

1) Energy intensity is calculated based on energy consumption per KRW 1 billion of stand-alone revenue.

Environmental Data

Energy Consumption (MWh)

Category	Unit	2022	2023	2024	2025	2025 target
Total Energy Consumption	MWh	2,420,773	2,526,147	2,563,710	2,580,406	2,985,033
Direct[1]		30,853	29,102	28,559	29,027	
Indirect Electricity[2]		2,385,616	2,492,531	2,530,422	2,546,533	
Indirect Steam[1]		4,304	4,515	4,728	4,846	
Energy Intensity	MWh per KRW billion of stand-alone revenue	195	200	201	214	
Grid Electricity Consumption Used for Location-Based Scope 2 Accounting	MWh	2,382,157	2,487,119	2,525,010	2,540,968	

1) Direct energy consumption and indirect steam consumption were converted using a factor of 0.2777778 MWh/GJ.
2) The reported "Indirect Electricity" figure comprises grid electricity consumption used for location-based Scope 2 accounting plus on-site solar electricity generation.

GHG Emissions Reductions

Category			Unit	2022	2023	2024	2025	2025 target
Total GHG Emissions Reductions			tCO_2e	186,400	272,489	329,606	452,786	449,663
Energy Efficiency	Office Buildings	Replacement with High-Efficiency Equipment		1,895	1,143	1,143	189	
	Telecommunications Equipment	Single-RAN Deployment		28,632	28,629	28,629	28,629	
		Power-Saving Measures		58,859	57,481	63,818	68,655	
		5G Shared Network		21,835	60,723	78,044	82,282	
		Replacement with High-Efficiency Equipment		18,096	25,928	48,903	140,001	
Renewable Energy	Office Buildings	Green Premium		55,187	96,098	106,583	130,473	
		On-Site Solar Generation		511	208	182	185	
	Telecommunications Equipment	On-Site Solar Generation		1,078	2,278	2,304[1]	2,372	
Other				307[1]	3	-	-	

1) Data corrected due to a labeling error in the previous year

Renewable Electricity Use (MWh)

Category	Unit	2022	2023	2024	2025	2025 target
Total Renewable Electricity Use	MWh	123,584	214,587	237,412	289,565	324,598
Green Premium Electricity Allocated to Office Buildings[1]		120,125	209,176	232,000	284,000	
On-Site Solar Electricity Generated at Office Buildings[2]		1,112	453	396	402	
On-Site Solar Electricity Generated at Telecommunications Facilities[3]		2,346	4,958	5,016	5,164	
Total Non-Renewable Energy Consumption		2,300,648	2,316,971	2,331,710	2,296,406	
Total Electricity Consumption		2,385,616	2,492,531	2,530,422	2,546,533	
Renewable Electricity Share	%	5.2%	8.6%	9.4%	11.4%	11.0%

1) Green Premium electricity was allocated across 27 office buildings.
2) On-site solar electricity was generated at selected office buildings.
3) On-site solar electricity was generated to operate infrastructure equipment at telecommunications facilities.

Renewable Electricity Use (TJ)

Category	Unit	2022	2023	2024	2025	2025 target
Total Renewable Electricity Use	TJ	1,186	2,060	2,279	2,780	2,908
Green Premium Electricity Allocated to Office Buildings		1,153	2,008	2,227	2,726	
On-Site Solar Electricity Generated at Office Buildings		11	4	4	4	
On-Site Solar Electricity Generated at Telecommunications Facilities		23	48	48	50	
Total Non-Renewable Energy Consumption		22,086	22,243	22,384	22,045	
Total Electricity Consumption		22,902	23,928	24,292	24,447	
Renewable Electricity Share	%	5.2%	8.6%	9.4%	11.4%	

* Converted using the national electricity conversion factor on a consumption basis (9.6 TJ/GWh).

Environmental Data

Scope 3 GHG Emissions

Category	Unit	2022[1]	2023	2024	2025	2025 target
Total Scope 3 GHG Emissions	tCO_2e	3,322,029	3,237,292	3,210,242	2,584,221	6,146,326[4]
1. Purchased Goods and Services		1,925,932	1,870,658	1,992,087	1,327,656	
2. Capital Goods		922,967	682,412	548,573	306,166	
3. Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)		471	136,300[2]	179,796	180,935	
5. Waste Generated in Operations		218	456	771	586	
6. Business Travel		962	3,519	2,446	2,367	
7. Employee Commuting		3,522	6,362	5,422	2,903	
8. Upstream Leased Assets		12,979	16,388	10,614	10,057	
14. Franchises		54,095	79,986	27,056	24,986	
15. Investments		400,883	441,212	443,477	728,565	
Scope 3 GHG Emissions Intensity[3]	tCO_2e per KRW billion of stand-alone revenue	267.6	257.1	251.3	214.4	

1) For 2022, SK Telecom expanded the use of actual activity data to seven entities in Category 1 and 21 entities in Category 15; reported emissions therefore decreased from 2021.
2) Beginning in 2023, upstream emissions associated with the production of fuels used to generate purchased electricity were included, increasing Category 3 emissions.
3) Scope 3 GHG emissions intensity is calculated based on GHG emissions per KRW billion of stand-alone revenue.
4) SK Telecom's 2025 Scope 3 target under its SBTi-validated emissions-reduction target.

Water Use and Intensity

Category	Unit	2022[1]	2023	2024	2025	2025 target
Water Withdrawal[1] (= Water Use)	m^3	640,831	675,296	710,778	672,704	715,460
Municipal Water		599,741	631,570	669,496	641,240	
Groundwater		41,090	43,726	41,282	31,464	
Water Discharge			652,262	683,731	649,440	
Discharge to Municipal Sewer Systems[2]			652,262	683,731	649,440	
Water Consumption (= Water Withdrawal – Water Discharge)			23,034	27,047	23,264	
Water Use Intensity (= Water Use / Revenue)	m^3 per KRW billion of stand-alone revenue	51.6	53.6	55.6	55.8	
Data Coverage[3]	%	100	100	100	100	

1) For this report, water use is treated as equivalent to water withdrawal.
2) For most office buildings, discharge to municipal sewer systems is calculated as municipal water use plus groundwater withdrawal. For four office buildings eligible for sewerage-charge reductions—Busan Data Center, Jeonju, Daejeon Busa, and Gwangju Usan—discharge is calculated as municipal water use plus groundwater withdrawal less separately metered cooling-tower water input.
3) Data cover 27 SK Telecom office buildings.

Environmental Data

Waste[1] Generated (by Source and Type)

Category			Unit	2022	2023	2024	2025	2025 target
Total Waste Generated	Company-Wide	Total	metric tons	4,112	5,982	4,399	4,463	4,494[2]
		General Waste		3,342	4,886	3,689	3,162	
		Designated Waste		770	1,096	711	1,301	
	Office Buildings	Subtotal		1,229	1,229	1,175	1,048	
		General Waste		1,200	1,187	1,149	1,026	
		Designated Waste		29	42	26	23	
	Network Infrastructure	Subtotal		2,883	4,753[3]	3,224	3,415	
		General Waste		2,142	3,699	2,540	2,136	
		Designated Waste		741	1,054	685	1,278	
Waste Intensity[4]			metric tons per KRW billion of stand-alone revenue	0.33	0.48	0.34	0.37	
Data Coverage[5]			%	100	100	100	100	

1) All waste is transferred to external contractors for treatment.
2) Figures were corrected to reflect the volume of spent batteries replaced on a two-year cycle.
3) The increase reflects large-scale decommissioning of equipment following the discontinuation of 2G and 3G services.
4) Waste intensity is calculated based on waste generated per KRW billion of stand-alone revenue.
5) Data cover 27 SK Telecom office buildings and four infrastructure divisions. (General = general waste; Designated = designated hazardous waste.)

Other Environmental Data (Environmental-Management Training)

Category		Unit	2022	2023	2024	2025
Employee Training	Training Completion Rate	%	81.5	88.0	88.1	86.4

Waste Treatment by Method[1]

Category			Unit	2022	2023	2024	2025
Total Waste Generated	Total		metric tons	4,112	5,982	4,399	4,463
	Recycled/ Reused	Subtotal		2,991	5,078	3,616	3,818
	Disposed	Subtotal		1,120	904	784	645
		Landfilled		105	110	236	273
		Incinerated with Energy Recovery		187	194	390	298
		Unknown Disposal Method		828	600	158	73
Recycling Rate (= Total Waste Recycled/ Reused ÷ Total Waste Generated)			%	72.7	84.9	82.2	85.6

1) Estimated based on the 'National Waste Generation and Treatment Status' from national statistics (the Resource Circulation Information System).

Industrial Waste Electrical and Electronic Equipment from Network Infrastructure[1]

Category	Unit	2022	2023	2024	2025
Industrial WEEE Generated	metric tons	497	969	1,433	811
Reuse/Recycling Rate[2]	%	94.1	99.5	99.6	99.6
Other Disposal/Landfill Rate		5.9	0.5	0.4	0.4

1) Waste classified as industrial waste electrical and electronic equipment within network-infrastructure waste is sold or transferred to external contractors for treatment in accordance with applicable laws.
2) Treatment shares are estimated using the National Waste Generation and Treatment Status statistics published through the Resource Circulation Information System.

Social Data

Total Employment Status

The total number of employees comprises permanent and contractual employees, including unregistered executive officers who have employment contracts with SK Telecom. Employees and executive officers of affiliates and subsidiaries are excluded.

Total Number of Executives and Employees

(As of December 31, 2025)

Category		Unit	2022	2023	2024	2025
Total Number of Executives and Employees[1]		Persons	5,413	5,579	5,493	5,316[6]
By Employment Type	Permanent employees		5,143	5,280	5,153	4,881
	Contractual employees		270	299	340	435
By Gender[2]	Male		4,304	4,377	4,226	4,047
	Female		1,109	1,202	1,267	1,269
By Age	Under 30		395	434	436	459
	Aged 30 to 49		3,205	3,134	3,142	2,888
	Aged 50 or Older		1,813	2,011	1,915	1,969
Overseas Employment	Overseas Expatriates		17	18	15	15
	Locally-hired Employees[3]		27	28	47	34
	Total Number of Overseas Employees		44	46	62	49
	Total Number of Overseas Managers		17	18	16	19
	Total Number of Local Managers[4]		6	6	5	4
	Percentage of local managers[5]	%	35.3[7]	33.3[7]	31.3	21.1

1) Consistent with the basis used in the Business Report; excludes registered executives and dispatched workers — Number of dispatched workers: 223 (2022), 232 (2023), 230 (2024), 107 (2025) (The dispatched-worker count excludes employees of contractors providing cleaning, building management, security, and similar services from the "workers not employed by the company" category disclosed in the Business Report).
2) LGBTQ+ (lesbian, gay, bisexual, transgender, queer, intersex) employees: 0.
3) Employment by overseas location, including local hires and contract employees: United States 13, China 5, Japan 8, Malaysia 4, other locations 4.
4) Local managers are personnel granted authority at deputy general manager level or above.
5) Percentage of local managers = local managers / total number of overseas managers.
6) Among 5,316 total employees (541 managers), employees by nationality excluding Koreans (managers): Canada 7(1), United States 6(1), China 4, other locations 17.
7) Correction of errors in data calculation

Social Data

Hiring and Turnover

New-hire counts by age and gender are based on executives and permanent employees under direct employment contracts with SK Telecom, excluding personnel belonging to affiliates and subsidiaries. Although the scale of new hiring decreased year-on-year, the company plans to pursue youth-job creation and strengthen organizational diversity. The number of voluntary leavers has generally declined over the past three years; however, the overall number of leavers increased in 2025 due to a retirement program. While maintaining a workforce level suited to a successful transition into a Global AI Company, the company plans to build an organization with human diversity.

Hiring and Turnover

Category		Unit	2022	2023	2024	2025
Total number of new employees		Persons	540	427	379	301
By Gender	Male		288	177	169	117
	Female		252	250	210	184
By Age	Under 30		211	218	223	173
	Aged 30 to 49		293	189	124	107
	Aged 50 or Older		36	20	32	21
Total Turnover			120	77	337	364
By Gender	Male		100	62	312	283
	Female		20	15	25	81
By Age	Under 30		8	3	3	8
	Aged 30 to 49		72	45	40	267
	Aged 50 or Older		40	29	294	89
Voluntary Turnover[1]			89	51	42	28
Voluntary Turnover Rate[2]		%	1.6	0.9	0.8	0.5
Internal job posting rate			25.3	41.3	72.0	81.6

1) Voluntary leavers exclude those departing due to mandatory retirement, disciplinary action, death, etc.
2) Voluntary turnover rate = (voluntary leavers in the year / total employees in the year) × 100.

Employee Salaries

SK Telecom transparently discloses employee remuneration through its quarterly, semiannual, and annual business reports. Differences in total pay and average pay per employee between men and women are attributable to differences in average tenure. SK Telecom does not differentiate pay by gender within the same job grade.

Gender Wage Ratio[1]

Category	Unit	Non-management	Management	Executive
Base pay	%	87.0	97.4	93.0
Base pay + Other Cash Incentives		87.3	97.0	91.0

1) Gender Wage ratio = average female wage / average male wage.

Diversity

Category		Unit	2022	2023	2024	2025
Female Talent[1]	Women Employees	%(Persons)	20.5 (1,109)	21.6 (1,202)[2]	23.1 (1,267)[2]	23.9 (1,269)
	Women in All Management Positions		11.1 (331)	11.8 (319)	12.7 (333)	10.7 (274)
	Women in Middle Management		9.8 (56)	9.8 (55)	10.7 (54)	10.0 (44)
	Women in Junior Management		11.6 (268)	12.4 (254)	13.4 (268)	11.1 (224)
	Women in Executive Positions		7.0 (7)	8.8 (10)	9.0 (9)	6.3 (6)
	Women in Management Positions in Revenue-Generating Functions		11.5 (33)	11.6 (33)	10.7 (26)	10.7 (26)
	Women in STEM[3]-Related Positions		29.1 (276)	31.1 (424)	28.4 (393)	25.2 (282)
Special Employment and Minorities	Employees with Disabilities[4]	Persons	59	55	58	54
	Haengbok Hanul[5]		117	117	131	120
	Employees Who Are Veterans or Persons of National Merit		167	171	170	165

1) Middle managers: position holders (team-leader level); junior managers: employees in their 13th year of service or beyond.
2) Portion corrected for calculation errors.
3) STEM: employees who use science, technology, engineering, and mathematics knowledge in their work.
4) With severe-disability double counting applied, and with male employees with mild disabilities employed at subsidiary-type standard workplaces counted at a factor of 1/2 (per the severe-disability double-counting rule and Article 22, Paragraphs 4 and 5 of the Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities), the 2025 total employment of persons with disabilities is 174 (SK Telecom: 44 mild, 5 severe; Haengbok Hanul: 7 mild, 57 severe), achieving 3.29% against the 2025 mandatory rate of 3.1%.
5) Haengbok Hanul: a service company (business-support services / car washing / massage and nail services, etc.) and a standard workplace for persons with disabilities.

Social Data

Maternity and Parental Leave[1]

Category		Unit	2022	2023	2024	2025
Number of Employees Taking Maternity or Paternity Leave[2]	Total	Persons	150	134	141	158
	Female		45	34	46	58
	Male		105	100	95	100
Return-to-Work Rate after Maternity or Paternity Leave		%	98.0	100	99.3	100
Number of Parental Leave Users	Total	Persons	94	109	128	89
	Female		63	73	84	63
	Male		31	36	44	26
Parental Leave Usage Rate[3]	Total	%	16.7	19.4	25.1	31.7
	Female		68.5	71.2	75.0	74.1
	Male		1.1[6]	3.3	7.7	13.3
Return Rate after Parental Leave[4]		%	98.9	99.1	93.0	97.3
Turnover Rate within 12 Months after Return from Parental Leave[5]			1.1	1.8	2.3	4.5

1) Covers permanent and contract employees whose maternity, paternity, or parental leave overlapped the reporting year, regardless of the number of leave days taken during the year.
2) Includes employees who took maternity leave or paternity leave (spousal childbirth leave).
3) Number of employees who took parental leave during the reporting year within one year of their child's birth ÷ number of employees who had a child under one year of age during the reporting year.
4) The share of those who actually returned to work among those expected to return from parental leave.
5) Number of employees who left the company within 12 months of returning from parental leave ÷ number of employees who took parental leave in the reporting year.
6) Portion corrected for calculation errors.

Psychological Satisfaction Survey

Category		Unit	2022	2023	2024	2025
Service Ace	Response Rate	%	68.2(180/264)	72.7(213/293)	69.6(126/181)	77.2(112/145)
	Positive Response Rate for Mental Health Support		98.9	98.1	98.4	100
	Program Satisfaction		99.4	99.5	98.4	100
Service Top	Response Rate		93.7(685/731)	95.3(475/498)	97.3(468/481)	71.2(359/504)
	Positive Rate for Mental Health Support		98.0	94.2	94.2	99.4
	Program Satisfaction		98.2	94.9	94.9	98.8

Mind Care Program Assessment and Counseling

Category		Unit	2022	2023	2024	2025
Service Ace	Employees Participating in the Assessment (Percentage of Total Employees)	Persons	1,891(70.5%)	1,784(65.2%)	2,000(77.3%)	1,708(71.6%)
	Mitigation Measure - Individual Counseling		318	350	258	181
	Mitigation Measure - Group Counseling		9	18	17	-[1]
	Mitigation Measure - Psychological Consultation		16	17	16	8
	Mitigation Measure - Healing Program		353	510	752	-[1]
Service Top	Employees Participating in the Assessment (Percentage of Total Employees)		2,545(91.0%)	2,622(93.0%)	2,617(100%)	2,304(100%)
	Mitigation Measure - Individual Counseling		551	668	596	510
	Mitigation Measure - Group Counseling		631	767	358	121
	Mitigation Measure - Psychological Consultation		92	39	84	95
	Mitigation Measure - Healing Program		719	374	170	331

1) Program not conducted in 2025 due to cyber-incident response.

Labor-Management Relations

SK Telecom protects employees' freedom of association in accordance with ILO Conventions Nos. 87 and 98, the Constitution of the Republic of Korea, and applicable labor laws. Employees may voluntarily establish and join labor unions of their own choosing. As of the end of 2025, the union-membership rate among employees eligible to join is 95.2%. In a spirit of mutual respect and cooperation, the company and the union improve working conditions at an appropriate level considering business performance. For business changes such as mergers and demergers, SK Telecom conducts sufficient prior consultation with the labor union in accordance with the employment stability agreement and collective bargaining agreement.

Labor Union Membership Status

Category	Unit	2022	2023	2024	2025
Employees Eligible for Labor Union Membership	Persons	2,644	2,630	2,541	2,270
Labor Union Members		2,484	2,478	2,405	2,161
Labor Union Membership Rate (Eligible Employee Basis)	%	93.9	94.2	94.6	95.2
Collective Bargaining Coverage Rate[1]		100	100	100	100

1) The collective agreement concluded with the union is also extended to non-union employees.

Social Data

Occupational Safety and Health Status

SK Telecom recognizes the protection of the lives and safety of customers, members of the public, employees, and employees of business partners as a core value and operating principle. With a goal of zero serious accidents, the company requires its employees, ICT Family companies, and business partners to comply with and implement enhanced safety management requirements and works to maintain a safe working environment.

Employee Occupational Safety and Health Performance

Category		Unit	2022	2023	2024	2025
Employee Occupational Safety	Employee Lost Time Incident Rate (LTIR)	Per 200,000 Working Hours	0	0	0	0.02
	Supplier Lost Time Incident Rate (LTIR)		0.04[2]	0.02[2]	0.02[2]	0.02
	Lost Time Incident Rate (LTIR) of Employees and Suppliers		0.03[2]	0.01[2]	0.02[2]	0.02
	No. of Employee Lost Time Incident (LTI)	Cases	0	0	0	1
	No. of Supplier[1] Lost Time Incident (LTI)		9	4	6[2]	4
	No. of Employee and Suppliers Lost Time Incident (LTI)		9	4	6[2]	5
	Employee Fatality Rate	%	0	0	0	0
	No. of Employee Fatalities (Categorized as Industrial Accidents)	Cases	0	0	0	0
Employee Health	Employee Occupational Illness Frequency Rate (OIFR)	Per 200,000 Working Hours	0	0	0	0
	No. of Employee Occupational Illnesses	Cases	0	0	0	0

1) Includes on-site and off-site contractors.
2) Data corrected due to a calculation error in previous years.

R&D Investment

Category	Unit	2022	2023	2024	2025
R&D Expenses[1]	KRW million	374,360	391,843	392,844	355,772

1) 2022–2024 data revised to match "R&D expenses (consolidated basis)" in the Business Report.

Online Service Users and Related Revenue

Category	Unit	2022	2023	2024	2025	2025 target
Proportion of Online Service Users[1]	%	71	73	75	76	75
Proportion of Online Revenues[2]		39	43	45	47	46

1) Users of online marketing platforms (T world, T Direct, etc.) and online value-added services.
2) The sum of direct and indirect online revenue, such as telecom charges related to online marketing platforms and online value-added services, service fees, and revenue inflow through marketing.

Social Data

Employee Happiness & Well-being Programs

Type	Main Programs and Guidelines	Eligible Employees
Creating a Healthy Work Environment	• Automatic temperature and humidity controls and twice-daily measurements; operation of air-handling units and exhaust fans; pre-work ventilation to manage dust and CO_2 levels; management of lighting and noise standards • Provision of ergonomically designed workspaces, including height-adjustable desks, adjustable chairs, and open standing meeting rooms	100% (all employees including executives, permanent, and contractual employees)
Stress Management	• Operation of the "Mind Forest" employee psychological counseling service program (providing work stress and difficulties, health concerns, individual counseling, etc.) • Operation of the Actium Mental Health Program (mental health newsletters, health lectures, laughter exercise, healing yoga, etc.). • Healthcare massage services, nail care services	
Physical Fitness and Training	• Operation of Actium, an in-house fitness facility for employees, and provision of healthcare massage services to support employees' physical fitness • Operation of an in-house mind-body training room	
Flexible Work Hours	• Operation of a flexible work arrangement that allows employees to determine their own start and end times ("Flexible Time") • Implementation of a selective working hours system that enables employees to schedule their working hours autonomously within the prescribed monthly working hours and organize their schedules to support focused work	
Work from Home and Focused Workspaces	• Operation of a work-from-home arrangement that allows employees to choose a work location conducive to focused work	
Part-time Working Options	• Operation of a part-time working hours arrangement for purposes including family caregiving, personal needs, retirement preparation, and personal development	

Type	Main Programs and Guidelines	Eligible Employees
Childcare and Children's Education	• Operation of an on-site childcare center and lactation facilities, as well as provision of childbirth grants and other childcare support programs	100% (all employees including executives, permanent, and contractual employees)
Maternity Leave	• Reduced working hours during pregnancy: 6-hour workday throughout pregnancy • Maternity leave: 90 days around childbirth (120 days for multiple births) guaranteed, and 20 days (fully paid) for spouses	
Infertility Leave	• Providing 6 days of paid leave per year for infertility treatment (all 6 days paid)	
Parental Leave	• For all male/female employees with a child aged 8 or under or in the 2nd grade of elementary school or below - up to 2 years available[1] (1 year statutory parental leave + 1 year of paid parental leave). ※ An additional 6 months of statutory parental leave is available when conditions are met > Maintaining major benefits such as medical expenses throughout parental leave; the additional 1 year beyond statutory leave is paid at the statutory upper limit of parental leave allowance > Automatic Transition to Parental Leave: employees may transition directly from maternity leave to parental leave without submitting a separate application • School-Entry Childcare Leave: 90 days, available once in the year a child enters elementary school	
Family Care System	• Operating a personal/family-care system that allows caring for family in case of illness or accident without a career break, beyond parental leave	
Next Career System	• A system to support a second life after retirement, including a start-up-support program, providing external professional coaching/consulting programs and Next Career leave	Permanent employees
Long-service Leave Program	• Granting 10 to 30 days of extended leave for every five years of service, enabling them to take sufficient time to rest and recharge	

1) Contractual employees may take up to one year of parental leave.

Transparent Public Policy Engagement and Association Membership Fee Expenditures

SK Telecom complies with SK Group's "SK Compliance System Guidelines", which specify responsibilities for ethical management and fair trade compliance, and continues to strengthen its fair trade compliance framework. In connection with this, SK Telecom prevents political-funding-related misconduct that could influence policy formation, thereby faithfully fulfilling its role as a responsible corporate citizen. SK Telecom also complies with Korea's Political Funds Act and, to prevent political-funding misconduct, provides no political/election funds or lobbying funds to any specific party or political organization.

However, it transparently discloses each year the details and scale of policy-related support expenditures to relevant organizations that maintain political neutrality and contribute to the public interest. Among these, donations of KRW 1 billion or more have, since February 2017, required prior approval by Board resolution, strengthening the fairness of donation spending.

Policy-Related Expenditure Status

Category	Unit	2022	2023	2024	2025
Total Political Contributions	KRW million	0	0	0	0
Total Lobbying Funds		0	0	0	0
Total Association Fees for Relevant Institutions		609	670	1,356	1,124
Other		0	0	0	0

Top 5 Association Membership-Fee Payments in 2025

Organization	Unit	Status	Amount
Federation of Korean Industries (FKI)	KRW million[1)]	Member	452
Korea Association for ICT Promotion (KAIT)		Vice-chair company	200
Korea Telecommunications Operators Association (KTOA)		Chair company	198
Seoul Chamber of Commerce & Industry		Chair-group company	174
National Academy of Engineering of Korea (NAEK)		Member	100

1) Rounded to the nearest KRW million.

List of Major Contributions in 2025

Program	Amount (KRW)	Organization
Support for Social-value Research Projects	5,700,000,000	Center for Social Value Enhancement Studies
Promotion of ESG Projects	3,000,000,000	Happy Connect Foundation
Sponsorship of the Korea Fencing Association	2,590,000,000	Korea Fencing Association
Year-End Donation for Neighbors in Need	1,300,000,000	Community Chest of Korea
Support for Community mutual-growth projects	600,000,000	Suwon City Hall
Contribution to the Agricultural and Fishing Villages Collaborative Cooperation Fund	220,000,000	Large & SME/ Agriculture-Fisheries Cooperation Foundation
Support for Future Talent Development Projects	185,252,000	Korea University
Scholarship Sponsorship	168,600,000	Choi Kyoung-ju Welfare Foundation
Round-Up Matching Fund Donation	160,000,000	Korea Childhood Leukemia Foundation, et al.
Support for Legal Research Development Projects	50,000,000	Seoul National University Foundation

Independent Assurance Statement

[PRJN-1221682-2026-AST-KOR]

DNV Business Assurance Korea, Ltd. ('DNV', 'we', or 'us') has been commissioned by SK Telecom Co., Ltd. (hereafter referred to as 'SK Telecom' or 'the Company') to undertake an independent limited assurance on the SK Telecom Sustainability Report 2025 (hereafter referred as 'the Report') for the calendar year ending 31 December 2025. The intended users of this assurance statement are the management and stakeholders of SK Telecom.

Standards of Assurance

This assurance engagement has been carried out in Type 2 limited assurance in accordance with AccountAbility's AA1000 Assurance Standard v3 and DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. In addition, DNV has reviewed the 'reliability of specified sustainability performance information' as described in 'Scope of Assurance'.

DNV's VeriSustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited and/or reasonable assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on SK Telecom website for the current reporting period.

Scope of Assurance

We have carried out an independent limited assurance on the Report and an independent verification for selected performance indicators for the year ending 31 December 2025, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by SK Telecom
- Regarding the reliability of specific sustainability performance information, we reviewed the quality and reliability of the following GRI Topic Standards disclosures: Climate Change (102-8, 102-10), Energy (103-2 to 103-4), Water and Effluents (303-2), Waste (306-3 to 306-5), Anti-corruption (205-1 to 205-3), Employment (401-1 to 401-3), Labor/Management Relations (402-1), Training and Education (404-1 to 404-3), Diversity and Equal Opportunity (405-2), Freedom of Association and Collective Bargaining (407-1), and Customer Privacy (418-1).
- We also have reviewed the reliability of the Non-Financial Data in the Appendix.

Opinion, observations and recommendations

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of the reliability of specified sustainability performance information, nothing has come to our attention to suggest that the data have not been properly collated from information reported at the operational level, nor that the assumptions used were inappropriate. Furthermore, nothing has come to our attention to cause us to believe that SK Telecom' Report has not been prepared, in all material respects, in accordance with the GRI Standards.

Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the 'Scope of Assurance':

Inclusivity: Stakeholder participation and opinion

SK Telecom has clearly identified key stakeholder groups, including employees, customers, shareholders, suppliers, government agencies, NGOs, and local communities, and operates a structured engagement and communication approach based on its AA1000 SES-aligned Stakeholder Engagement Policy. Through stakeholder engagement programs, the Company conducts impact assessments, surveys, meetings, and communication activities, while identified issues are managed through grievance handling and monitoring. Based on our review, these activities support the Company's efforts to mitigate negative impacts, enhance positive impacts, and strengthen the credibility of its ESG performance.

Independent Assurance Statement

Materiality: Identifying and reporting on material sustainability topics

SK Telecom developed an issue pool based on international standards (ESRS), evaluation indicators, media analysis, and business strategy reviews, and applied a double materiality assessment to prioritize 24 ESG issues. The Company further conducted IRO (Impact, Risk, and Opportunity) analysis and focus group interviews, identifying three key issues and seven reporting issues, which were reviewed by the ESG Committee and reflected in key management decisions. Stakeholder engagement in the materiality assessment was strengthened through focus group interviews involving employees and external experts. Based on the identified key issues, the Company has established and continues to enhance a systematic management and performance monitoring framework supported by response strategies, targets, and ESG KPIs.

Responsiveness: Transparent response to critical sustainability topics and related impacts

SK Telecom regularly reviews and approves policies, strategies, and performance related to material sustainability topics through the ESG Committee under the Board of Directors. The Company has established specific goals and action plans for key issues, including Information Security and Personal Data Protection, Technology Innovation (AI), and Climate Change Response. We confirmed that major activities, such as GHG reduction targets, the RE:FINE circular economy strategy, an integrated compliance framework, and enhanced customer rights protection and VOC management, are specifically reported. In addition, SK Telecom discloses three years of performance data, 2030 targets, and related KPIs for each issue, strengthening the implementation of its management framework and systematic performance management.

Impact: Monitoring, measuring and accounting for the impact of organizational activities on the organization and its stakeholders

SK Telecom manages material ESG topics through an operational framework that incorporates strategies, risk management, targets, and performance indicators, and discloses value chain impacts, stakeholder relevance, materiality, and implementation status for each issue. In particular, for Information Security and Personal Data Protection, the Company quantitatively measures impacts using incident-related metrics and transparently discloses the actual and potential impacts of the incident, along with its response measures, through a dedicated Special Report. These disclosures reflect a structured approach to identifying, managing, monitoring, and communicating the impacts of the Company's key activities on stakeholders and society.

Reliability: Accuracy and comparability of information presented in the report and the quality of underlying data management systems

The data collection and processing procedures, supporting documents, and records were verified through sampling techniques. Based on the results, no intentional errors or misstatements were found in the sustainability performance information described in the Report. SK Telecom is able to explain the source and meaning of its sustainability performance using reliable methods and data, and any errors or unclear expressions identified during the verification process were corrected prior to the publication of the Report.

Completeness: How much of all the information that has been identified as material to the organization and its stakeholders is reported

SK Telecom reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2025 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.

Neutrality: Extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

SK Telecom discloses the Company's performance, challenges, and stakeholder concerns during the reporting period in a neutral, consistent, and balanced manner.

Our competence, independence and quality control

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV verified SK Telecom' greenhouse gas emissions in 2025, which we consider does not affect our independence or impartiality in assuring this Report.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Independent Assurance Statement

Limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Responsibilities of the Directors of SK Telecom and of the assurance providers

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to SK Telecom in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform the management and stakeholders of SK Telecom. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Basis of our Opinion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of SK Telecom. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Peer and media review to identify relevant sustainability issues for SK Telecom during the reporting period.
- Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures, and relevant management processes.
- Understanding and evaluation of the key systems, processes, and controls for consolidating, managing, and reporting the information and KPIs included in the Report.
- Review of documentary evidence supporting adherence to the reporting principles and requirements.
- Conduct interviews with representatives from the ESG team and relevant departments with overall responsibility for monitoring, data consolidation, and reporting of sustainability-related information.
- On-site visit at the SK Telecom Head Office in Seoul, Republic of Korea to review the processes and systems for preparing site-level sustainability data and implementation of the sustainability strategy, and to carry out a sample-based assessment of site-specific data disclosures.

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DNV

For and on behalf of DNV Business Assurance Korea Ltd.
Seoul, Republic of Korea
2026. 6. 26

Digitally signed by Kim, So Hyun Date: 2026.06.26 16:38:22 +09'00'	Digitally signed by Chang, Sang Rye Date: 2026.06.26 16:51:50 +09'00'	Digitally signed by Jung, Jin Seul Date: 2026.06.26 16:54:16 +09'00'	Digitally signed by Park, Sang Yeon Date: 2026.06.26 17:06:26 +09'00'
Lead Verifier **Kim, So Hyun**	**Verifier** **Chang, Sang Rye**	**Verifier** **Jung, Jin Seul**	**Reviewer** **Park, Sang Yeon**

This report has been translated into English solely for the convenience of international readers. The official version of this assurance statement is the signed English version; in case of any doubt regarding interpretation between this document and the Korean version of the statement, the Korean statement shall prevail.
DNV Business Assurance Korea Ltd. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. Supply Chain and Product Assurance - DNV

2025 Materiality Assessment Issue Pool

No.	Category	Issue Pool	Definition
1	Environmental	Climate Change Response (Adaptation and Mitigation)	Implementing greenhouse gas management activities to respond to climate change-induced risks such as floods, droughts, and heat waves, as well as stricter carbon regulations
2	Environmental	Expanding the Development of Eco-Friendly Products and Services	Developing and providing eco-friendly technologies and services for energy conservation and efficiency improvement
3	Environmental	Biodiversity Conservation	Identifying the impact of corporate activities on ecosystems, such as habitat destruction and soil/water pollution, and implementing protection and restoration measures
4	Environmental	Building a Circular Economy Through Water and Waste Management	Establishing a sustainable circular economy system through the reduction, recycling, and reuse of resources used by companies (including water resources and waste)
5	Social	Enhancing Employee Benefits	Providing various benefits and support programs in addition to salaries to ensure a good work-life balance for employees and increase job satisfaction
6	Social	Guaranteeing Labor Practices	Establishing an appropriate compensation system for employees and protecting labor rights, such as guaranteeing the right to form and join labor unions
7	Social	Expanding Occupational Health and Safety Management	Establishing preventive measures and management systems to protect the health and safety of key stakeholders throughout the corporate value chain
8	Social	Talent Acquisition and Development	Recruiting talented individuals and providing training and career development opportunities to ensure sustainable growth and competitiveness
9	Social	Expanding Employee Inclusion	Providing equal opportunities to all employees without discrimination based on gender, age, race, disability, etc., and creating a culture that embraces diversity
10	Social	Human Rights Management	Supporting human rights principles and managing human rights risks to respect the human rights of all stakeholders
11	Social	Promoting Social Contribution	Contributing to the social, economic, and environmental development of local communities by collaborating with them and managing the impact that businesses have on them
12	Social	Strengthening Information Security and Personal Data Protection	Securing the confidentiality, integrity, and availability of information against damage, falsification, and leakage, and protecting the personal data of stakeholders, including employees and customers
13	Social	Strengthening Service Quality Management and Accountability	Improving the efficiency and stability of the quality of services provided by companies, and systematically responding to failures to increase reliability
14	Social	Expanding Customer-Centric Services	Building sustainable customer relationships by improving customer experience, protecting user safety, and increasing service accessibility
15	Governance	Ethical Management and Compliance	Complying with legal regulations and preventing corruption and unethical behavior among employees in order to practice ethical and transparent management
16	Governance	Social Value Creation	Creating both economic and social value by addressing social issues through corporate business activities
17	Governance	Enhancing Digital Accessibility	Improving the digital environment so that all users can equally access digital services regardless of physical or cognitive limitations
18	Governance	Sustainable Supply Chain Management	Selecting and managing supply chains with consideration for environmental and social responsibility, and establishing and implementing systems that enable mutual growth
19	Governance	Technology Innovation	Developing next-generation technologies through strategic R&D and promoting innovation in industry and daily life by utilizing these technologies
20	Governance	Enhancing Shareholder Value	Establishing and implementing strategies to maximize shareholder value by promoting long-term growth and profitability
21	Governance	Strengthening Stakeholder Engagement and Communication	Reflecting the opinions of stakeholders in key corporate decision-making processes and maintaining close communication
22	Governance	Strengthening Governance Integrity and Transparency	Making transparent and fair decisions, and strengthening the roles and responsibilities of the Board of Directors and management
23	Governance	Advancing the Integrated Risk Management System	Establishing an integrated response system to systematically identify, evaluate, and manage the financial and non-financial risks faced by companies
24	Governance	AI Ethics Compliance	Following principles and standards to ensure that AI is used responsibly and that everyone can benefit equally

Auditor's Opinion

Internal Audit

Audit Report of the Audit Committee

As the audit committee of SK Telecom Co., Ltd., we conducted an audit of the company's accounting and business operations for the 42nd fiscal year, covering the period from January 1, 2025, to December 31, 2025. We hereby present our findings as follows.

1. Overview of Audit Methods

For the accounting audit, we reviewed the financial statements and supplementary documents, received reports on the audit procedures and results from external auditors, and requested additional reviews of the company's key issues, receiving comprehensive reports in return. To ensure the reliability of financial information, we obtained and reviewed reports on the operation status of the internal accounting management system from both the internal accounting manager and external auditors. For the performance audit, we attended board of directors' meetings and other significant meetings, received reports on business operations from the management, reviewed documents related to important business activities, and obtained reports on the audit plan and results from the executive in charge of ethical management.

2. Audit Results

A. Matters related to financial position statement and profit and loss statement

The separate and consolidated financial statements and income statements appropriately present the company's financial status and business performance in accordance with laws and articles of incorporation.

B. Matters related to the statement of appropriation of retained earnings

The statement of appropriation of retained earnings conforms to laws and articles of incorporation and is prepared appropriately in light of the company's financial status and other circumstances.

C. Matters related to the changes in equity, cash flow statements, and notes

The separate and consolidated changes in equity, cash flow statements, and notes appropriately represent the company's assets and profit and loss status in accordance with laws and articles of incorporation.

D. Matters related to business reports

The business report appropriately presents the company's situation in accordance with laws and articles of incorporation.

March 5, 2026

Audit Committee of SK Telecom Co., Ltd

Chairperson Mi Kyung Noh **Member** Yong Hak Kim **Member** Haeyun Oh **Member** Chang Bo Kim

Audit Committee's Opinion on Internal Monitoring System

1. Overview of the internal monitoring system

A. The internal monitoring system and its functions are as follows.

- Board of Directors: Supervises the performance of directors' duties. Consists of a total of 8 directors, including 2 internal directors, 1 other non-executive director, and 5 independent directors.
- Audit Committee: Audits the performance of directors' duties. Consists of 4 independent directors.
- Internal Audit Department: Audits each department or business operation within the company. To this end, the department conducts regular audits, special audits, and whistleblower investigations.

B. Appointment of Audit Committee Members

The company has established an Audit Committee pursuant to Article 542-11(1) of the Commercial Act, and appoints Audit Committee members in accordance with Article 542-11(2) through (4) and Article 542-12 of the same Act.

2. Operation of the internal monitoring system

A. The Audit Committee holds regular meetings with the external auditor to receive reports on financial accounting and internal control matters, appoints the external auditor, and receives reports on the operational status of the internal accounting management system from the internal accounting manager.

B. The Audit Committee prepares and manages the evaluation report on the operational status of the internal accounting management system and reports it to the Board of Directors.

C. The Internal Audit Department conducts audit activities on the overall management of each department within the company to verify compliance with company regulations and procedures, and enhances the efficiency and effectiveness of management activities by presenting improvement measures for inefficient aspects of organizational operations.

3. Evaluation opinion of the Audit Committee on the operation status of the internal monitoring system

- In the opinion of this Audit Committee, the internal monitoring system of SK Telecom Co., Ltd. for the fiscal year ending December 31, 2025, is operating effectively.

February 24, 2026

Audit Committee of SK Telecom Co., Ltd

Chairperson Mi Kyung Noh **Member** Yong Hak Kim **Member** Haeyun Oh **Member** Chang Bo Kim

Auditor's Opinion

External Audit

Management's Annual Report on Internal Control over Financial Reporting

To Shareholders, the Board of Directors and Audit Committee of SK Telecom Co., Ltd.

We, as the Chief Executive Officer ("CEO") and Internal Control over Financial Reporting ("ICFR") Officer of SK Telecom Co., Ltd. and its subsidiaries (the "Group"), assessed the status of the design and operation of the Group's ICFR for the year ending December 31, 2025.

The Group's management, including the CEO and ICFR Officer, is responsible for designing and operating ICFR.

We, as the CEO and ICFR Officer (collectively, "We," "Our," or "Us"), evaluated whether the ICFR has been appropriately designed and is effectively operating to prevent and detect error or fraud which may cause material misstatement of the financial statements to ensure preparation and disclosure of reliable financial information.

We used the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting' established by the Operating Committee of Internal Control over Financial Reporting in Korea (the "ICFR Committee") as the criteria for the design and operation of the Group's ICFR. In addition, in evaluating the design and operational status of the Group's ICFR, we used the 'Standards for Evaluating and Reporting Internal Control over Financial Reporting' set forth in Appendix 6 of the Enforcement Rules of the Regulations on External Audit and Accounting as the evaluation criteria.

Based on our assessment of ICFR operation, we concluded that the Group's ICFR has been appropriately designed and is operating effectively in all material respects as of December 31, 2025, in accordance with the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting'.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein.

We also certify that this report does not contain or present any statements which might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

February 24, 2026

CEO
Young Sang Ryu



Internal Control over Financial Reporting Officer
Jong Seok Park



Greenhouse Gas Emissions Assurance Statement (Scope 1+2)

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by SK Telecom Co., Ltd. ("Company") to perform third party verification for the Company's Greenhouse Gas Inventory Report for the calendar year 2025 ("the report"). Company is responsible for the preparation of the GHG emissions data on the basis set out within "the guidelines on the operation of GHG emission trading scheme ("ETS) (Notification No. 2025-64 of Ministry of Environment)" based on ISO14064-1. Our responsibility in performing this work is to the management of Company only and in accordance with terms of reference agreed with them. DNV expressly disclaims any liability or responsibility for any decisions, whether investment or otherwise, based upon this assurance statement.

Objective and Scope of Verification

The purpose of this verification is to present an independent verification opinion on the company's greenhouse gas emissions, and the scope of verification is as follows;

- Organizational Boundary : Domestic business sites of Company
- Reporting Boundary : Scope 1 (Direct emissions), Scope 2 (Indirect emissions)
- Reporting Period : 2025.01.01 ~ 2025.12.31

Verification Approach

The verification has been conducted in accordance with "Korean GHG and energy target management system - Verification Guideline for GHG ETS (Notification No. 2025-165, Korean Ministry of Environment)" based on ISO 14064-3, under a Reasonable Level of Assurance. DNV planned and conducted the verification to obtain all necessary information and explanations, ensuring sufficient evidence to support a verification opinion at a 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection, emission calculation and report process for the GHG inventory report.
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification conducted, the information related to the GHG statement has been properly calculated and reported.

- DNV represents "unmodified" opinion on Greenhouse Gas Emissions.

(Unit: ton CO_2eq)

Classification	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Total emissions
KOREA (Location-based)*	5,940	1,167,979	1,173,904
KOREA (Market-based)**	5,940	1,037,506	1,043,431

※Total emissions might be different from the sum of direct and indirect emissions by applying the rule that emissions should be summed after truncating decimal places at the business site level.
* The location-based method reflects Scope 2 GHG emissions associated with electricity consumption from the national grid, as determined under GHG ETS.
** The market-based method is applied in accordance with the GHG Protocol, incorporating the company's Scope 2 GHG emissions based on renewable electricity purchased through GreenPremium program. Due to the absence of a government-published residual mix emission factor as defined by the GHG Protocol, the emission factor from GHG ETS has been used.

2026. 6. 08



Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.

This Assurance Opinion is valid as of the date of the issuance. Please note that this Assurance Opinion would be revised if any material discrepancy which may impact the Greenhouse Gas Emissions of the Company is subsequently brought to our attention.
DNV Business Assurance Korea : 18F, 1, Jong-ro, Jongno-gu, Seoul, Rep. of Korea

PRJN-1131563-01-AST-ENG

Greenhouse Gas Emissions Assurance Statement (Scope 3)

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by SK TELECOM CO., LTD. ("Company") to perform third party verification for the Company's Greenhouse Gas Statement. The Company is responsible for the preparation of the GHG statement on the basis set out within 'WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard', 'The Corporate Value Chain (Scope 3) Accounting and Reporting Standard', 'IPCC Guidelines: 2006'. The Company has full responsibility of the GHG statement. According to terms of contract, DNV expressly disclaims any liability or co-responsibility for any decisions a 3rd party may make based on the verification opinion.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company's GHG statement, and the scope of verification is as follows;

- Organizational Boundary : Domestic business sites of SK Telecom
- Reporting Boundary : Scope 3 (Other Indirect emissions – Category 1, 2, 3, 5, 6, 7, 8, 14, 15)
- Reporting Period : 2025.01.01 ~ 2025.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the 'ISO 14064-3:2019', based upon a Limited Level of assurance. DNV planned and conducted the verification to obtain all necessary information and explanations, ensuring sufficient evidence to support a verification opinion at a 5% materiality level. As part of the verification process, we have reviewed as follows;

- Adequacy of GHG data control, collection and emission calculation and report process.
- The GHG inventory is based on measurements and has inherent limitations that may arise from the process of calculating, estimating, and finalizing the reported data.

Conclusions

Based on the verification, there is no evidence that the GHG statement is not materially correct and is not a fair representation of GHG data and information.

- DNV represents "unmodified" opinion on Greenhouse Gas Emissions.

(Unit: ton CO_2eq)

Reporting year	Upstream	Downstream	Total emissions
2025	1,830,670	753,550	2,584,221

※Total emissions may differ from the sum of upstream and downstream emissions due to decimal rounding.

Scope 3 emissions of SK Telecom for Yr 2025

(Unit: ton CO_2eq)

Category		Total emissions
Upstream emissions	1. Purchased goods and services	1,327,656
	2. Capital goods	306,166
	3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	180,935
	5. Waste generated in operations	586
	6. Business travel	2,367
	7. Employee commuting	2,903
	8. Upstream Leased Assets	10,057
Downstream emissions	14. Franchises	24,986
	15. Investments	728,565
Total		2,584,221

※ In order to report the GHG emissions as an integer, the rounded number might be different from the number on the calculation tool with ± 1 tCO_2e.

2026. 6. 24



Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.

This Assurance Opinion is valid as of the date of the issuance. Please note that this Assurance Opinion would be revised if any material discrepancy which may impact the Greenhouse Gas Emissions of the Company is subsequently brought to our attention.
DNV Business Assurance Korea : 18F, 1, Jong-ro, Jongno-gu, Seoul, Rep. of Korea

PRJN-1131563-04-AST-ENG

Water and Waste Independent Verification Opinion

SK TELECOM CO., LTD .

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by SK Telecom Co., Ltd. ("Company") to perform third party verification for the Company's Water Use and Waste Generation Inventory Report for the calendar year 2025 ("the inventory"). The Company is responsible for the preparation of the Water Use and Waste Generation data. The Company has full responsibility of the Water Use and Waste Generation data. According to terms of contract, DNV expressly disclaims any liability or co-responsibility for any decisions a 3rd party may make based on the verification opinion.

Objective and Scope of Verification

The objective of the verification is to present an independent verification opinion on the company's Water Use and Waste Generation, and the scope of verification is as follows;

- Organizational Boundary : 27 office buildings and Network Infrastructure Center of SK Telecom (Refer to Annex)
- Reporting Boundary : Water Use and Waste Generation
- Reporting Period : 2025.01.01 ~ 2025.12.31

Verification Approach

The verification has been conducted in accordance with the verification principles and tasks outlined in the 'ISO 14064-3:2019', based upon a Limited Level of assurance. DNV planned and conducted the verification to obtain all necessary information and explanations, ensuring sufficient evidence to support a verification opinion at a 5% materiality level. As part of the verification process, we have reviewed as follows;

- Process to generate, aggregate and report the Water Use and Waste Generation data.
- The data and information supporting the report were based on historical in nature. May include partially hypothetical and projected data and information.

Conclusions

Based on the verification, there is no evidence that the Water Use and Waste Generation is not materially correct and is not a fair representation of Water Use and Waste data and information.

- DNV represents "unmodified" opinion on Water Use and Waste Generation.

(Unit: m^3, ton)

2025	Waterworks	Groundwater	Total Water Use
SK Telecom Water Use	641,240	31,464	672,704

(Unit: ton)

2025	Household waste	Designated waste	Recyclable waste	Total Waste Generation
SK Telecom Waste Generation	2,723	1,301	439	4,463

2026. 6. 08



Lee, Jang Sup
Country Representative
DNV Business Assurance Korea Ltd.

This Assurance Opinion is valid as of the date of the issuance. Please note that this Assurance Opinion would be revised if any material discrepancy which may impact the Water Use and Waste Generation of the Company is subsequently brought to our attention.
DNV Business Assurance Korea : 18F, 1, Jong-ro, Jongno-gu, Seoul, Rep. of Korea

Certificate Of Registration

CERTIFICATE OF REGISTRATION

ENVIRONMENT MANAGEMENT SYSTEM

This is to certify that
The Environmental Management Systems of

SK Telecom Co., Ltd.

at
Head office : SK T-Tower, Euljiro 65, Jung-gu, Seoul, Korea (Zip code : 04539)

Certificate No. AK25EM2953

Standard ISO 14001:2015 / KS I ISO 14001:2015

Scope of Certification

1. Solution Development and Service Operation
2. Energy Saving Business

- *Issue Date :* 10/10/2025
- *Certification Date :* 27/09/2022
- *Valid Date :* 24/10/2026

KAB-EC-36

Jinchul Choi
Chief Executives, AK Registrars

This Certificate has been issued by AK Registrars
1409 Kolon Digital Tower Aston,
212, Gasan Digital 1-ro, Geumcheon-gu,
Seoul, Korea (08502)
TEL 82-2-866-1047 FAX 82-2-866-1073

※ This certificate will be get back to prevent misuse, if the certificate is revoked prior to the validity date of the certificate.
- AKR is accredited by the KAB (Accreditation Number : KAB-EC-36).
- The IAF mark indicates that AKR is accredited by the member of the International Accreditation Forum, Multilateral Recognition Arrangement.

CERTIFICATE OF REGISTRATION

ENVIRONMENT MANAGEMENT SYSTEM

This is to certify that
The Environmental Management Systems of

SK Telecom Co., Ltd.

at
- **Jangan Building : 34, Janghan-ro 3-gil, Dongdaemun-gu, Seoul, Korea (Zip code : 02635)**
- **Future management Institute : 481-28, Seoicheon-ro, Majang-myeon, Icheon-si, Gyeonggi-do, Korea (Zip code : 17384)**
- **Knights stadium : 300, Nampyeong-ro, Yangji-myeon, Cheoin-gu, Yongin-si, Gyeonggi-do, Korea (Zip code : 17163)**
- **BundangBuilding : 6, Hwangsaeul-ro 258beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea (Zip code : 13595)**
- **SuyuBuilding : 238, Dobong-ro, Gangbuk-gu, Seoul, Korea (Zip code : 01133)**
- **WonjuBuilding : 149, Seowon-daero, Wonju-si, Gangwon-do, Korea (Zip code : 26436)**
- **Daegu Taepyung Building : 73, Wondae-ro, Seo-gu, Daegu, Korea (Zip code : 41728)**
- **Daegu JoongdongBuilding : 24, Cheongsu-ro, Suseong-gu, Daegu, Korea (Zip code : 42156)**
- **Jeonju Building : 17-8, Majeon 2-gil, Wansan-gu, Jeonju-si, Jeollabuk-do, Korea (Zip code : 54962)**
- **Incheon Building : 17, Seongmal-ro, Namdong-gu, Incheon, Korea (Zip code : 21573)**
- **Busan Anrak Building : 412, Chungnyeol-daero, Dongnae-gu, Busan, Korea (Zip code : 47890)**
- **Daegu Sinchen Building : 1, Hwarang-ro, Dong-gu, Daegu, Korea (Zip code : 41253)**

Certificate No. AK25EM2953

Standard ISO 14001:2015 / KS I ISO 14001:2015

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The Environmental Management Systems of

SK Telecom Co., Ltd.

at
- **Gwangju Songjeong Building : 308, Songdo-ro, Gwangsan-gu, Gwangju, Korea (Zip code : 62426)**
- **Daejeon Busa Building : 82, Bomun-ro, Jung-gu, Daejeon, Korea (Zip code : 35023)**
- **MyeongnyunBuilding : 583, Namwon-ro, Wonju-si, Gangwon-do, Korea (Zip code : 26441)**
- **Boramae Building : 1, Boramae-ro 5-gil, Gwanak-gu, Seoul, Korea (Zip code : 08708)**
- **Seoungsu Building : 36, Gwangnaru-ro 6-gil, Seongdong-gu, Seoul, Korea (Zip code : 04799)**
- **Daejeon Dunsan Building : 37, Munjeong-ro, Seo-gu, Daejeon, Korea (Zip code : 35259)**
- **Cheongju Building : 146, Sajik-daero, Seowon-gu, Cheongju-si, Chungcheongbuk-do, Korea (Zip code : 28594)**
- **Busan Buam Building : 258, Sincheon-daero, Busanjin-gu, Busan, Korea (Zip code : 47191)**
- **Busan Data center : 70, Centum jungang-ro, Haeundae-gu, Busan, Korea (Zip code : 48059)**
- **Daegu Bolli Building : 32, Dangsan-ro, Dalseo-gu, Daegu, Korea (Zip code : 42677)**
- **Jeju Building : 113, Doryeong-ro, Jeju-si, Jeju-do, Korea (Zip code : 63126)**
- **Pangyo Building : 264, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea (Zip code : 13487)**
- **Gwangju Woosan Building : 269, Mujin-daero, Gwangsan-gu, Gwangju, Korea (Zip code : 62355)**

Certificate No. AK25EM2953

Standard ISO 14001:2015 / KS I ISO 14001:2015

Scope of Certification

1. Solution Development and Service Operation
2. Energy Saving Business

- *Issue Date :* 10/10/2025
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GRI Standard Index

Statement of use	SK Telecom, as the reporting organization, reports information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	SK Telecom, as the reporting organization, does not apply the GRI Sector Standards corresponding to GICS or other industry classification systems, as they have not been issued as of the publication date.

General Disclosures

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	2-28 Membership associations (initiatives)	214
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Material Issue 2. Technology innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	32-38, 177-178
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Material Issue 3. Climate change response (adaptation and mitigation)		
GRI 3: Material Topics 2021	3-3 Management of material topics	39-58, 177-178
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	42-45
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GRI 103: Energy 2025	103-1 Energy policies and commitments	58
	103-2 Energy consumption and self-generation within the organization	205-206
	103-3 Upstream and downstream energy consumption	205-206
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Material Issue 5. Expanding customer-centric services		
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NON-GRI	No related topic standard	-

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GRI 3: Material Topics 2021	3-3 Management of material topics	73-82, 181
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GRI 3: Material Topics 2021	3-3 Management of material topics	132-133, 181
NON-GRI	No related topic standard	-
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GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	80, 181, 211
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SASB (Sustainability Accounting Standards Board)

SK Telecom recognizes the importance of corporate sustainability and its impact on stakeholders and strives to ensure that its management indicators — including those related to the environment, information security, business ethics, circular economy, and risk management — align with international sustainability standards. SK Telecom also aims to manage and fully disclose both qualitative and quantitative indicators for each item in accordance with Sustainability Accounting Standards Board (SASB) recommendations so that stakeholders can accurately understand its sustainability-related activities. SASB metrics are reviewed and approved by the Board of Directors and executives before disclosure, and for indicators that do not yet meet SASB standards, SK Telecom plans to set achievement targets and continuously improve them through further review.

Activity Metrics

Activity Metric	Category	Unit of measure	Code	Status	Page
Wireless subscribers	Quantitative	Number of persons (Subscribers)	TC-TL-000.A	Number of wireless subscribers: **21.75 million**[1)]	-
Wireline subscribers			TC-TL-000.B	Including SK Broadband and SK Telink voice over internet protocol (VoIP) service subscribers: **3.3 million**	-
Broadband subscribers			TC-TL-000.C	High-speed internet subscribers: approximately **7.2 million**, paid TV subscribers: approximately **9.5 million**	-
Network traffic		Petabytes	TC-TL-000.D	Annual processed data traffic: **6.31 million**	104

1) Handset subscribers based on FY2025 earnings release

Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Category	Unit of measure	Code	Status	Page
Operational Emissions	(1) total energy consumption, (2) grid electricity ratio, (3) renewable energy ratio	Quantitative	GJ / %	TC-TL-130a.1	Total energy consumption 24,512 TJ	205
Customer Information Protection	Advertising activities and retention policy and activities related to customers' personal information privacy	Qualitative	n/a	TC-TL-220a.1	2025 personal information protection training completed by 5,028 employees	25
	Number of customers whose information was collected for secondary use	Quantitative	No. of Customers	TC-TL-220a.2	Total 18,781,594 (consent: 15,188,353 / non-consent: 3,593,241)	24
	Financial loss (such as administrative fine) due to violation of customer information protection regulations	Quantitative	KRW	TC-TL-220a.3	KRW 134,800.6 million (Fine: KRW 134,791 million / Administrative penalty: KRW 9.6 million)	27
	Customer information related (1) number of legal sanctions, (2) number of customers whose information was requested, (3) disclosure ratio	Quantitative	No. of Requests / %	TC-TL-220a.4	Government agency requests for communications data: 242,586 cases, communication confirmation data request: 45,513 cases	30
Information Security	(1) Number of information security violations, (2) personally identifiable information (PII) security violation ratio, (3) number of affected customers	Quantitative	No. of Requests / %	TC-TL-230a.1	One incident occurred, involving the leakage of subscriber USIM-related information (April 19, 2025)	30
	Management approach to identifying and addressing information security risks, including the use of third-party information security standards	Qualitative	n/a	TC-TL-230a.2	In accordance with the Personal Information Protection Act, the "Privacy Policy" is publicly disclosed on the company website (customer personal data is collected based on prior opt-in consent and used only within the scope of specified purposes; when providing personal information to third parties, data is shared based on the customer's optional consent).	24
Waste Management	(1) recycled resources through the resource recovery program, (2) resource reuse rate, (3) recycling rate, (4) landfill rate	Quantitative	Metric tons, weight, percentage	TC-TL-440a.1	Recycling rate: 85.6%	208
Fair Competition and Net Neutrality	Financial loss (including administrative fines) resulting from regulatory violation related to unfair competition	Quantitative	KRW	TC-TL-520a.1		Business Report 417-419p
	(1) Proprietary content and commercially related content, (2) Average download speed of unrelated content	Quantitative	Mbps	TC-TL-520a.2	Download speed data broken down by content type (proprietary, commercial, non-affiliate) is not disclosed. However, no differentiation is made in download speeds based on content type.	104
	Description of risks and opportunities related to net neutrality, paid peering, and zero rating	Qualitative	n/a	TC-TL-520a.3	SK Telecom complies with the Ministry of Science and ICT's "Guidelines on Net Neutrality and Internet Traffic Management."	-
Management of Systemic Risk Caused by Technological Disruption	(1) System Average Interruption Duration, (2) System Average Interruption Frequency, (3) Customer Average Interruption Duration	Quantitative	Frequency and duration per customer	TC-TL-550a.1	Number of major communication failures: 0 cases	106
	A system designed to ensure normal service operation and provision in preparation for service interruption and similar situations.	Qualitative	n/a	TC-TL-550a.2	SK Telecom has established an emergency recovery system to minimize the inconvenience to the public and the social and economic impact caused by network disruptions. SK Telecom is also implementing an enterprise risk management (ERM) system to proactively identify potential risks in the business environment and to respond efficiently to identified risks.	106, 163-173

TCFD (Task Force on Climate-related Financial Disclosures)

Due to the increasing frequency of abnormal climate events, climate risks arising within industries are also growing. In response, SK Telecom aims to transparently disclose its preparedness for financial risks — an issue of concern for key stakeholders — by proactively managing the potential financial risks triggered by climate change. In line with the TCFD recommendations, SK Telecom discloses its climate-related response activities across four key areas: governance, strategy, risk management, and metrics and targets. SK Telecom strives to address not only the recommended disclosures of the TCFD but also its sector-specific guidance. For areas identified as needing improvement, SK Telecom plans to establish clear goals and continuously enhance its disclosures through additional review and refinement.

To this end, SK Telecom regularly monitors climate-related risks and opportunities through the ESG Committee and the responsible department (GC Center). The risks and opportunities related to climate change are examined from multiple perspectives, considering various aspects such as policy and law, technology, market, reputation, and acute and chronic impacts. The identified climate-related risks and opportunities, along with corresponding response plans, are reviewed and approved by the board and executives, and are systematically disclosed in accordance with the TCFD framework. In 2026, SK Telecom published a separate Climate-related Disclosure Report.

TCFD Recommended Disclosures		Page	CDP Mapping
Governance	a) Oversight of the Board of Directors Description of the board's oversight of climate-related risks and opportunities	39	Module 4
	b) Role of Executives Description of executives' role in assessing and managing climate-related risks and opportunities	39	
Strategy	a) Climate-Related Risks and Opportunities over the Short, Medium, and Long Term Climate-related risks and opportunities identified by the organization over the short, medium, and long term	40-41	Module 3 & 5
	b) Impact of Climate-Related Risks and Opportunities Description of the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	42-45	
	c) Resilience under Climate Scenarios Description of the organization's strategy for responding under climate scenarios, including a scenario of 2°C or lower	46-53	
Risk Management	a) Processes for Identifying and Assessing Risks Description of the organization's processes for identifying and assessing climate-related risks	40-41	Module 2
	b) Risk Management Processes Description of the organization's processes for managing climate-related risks	54	
	c) Integration into Enterprise Risk Management Description of how climate-related risk identification, assessment, and management are integrated into the organization's enterprise risk management (ERM) system	54, 163-173	
Metrics & Targets	a) Metrics for Assessing Climate-Related Risks and Opportunities Description of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes	55-56	Module 7
	b) Greenhouse Gas Emissions Disclosure of Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, along with a description of the associated risks	55-57	
	c) Targets for Managing Climate-Related Risks and Opportunities Description of the organization's targets for managing climate-related risks and opportunities, including progress toward achieving those targets	55-57	

Stakeholder Engagement for Climate Change Response

Framework Indicator		SKT Status & Actions
Policy & Commitment	1) Make a public commitment to conduct all climate-related lobbying activities in alignment with the global goal of limiting temperature rise to 1.5°C above pre-industrial levels.	SK Telecom carries out climate change response activities, including climate-related donations and sponsorships, in alignment with the national greenhouse gas reduction targets (NDC) and the Paris Agreement. In 2021, SK Telecom established a Net Zero target based on the Science Based Targets initiative (SBTi), and in 2022, formally declared its commitment to achieving "2050 Net Zero" at the 38th Annual General Meeting of Shareholders. SK Telecom measures greenhouse gas emissions both within and beyond its organizational boundaries annually and aims to achieve full Net Zero by 2050 through active annual carbon reduction efforts, starting with a 47.7% reduction in direct and indirect emissions (Scope 1+2) and a 22.3% reduction in other indirect emissions (Scope 3) by 2030 compared to 2020 levels.
	2) Apply the scope of climate-related lobbying commitment to all subsidiaries, business areas, and operational jurisdictions.	The climate-related donation and sponsorship policy of SK Telecom applies uniformly across all jurisdictions where its domestic and overseas subsidiaries operate, including South Korea, where over 99% of the company's revenue is generated.
	3) Publicly commit to taking measures to ensure that affiliated associations and coalitions conduct climate-related lobbying in alignment with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.	SK Telecom, as a member of associations and organizations related to the mobile telecommunications industry, supports all climate change response activities of each institution, including climate-related donations and sponsorships, to support alignment with the nationally determined contribution (NDC) for greenhouse gas reduction and the Paris Agreement.
Governance	4) Assign board-level responsibility for the oversight of the approach to and activities related to climate-related lobbying.	SK Telecom expanded and reorganized the ESG Committee in 2021 as an independent body under the board of directors, composed of four independent directors. The ESG Committee serves as the highest decision-making body, receiving reports on key climate change issues from executives and operational staff and making decisions accordingly. The ESG Committee regularly reviews the direction and performance reports for major ESG-related areas and is responsible for supervising and monitoring Net Zero implementation status, major disclosure items including climate-related donations and sponsorships, and other key matters.
	5) Assign executives–level responsibility for the day-to-day implementation of climate-related lobbying policy and activities.	SK Telecom's CEO and Head of the GC Center (Head of ESG), as key executives responsible for responding to climate change, manage major issues including climate-related lobbying and sponsorships. The CEO receives regular reports on the progress of the 2050 Net Zero goals, climate risk assessments, and responses, and supports the ESG Committee in discussing and making appropriate decisions on key issues. The Head of the GC Center (Head of ESG) oversees ESG-related operations and maintains an integrated management framework to ensure that related businesses and organizations can respond effectively. In addition, when material risks and opportunities arising from climate change are identified, they are immediately reported to the CEO for prompt decision-making.
	6) Establish an annual monitoring and review process to ensure that all direct and indirect climate-related lobbying activities across all regions align with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.	SK Telecom carries out all climate change response activities, including climate-related donations and sponsorships, in alignment with Korea's Nationally Determined Contribution (NDC) and the Paris Agreement. The ESG Committee reviews key issues and deliberates on monitoring results each month, and whether all direct and indirect climate-related donation and sponsorship activities align with the goal of limiting the global temperature increase to 1.5°C above pre-industrial levels is also included among these key issues.
	7) Establish a process for engaging relevant stakeholders in the development and review of climate-related lobbying policies, positions, and activities.	SK Telecom actively communicates with both internal and external stakeholders regarding potential risks and opportunities arising from climate change, including policies and activities related to climate-related donations and sponsorships. SK Telecom also conducts policy monitoring and tracks trends in the domestic and global telecommunications industry. In particular, SK Telecom identifies climate-related risks and opportunities that may have a significant impact and implements a materiality assessment process and management system to establish a framework for financial impact analysis and response.
	8) Establish a clear framework to address any misalignment between the climate lobbying positions of associations or coalitions to which the company belongs and the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.	SK Telecom manages the implementation status of its Net Zero strategy — including policies and activities related to climate-related donations and sponsorships — as well as the impacts of climate change through a company-wide risk management and execution system. In relation to climate-related donations and sponsorships, if the goals of an association or organization to which the company belongs are not aligned with the NDC or the Paris Agreement, SK Telecom maintains a policy to consider its role, status, and level of involvement in the organization, and may take actions such as issuing an official statement on goal-setting and implementation, requesting the formation of meetings or consultative bodies, prohibiting donations and sponsorships, or withdrawing from the organization.
	9) Publish a detailed annual review report covering the company's assessment of and actions taken to ensure alignment with the 1.5°C goal in the following areas: (a) the company's own climate-related lobbying activities; (b) the climate-related lobbying activities of associations, coalitions, or civil society organizations to which the company belongs or provides support.	SK Telecom reviews whether its climate-related donation and sponsorship policy aligns with the NDC and the Paris Agreement. The same monitoring procedure is applied not only to SK Telecom's own activities but also to those of associations and organizations to which SK Telecom belongs. As a result of this monitoring, SK Telecom has not identified any climate-related donation or sponsorship activities — either by the company or by its affiliated associations and organizations — that are inconsistent with the NDC or the Paris Agreement.

Stakeholder Engagement for Climate Change Response

Framework Indicator		SKT Status & Actions
Governance	10) Recognize and disclose any misalignment between the company's climate change lobbying activities — and those of any association, alliance, or funded civil society organization to which it belongs — and the target to limit global temperature rise to 1.5°C above preindustrial levels, along with the actions taken in response.	SK Telecom has not identified any misalignments between its climate-related donation and sponsorship, lobbying activities and those of the associations or organizations it belongs to, in relation to the goals of the NDC and the Paris Agreement.
	11) Form or join a coalition that engages in lobbying activities to support the goal of limiting global temperature rise to 1.5°C above preindustrial levels.	The Global System for Mobile Communications Association (GSMA) declared its participation in the SBTi in 2019 to achieve the 1.5°C target set by the Paris Agreement, and SK Telecom has publicly expressed its commitment to fulfilling the Paris Agreement through joint participation. SK Telecom is actively participating in associations and initiatives that support the achievement of the Paris Agreement, including becoming the first Korean company to join RE100 in 2020 and establishing its own SBTi-based Net Zero goal in 2021.
Specific Disclosures	12) Disclose membership, support, and participation in associations and alliances engaged in climate-related lobbying activities across all regions.	SK Telecom reviews its climate-related donation, sponsorship, and lobbying policies for alignment with the Nationally Determined Contribution and the Paris Agreement and applies the same monitoring process to its direct activities as well as the activities of associations and organizations to which it belongs. The results of our monitoring are transparently disclosed in the Sustainability Report.
	13) Disclose the following information for each association or coalition: (a) Annual expenditures; (b) Associations or coalitions in which the company holds a board seat or plays an active role in climate-related committees or other activities	SK Telecom publicly discloses the names and characteristics of the associations and organizations to which it belongs, as well as its status and role within them, along with information on annual expenditures. None of these associations or organizations to which SK Telecom belongs serve on its Board of Directors, nor do they participate directly in committees or other activities related to climate change.
	14) Provide comprehensive disclosure to external stakeholders on: (a) the impact of the company's climate lobbying on supporting or challenging public climate policy; and (b) the impact on the implementation of the company's climate strategy	SK Telecom considers all climate change response activities, including climate-related donations, sponsorships, and lobbying, to contribute to the achievement of the NDC when implementing the SBTi-based Net Zero goal established in 2021 and the 2050 Net Zero roadmap. This policy is a fundamental principle for SK Telecom's three green strategies (Green Operation, Green Energy, and Green Asset), which are aimed at reducing direct and indirect emissions (Scope 1+2) by 47.7% and other indirect emissions (Scope 3) by 22.3% compared to 2020 by 2030, and contribute to realizing full Net Zero by 2050 through active carbon reduction every year.

Association Joined	Issues and Topics	SK Telecom's Role and Involvement	Status	FY2025 Total Expenditure
Happy Connect Foundation	• Established by the SK Group's Happiness Sharing Foundation, this public interest corporation participates in climate change response through initiatives such as reusing used mobile phones and recycling IT device/telecommunication infrastructure, and reinvests in job creation and public interest projects.	• Expanded the scope of eco-friendly projects by contributing funds to the Foundation (broadening resource circulation efforts by diversifying recycled items). • Promoted resource circularity and eased customer financial burden by providing refurbished smartphones as temporary replacement devices for SK Telecom subscribers experiencing phone loss or damage. • Collaborated on the circular utilization of SK Telecom's decommissioned telecommunication equipment. • Discovered experience-based events and programs for employees and stakeholders (promoting collaboration with internal organizations such as labor union programs, and partnering with large corporate programs).	Sponsor	KRW 3 billion

United Nations Global Compact (UNGC)

The UN Global Compact (UNGC) calls for the implementation of ten universal principles in the areas of human rights, labor, environment, and anti-corruption, and urges companies to actively participate in the United Nations' comprehensive development agendas, including the Sustainable Development Goals (SDGs). As a founding member of the Korean Association of the UNGC, a corporate consultative body under the UN, SK Telecom became the first company among South Korea's top four conglomerates to join the initiative in 2007. Since joining, SK Telecom has integrated the UNGC's ten principles into overall management practices and systematically collaborated with global development plans to achieve the SDGs. Recognizing the critical importance of human rights management, SK Telecom officially endorsed the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights (Ruggie Framework) in April 2013. This official declaration by the CEO solidified internal and external commitment to fulfilling human rights responsibilities. Moving forward, SK Telecom plans to deepen responsible management based on UNGC principles, addressing domestic and international social challenges while leading the expansion of global ESG standards.

UNGC Activities

Association and initiatives	Date of membership	Purpose and remarks
UNGC HQ	May 2007	Enhancement of SK Telecom's ESG system and improvement of domestic and global ESG reputation through participation in global ESG initiatives
UNGC Korea Network	September 2007	
UNGC LEAD	January 2011	

Criteria for UNGC Advanced Level			Page
Implementation of the Ten Principles into Strategies & Operations	Criterion 1	Efforts to integrate the Ten Principles of the United Nations Global Compact (UNGC) into organizational	233
	Criterion 2	Implementation of the Ten Principles of the United Nations Global Compact (UNGC) within the value	143-151
Robust Human Rights Management Policies & Procedures	Criterion 3	Commitment, strategies, and policies for the promotion of human rights	91-95
	Criterion 4	Effective management systems to integrate human rights principles into business and management processes	
	Criterion 5	Monitoring and evaluation mechanisms to ensure compliance with human rights principles in business and management processes	
Robust Labor Management Policy & Procedure	Criterion 6	Commitment, strategy, and policy for labor	73-82, 209-214
	Criterion 7	An effective management system to reflect labor principles within business and management procedures	
	Criterion 8	Monitoring and evaluation mechanism to ensure compliance with labor principles within business and management procedures	
Robust Environmental Management Policy & Procedure	Criterion 9	Commitment, strategies, and policies for the promotion of environmental responsibility	61-71
	Criterion 10	Effective management systems to integrate environmental principles into business and management processes	
	Criterion 11	Monitoring and evaluation mechanisms to ensure compliance with environmental principles in business and management processes	

Criteria for UNGC Advanced Level			Page
Robust Anti-Corruption Policy & Procedure	Criterion 12	Commitment, strategy, and policy regarding anti-corruption	143-158
	Criterion 13	An effective management system to reflect anti-corruption principles in business and management procedures	
	Criterion 14	Monitoring and evaluation mechanism to ensure compliance with anticorruption principles within business and management procedures	
Activities Supporting the Achievement of the UN's Comprehensive Goals and Resolution of Issues	Criterion 15	Contribution to the achievement of UN goals and resolution of related issues through core business activities	119-129
	Criterion 16	Strategic social investment and charitable activities for the achievement of UN goals and resolution of related issues	
	Criterion 17	Public engagement and communication for the achievement of UN goals and resolution of related issues	129, 214
	Criterion 18	Partnerships and participation in external initiatives for the achievement of UN goals and resolution of related issues	233
Sustainability Governance and Leadership	Criterion 19	CEO commitment and leadership in sustainability	5
	Criterion 20	Adoption and oversight of sustainability agenda by the board of directors	139
	Criterion 21	Stakeholder engagement	182-184

About This Report

This report is SK Telecom's sustainability report, published to share the company's sustainability strategies, key activities, and achievements across environmental, social, and governance (ESG) areas with various stakeholders, including investors.

Reporting Basis and International Guidelines Referenced

This report was prepared in accordance with the GRI Standards, the sustainability reporting standards set by the Global Reporting Initiative (GRI). It also references Korea Sustainability Standards Board (KSSB) Sustainability Disclosure Standards No. 1 (General Requirements for Disclosure of Sustainability-related Financial Information), No. 2 (Climate-related Disclosures), and SASB.

Reporting Scope and Boundary

In this report, the term "SK Telecom" refers to SK Telecom on a separate basis, excluding subsidiaries subject to consolidation under Korean International Financial Reporting Standards (K-IFRS). Financial data is presented on a consolidated basis, with K-IFRS 16 applied since 2019. Non-financial data, such as those related to environment and society, is prepared on a separate basis for SK Telecom. Unless otherwise noted, general descriptions and information exclude data from overseas branches, subsidiaries, and investees of SK Telecom. The geographical scope of reporting for this report covers the Republic of Korea, where main business sites are located and over 99% of revenue is generated. The reporting period covers January 1, 2025 to December 31, 2025. However, certain qualitative activities may include performance up to June 2026. Where changes occurred in historical data reported in previous reports, past data has been restated based on 2025, with the reasons for restatement indicated alongside the respective data.

Third-Party Assurance and Forward-Looking Statement

The financial information presented in this report has been prepared following audits by an independent accounting firm. To ensure reliability, non-financial information underwent third-party assurance by an independent professional agency (p. 215–217). Additionally, greenhouse gas emissions data included in this report was verified separately (p. 221–222). For information regarding forward-looking statements and their limitations, please refer to the Disclaimer section of this report.

International Initiatives and Partnerships

SK Telecom joined the UN Global Compact (UNGC) in 2007 to support its 10 principles across human rights, labor, environment, and anti-corruption, as well as the achievement of the Sustainable Development Goals (SDGs). In addition, SK Telecom complies with ISO 26000, an international standard for corporate social responsibility management systems, and actively participates in the Carbon Disclosure Project (CDP).

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Disclaimer

In addition to statements of current and historical activities and achievements, this report contains forward-looking statements concerning SK Telecom's future plans, prospects, and estimates in pursuit of sustainable growth and social value creation. Words, phrases, or similar expressions used in this report — such as "may," "will," "could," "should," "would," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "projects," "intends," "targets," "aims," "forecasts," "outlook," "potential," "pursues," "seeks," "strategy," "continue," "preliminary," or the negative of these terms and other similar expressions — constitute such forward-looking statements. These forward-looking statements are based on current plans, estimates, and prospects at the time of preparation, as well as the political and economic environments SK Telecom may face in the future, and are subject to unknown risks, uncertainties, and other factors. Due to these risks, uncertainties, and other factors, actual results or performance may differ materially from those expressed or implied in the forward-looking statements. Users of this report are cautioned not to place undue reliance on these forward-looking statements.

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