

41st Annual General Meeting

CEO Speech

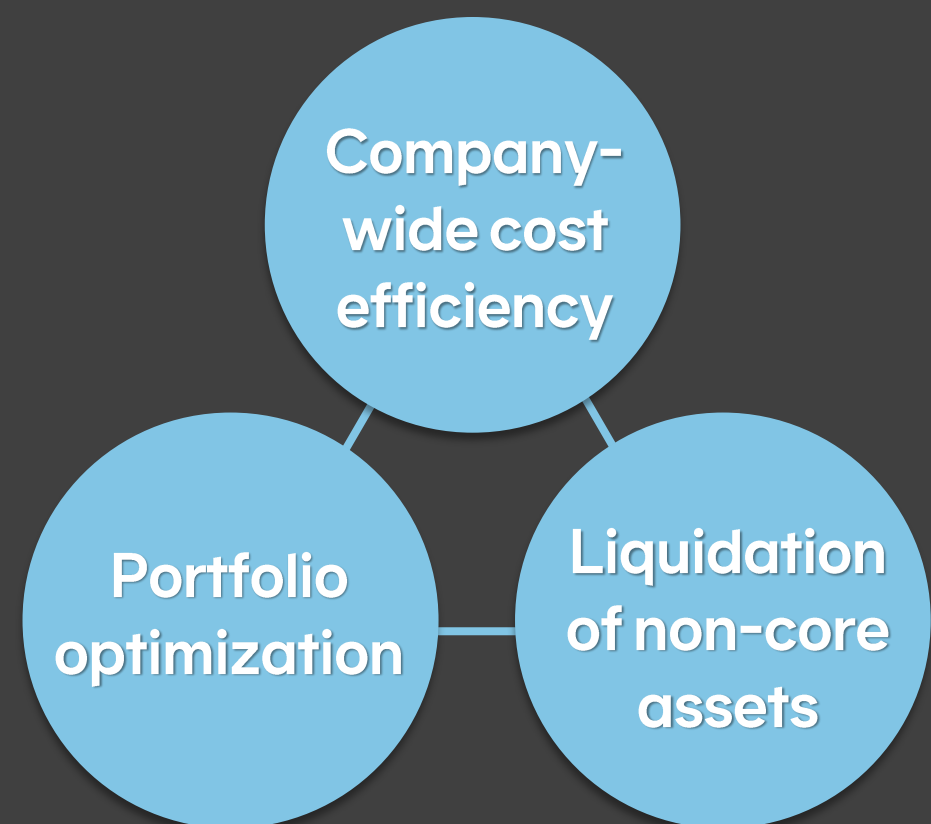
SK telecom

Business Report

2024 Business Highlights

Focus on OI and AI amid uncertainties in the business environment

Optimization through Operational Improvement (OI)



**Stronger earnings and
a foundation for medium-term
profitability growth**

Get ready to become an AI Company based on the AI Pyramid Strategy

AI cum. investments
KRW 600B+

AI R&D personnel
1,200+

A. subscribers
9M approx.*

T universe subscribers
2.4M approx.

GTAA
**1.3B subs.
in 50 countries**

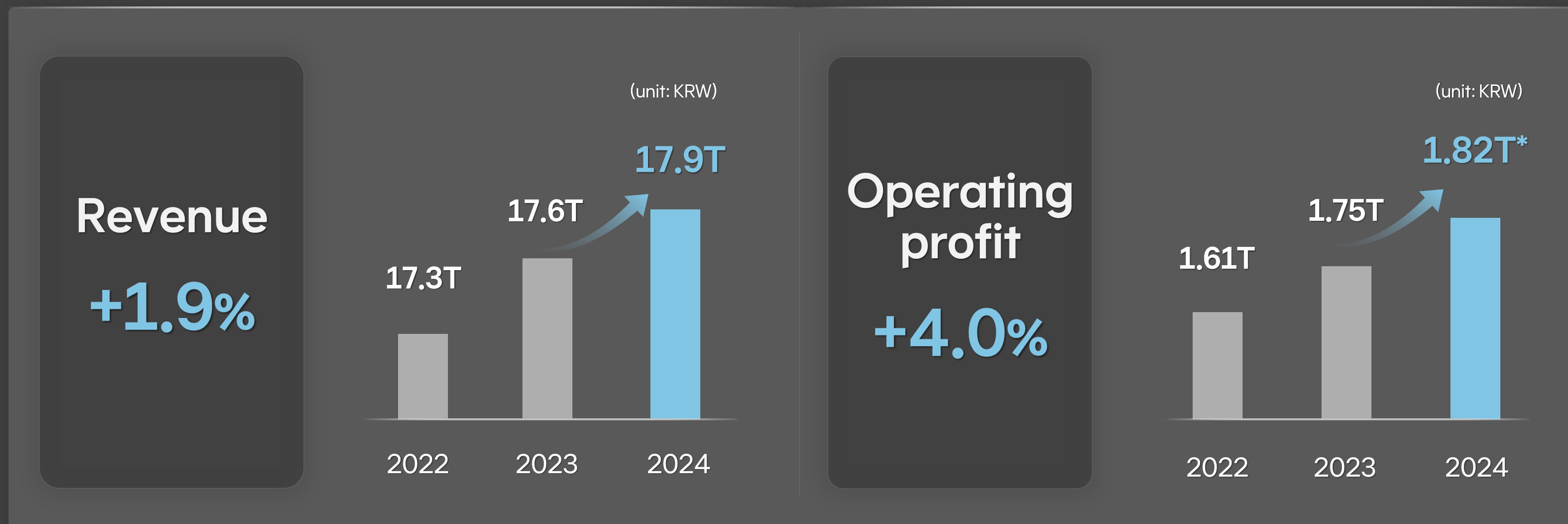
K-AI Alliance
30 members*

* as of February 2025

**Basis for AI business secured through
self-reliance and cooperation**

2024 Financial Results

Strong earnings driven by the growth of Mobile, Fixed, Enterprise, and AI business



* Operating profit up for 5 consecutive years and OP margin exceeding 10% in 10 years

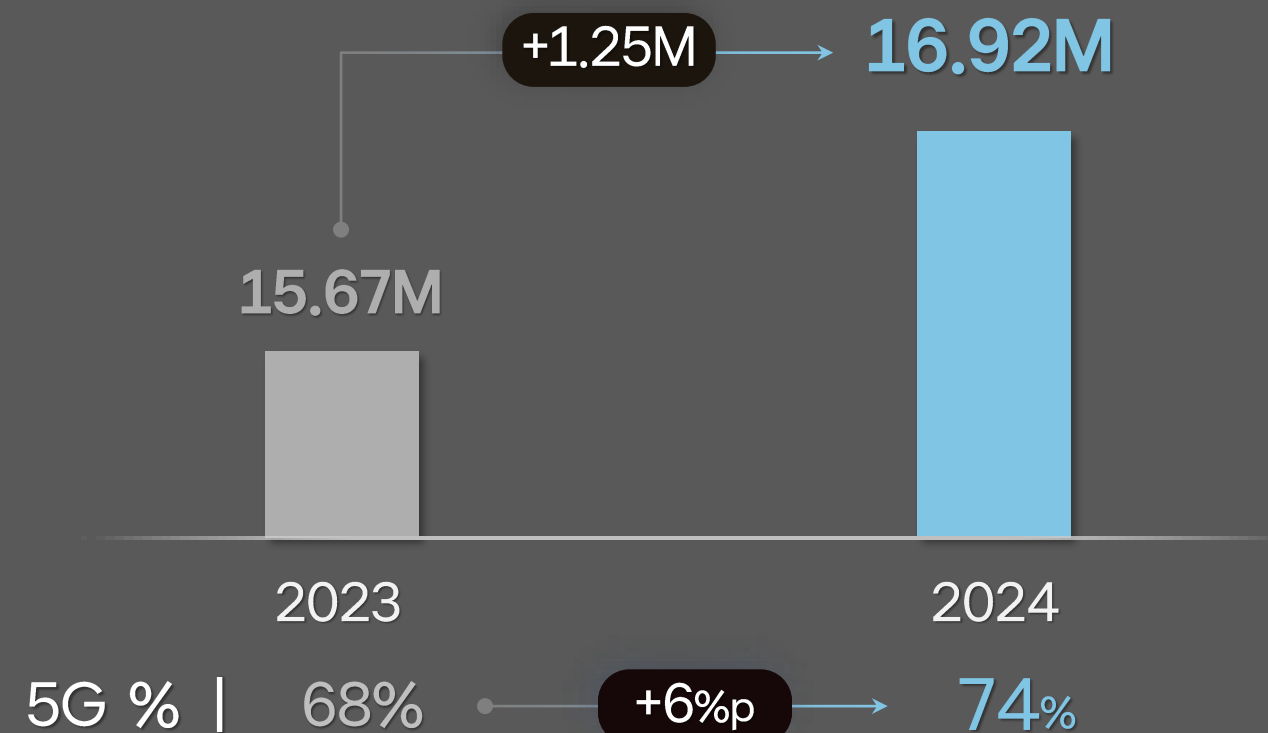
2024 Business Results – Fixed and Mobile

Stable growth of 5G subscribers and continued net adds to the broadband and pay tv subscriber base

| MNO |

Stable growth of 5G subscribers

(unit: persons)

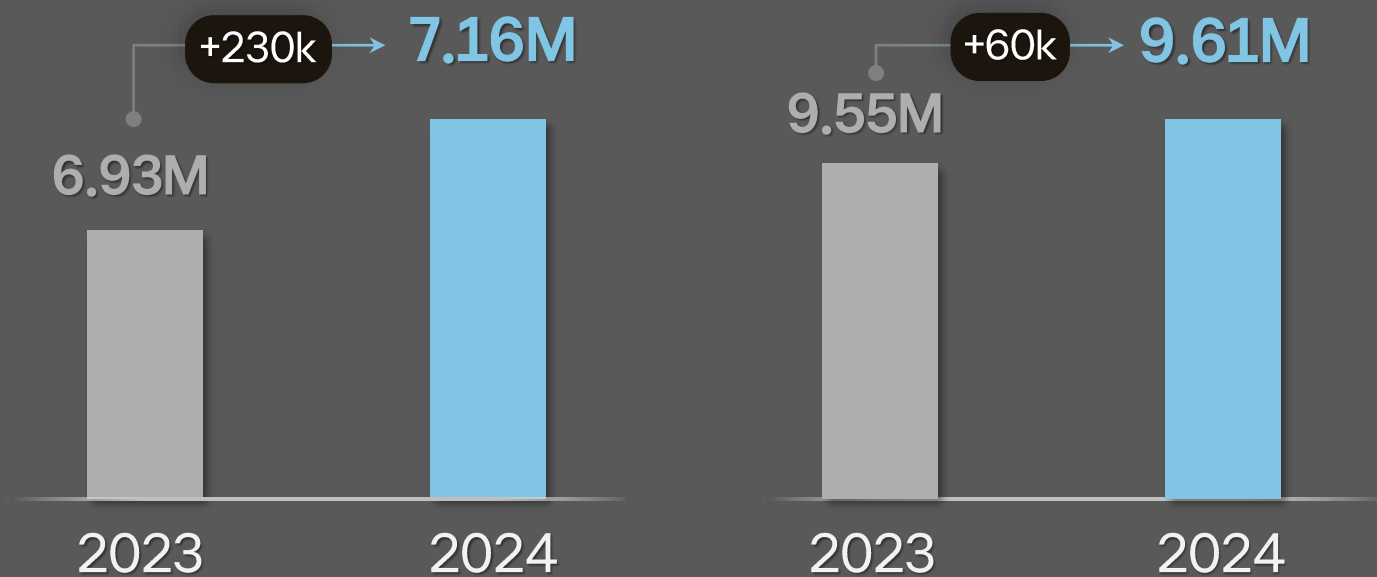


| Broadband & pay tv |

Broadband growth

Pay tv net adds

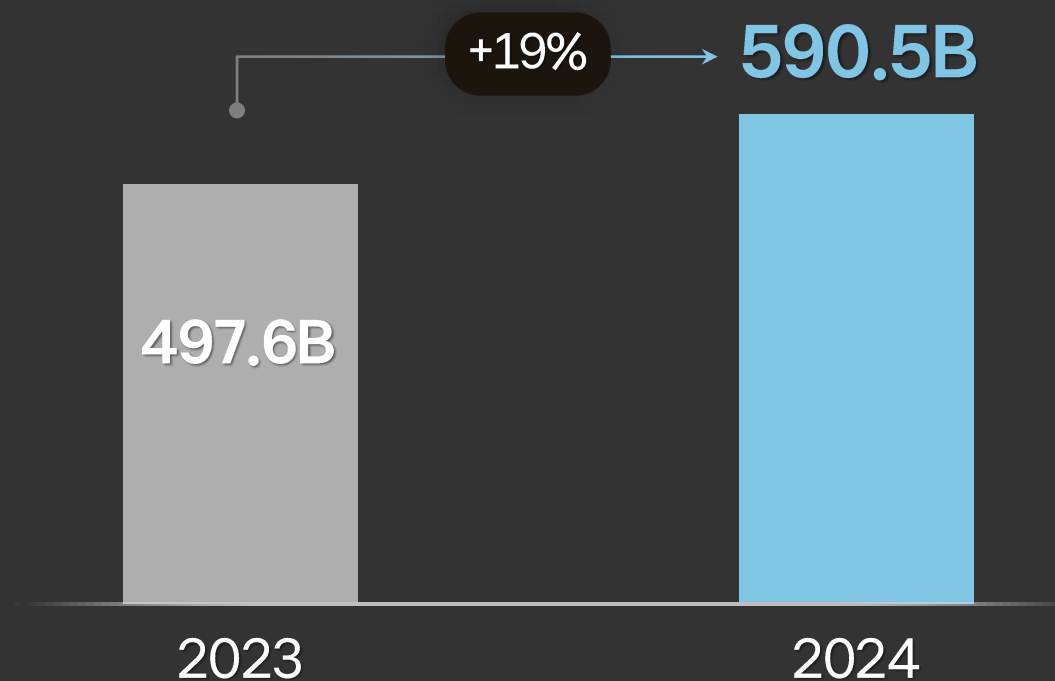
(unit: persons)



Double-digit growth of AI DC and AIX

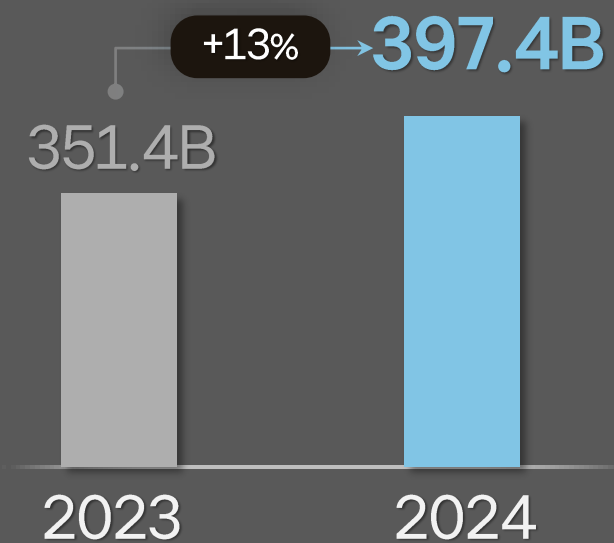
| AI-related Revenue |

(unit: KRW)



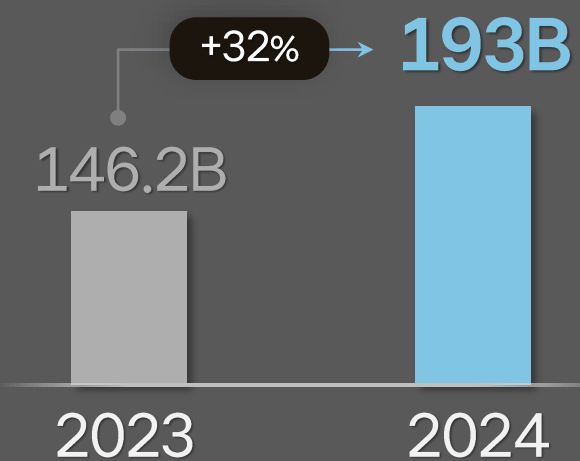
| AI DC & AIX* |

AI DC higher utilization
Solid growth



AIX AI Cloud-focused
Rapid growth

(unit: KRW)



* AI B2B such as AI Cloud, AI Vision, and AICC

2025 Strategic Directions

2025, Expansion of OI Activities

Improve long-term sustainability by securing fundamental business competitiveness beyond cost saving

| Secure competitive fundamentals |

Market

Optimal operation
for optimal portfolio

online

offline

+

Enhance key products

Product
bundling

Family
roaming

Network

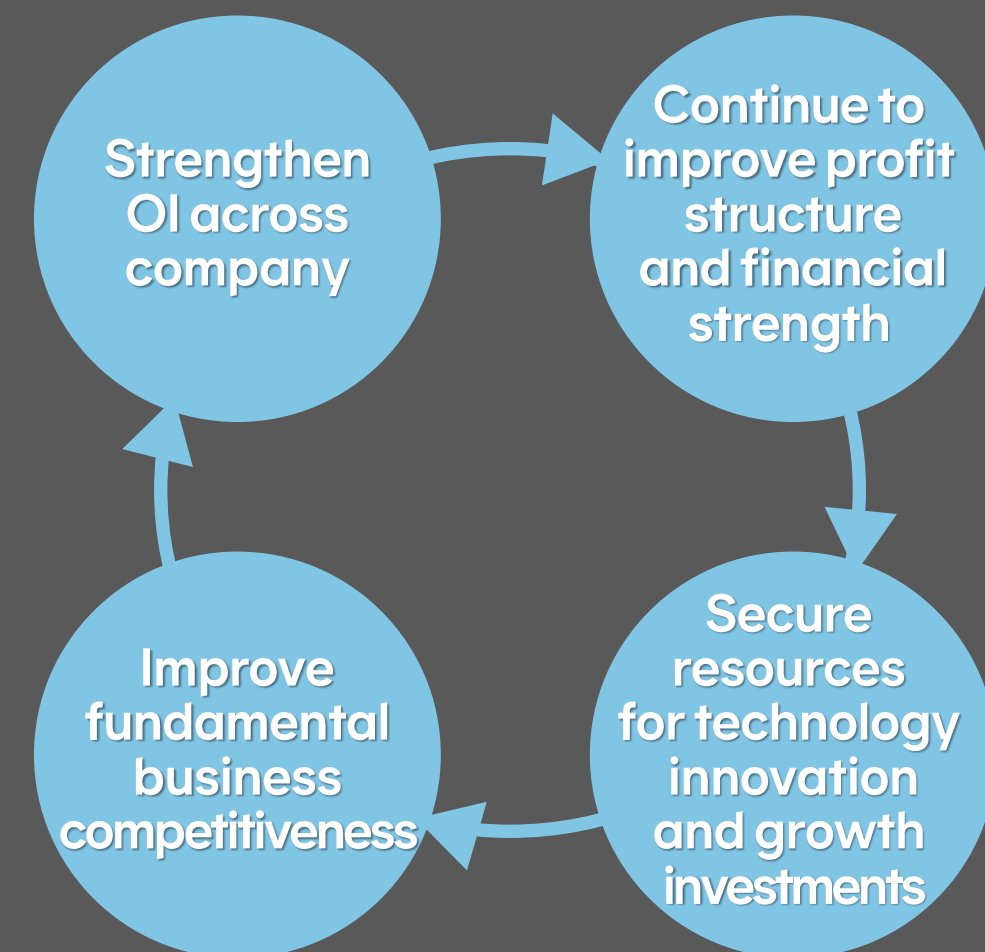
Optimal investment
based on customers'
quality perception

Mid-to-long-term
N/W upgrade

AI-based automation
to operate, manage,
optimize, and restore N/W

Beyond cost saving to a paradigm
evolution of telecom business

| Create a virtuous cycle of OI |



AI User and Supplier

**Conduct OI
across telecom business**



**Utilize
experience
and capabilities**

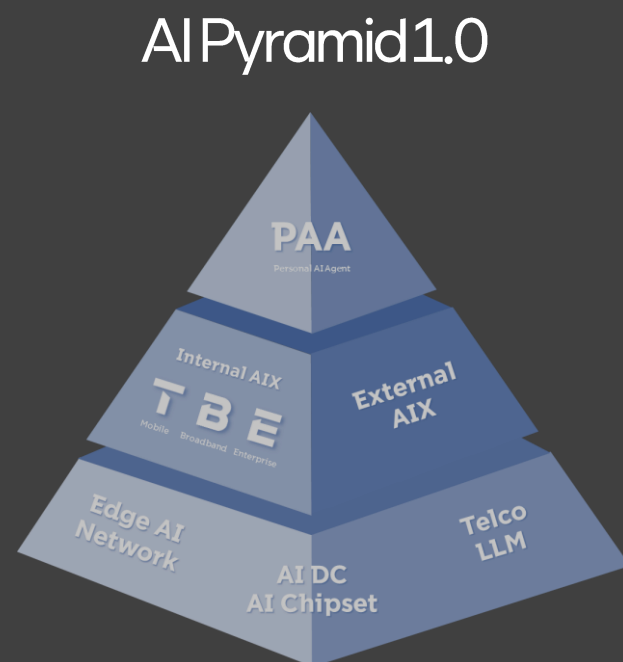
**Transform as an AI Company
based on the AI Pyramid**



* OIMS (Operation Improvement Management System): To effectively track and manage OI activities

AI Pyramid 2.0

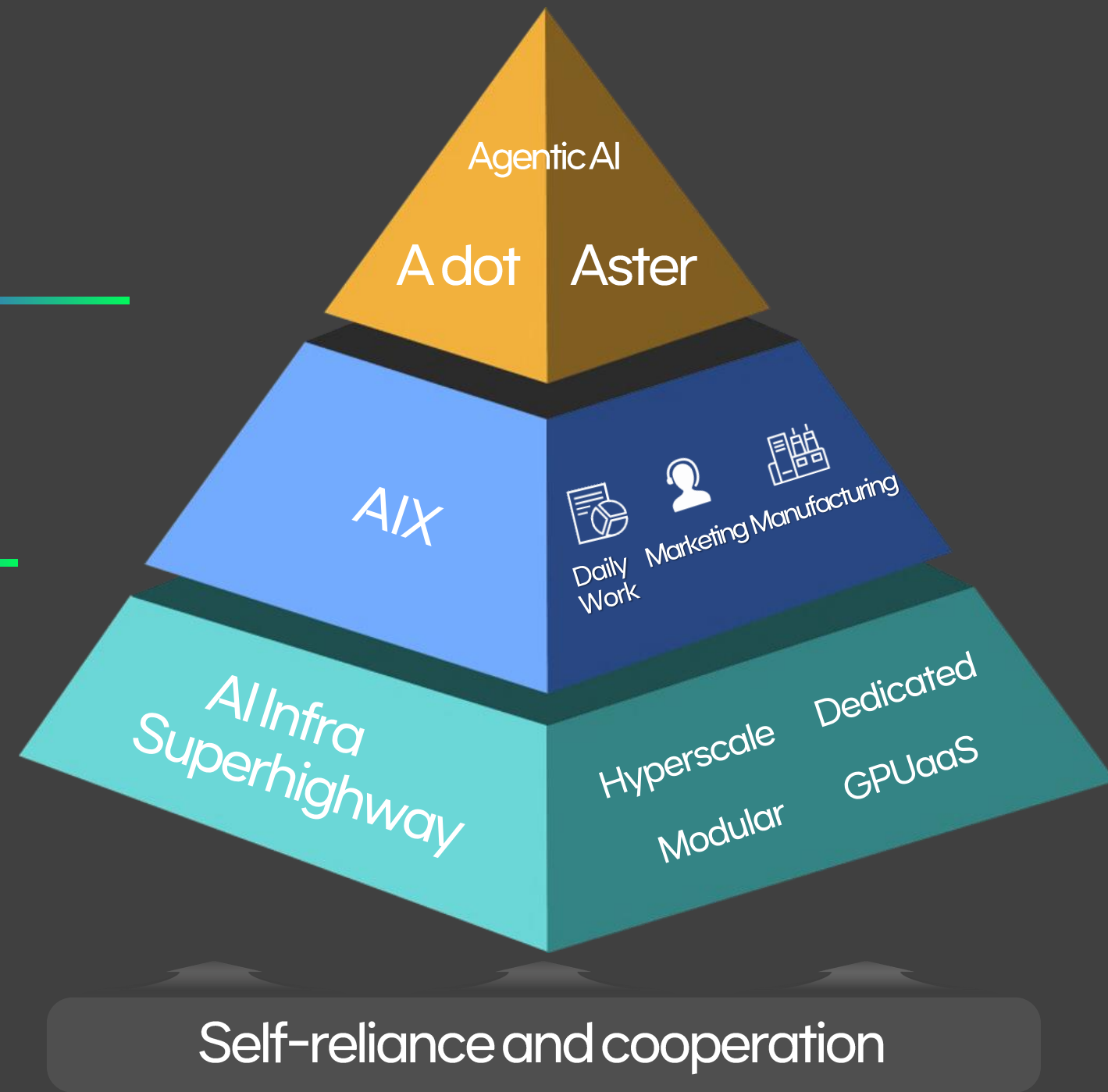
| AI Pyramid 2.0 |

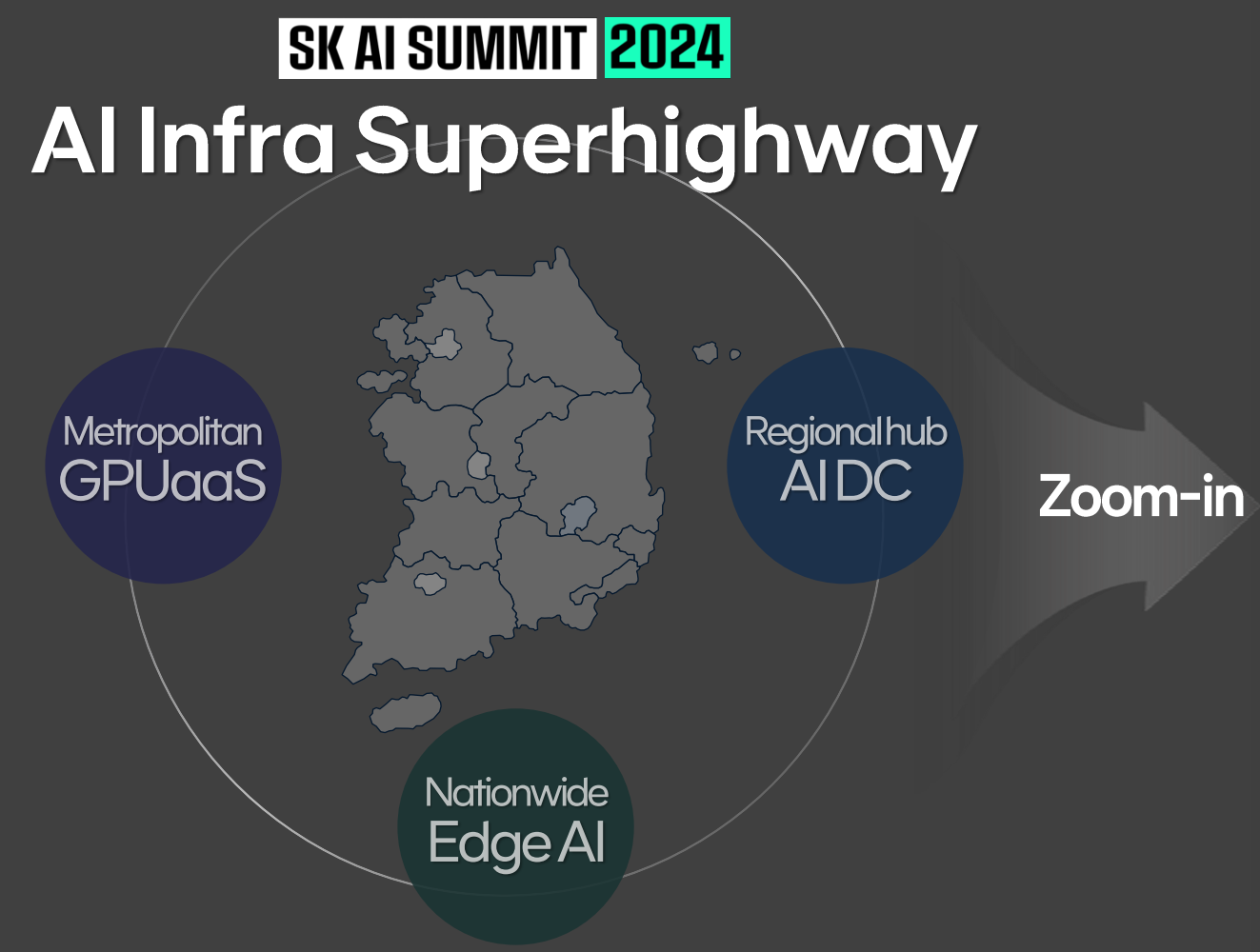
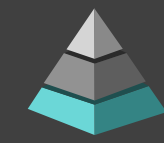


AI B2C

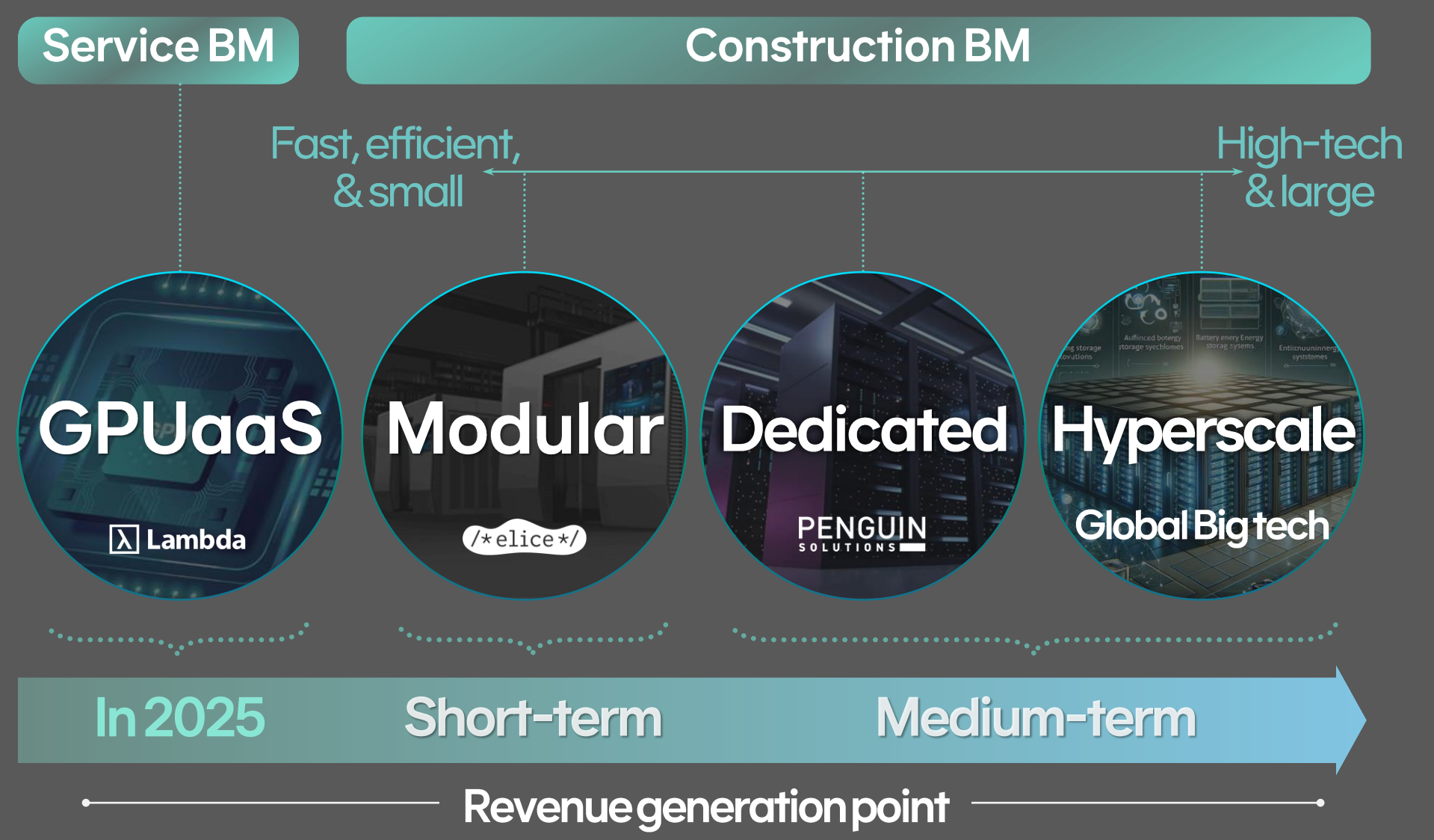
AI B2B

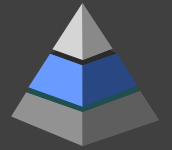
AI DC





A la carte services for all types of AI DC needs





Enterprise AI Conventional AI B2B

Use SKT's AI technology

Support customers' digital transformation by developing and providing products and services needed in the B2B market

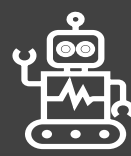
Gen AI



AI Vision



AI Robot



AI CC



AI Data



AI Marketing



AI Cloud enhancement

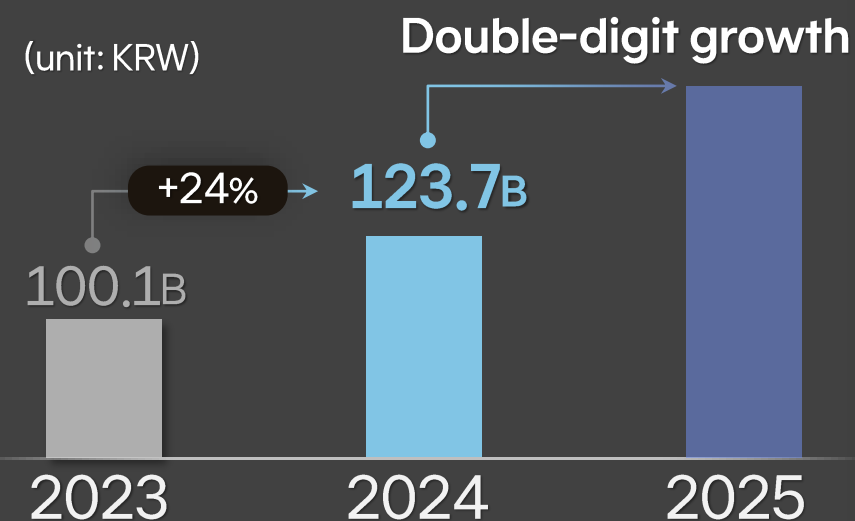
Added value such as AI Cloud consulting and security solutions based on strategic cooperation with global big techs

Continue high growth



※ AI Cloud Revenue

(unit: KRW)



AI Use Case development

Innovate SK Group's business tasks with AI Agent and turn them into business models to create B2B revenue

A.Biz

AI transformation of daily business tasks

A.Biz
PROFESSIONAL

Handle professional services such as legal, tax, HR, and PR

Marketing AI

Enhance process efficiency including market intelligence

Manufacturing AI

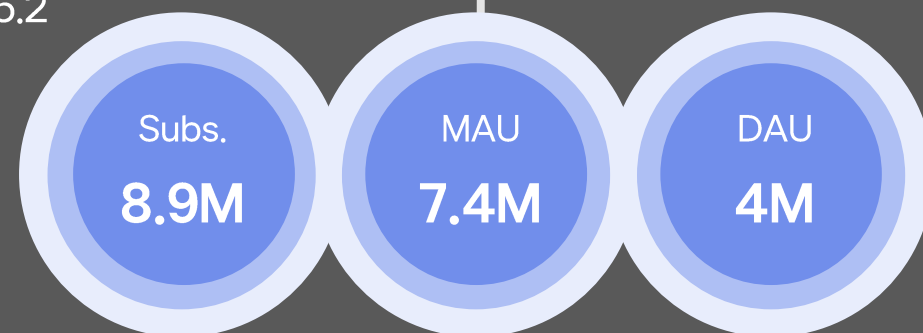
Physical AI-based productivity innovation in manufacturing such as factory automation



Korea's No.1 AI Service – A.



'25.2



Further improve A. call

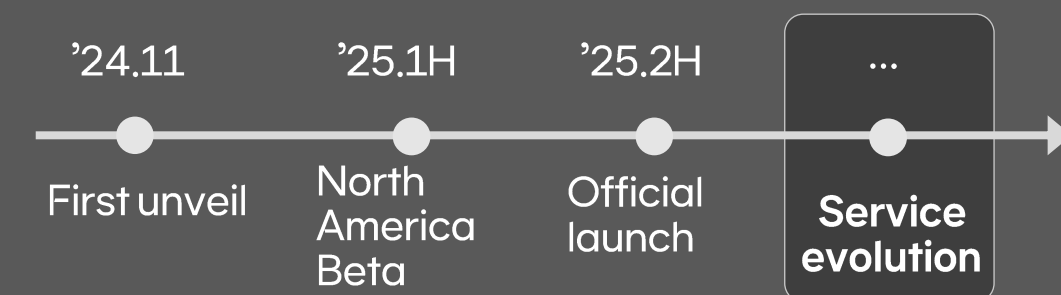
Evolve into AI Agent

Enhancing LLM partnerships

Further divergence

Build a basis for A. monetization

E2E global AI agent – Aster



Global expansion based on telco strengths



Identify customer tastes and needs based on telco's unique assets and service experience

Service links through local service partnerships



Daily Navigator
from planning to action

aster

Self-reliance and Cooperation

Continue self-reliance and cooperation to secure AI capabilities

| Continue self-reliance |

A.X 4.0

High performance & efficiency
Korean-specific LLM



Fine-tuning



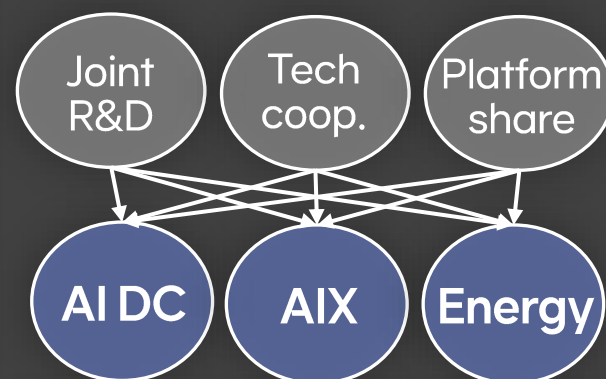
Proprietary Data



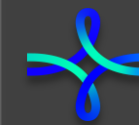
Telco & call-based

Mobilize SK Group-wide capabilities

SK AI R&D Center



| Strengthen cooperation |



**GLOBAL TELCO
AI ALLIANCE™**

Agentic AI & AI Infrastructure
Expand areas of cooperation

Korea's leading AI firms

K-AI Alliance

Joint work for biz and
tech development
Establish Korean-style
AI ecosystem



Pre-emptive investments and
continued partnerships with
global top AI players

Corporate Value-up

AI Value-up with ESG

ESG Vision

DO THE GOOD AI

DO AI

Use AI to strengthen telecom and technology competitiveness

THE AI

Earn trust based on the principle of transparency

GOOD AI

Make positive contribution to the world with AI



Environment

AI-based eco solutions



AI-based
Energy saving



Net Zero

Use AI to offset emissions



Social

Social value creation with AI



AI Care

Care for the vulnerable
Reduce AI gaps



AI Safety

AI voice phishing alert,
spam filtering, AI life care



Governance

Strengthen governance

T·H·E·AI

Improve

AI governance

& Active external comm.



Board-led mgmt.

Secure AI expertise
Empower five committees



Dow Jones
Sustainability Indexes

Included in DJSI World
(Only 7 telcos in the world)



ESG rating AA



한국ESG기준원 A grade

Corporate Value-up through OI and AI

| Corporate Value Up Plan |

※ Announced in Oct. 2024

| Capital efficiency |

| Shareholder return |

| AI Vision 2030 |

ROE 10%+

(2026)

**50%+ in
consolidated
adjusted
net income**

(FY2024 ~ 2026)

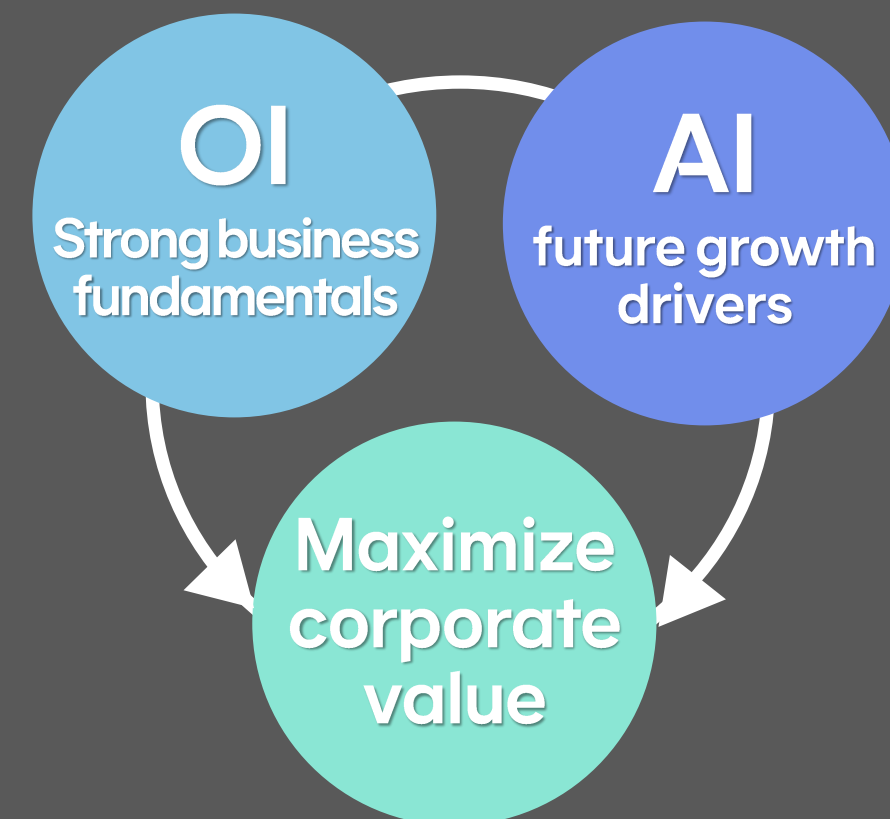
**Total Revenue
KRW 30T
35% from AI**

(2030)

**Stable shareholder return and investment for
AI growth to secure new growth drivers
based on efficiency improvements**

| OI & AI to maximize corporate value |

Ultimate goal of OI & AI is to enhance corporate value



**Enhance corporate value through
profitability improvement and new growth**

**SK Telecom leading the 'Korean-style AI ecosystem'
with the AI Infra Superhighway**