

Business Overview

Company Introduction

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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

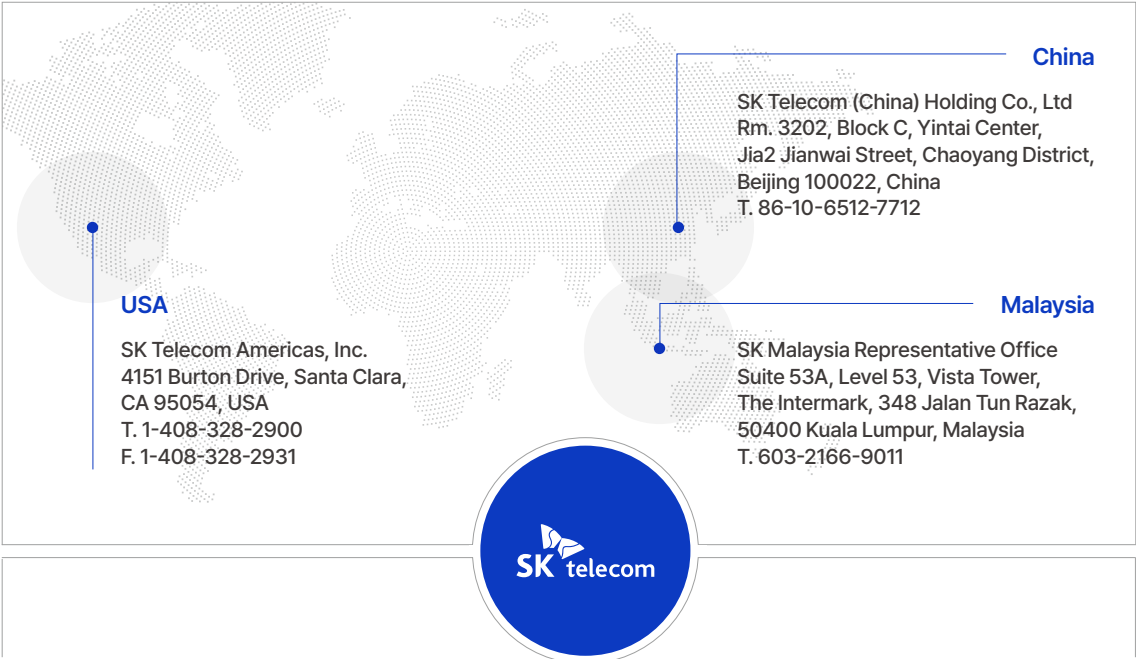
Credit Ratings

(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.



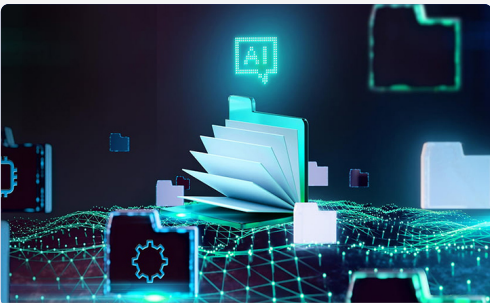
AI Business System

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.



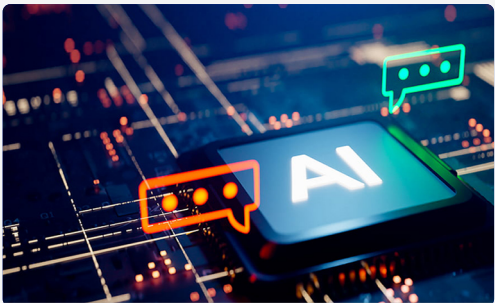
Autonomous Network

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



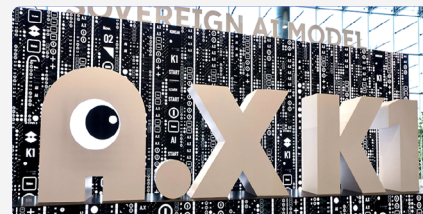
SK Telecom aims to establish hyper-scale AI Data Center (DC) infrastructure, with a total capacity of more than 1 GW nationwide. By doing so, SK Telecom intends to attract global capital investments into South Korea and establish the largest AI DC hub in Asia.

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



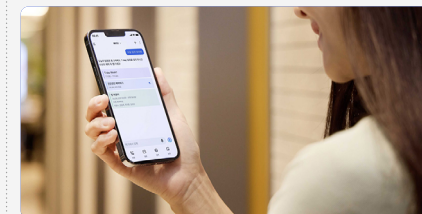
SK Telecom is strengthening its AI model competitiveness through a proprietary foundation AI model with 519 billion parameters. SK Telecom also plans to expand B2C services into everyday life, including mobility, communication, and lifestyle services, while expanding the application of B2B services across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

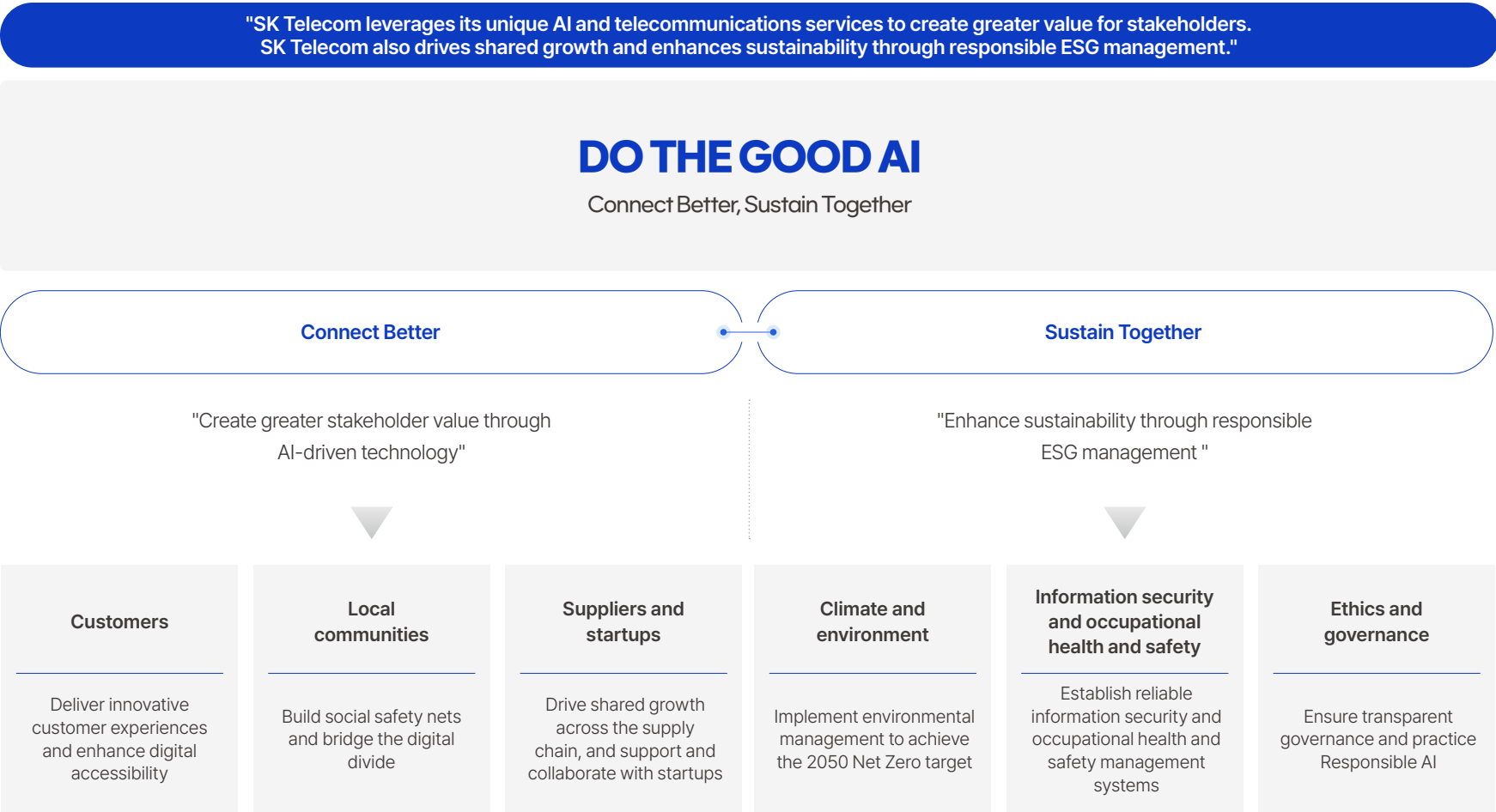
Sustainability Management Overview

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.



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.

Board of Directors

ESG Committee

Executives

CEO

Head of the GC (General Counsel) Center

Company-wide Sustainability Management Council

Head of the Sustainability Management Office, in coordination with relevant functions across the company

Environmental

Social

Governance

- Climate change
- Circular economy
- Natural capital (Biodiversity)

- Employee development
- Human rights
- Customers
- Occupational health and safety
- Information security
- Supply chain
- Social contribution

- ESG Committee support
- ESG Communications with Investors
- Ethical management
- Compliance
- AI governance

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