SK Telecom
Climate-related Disclosure Report
2025-2026

About this Report

Report Overview

SK Telecom (the "Parent Company") and its consolidated subsidiaries (the "Subsidiaries") have prepared this report in accordance with the final Korea Sustainability Disclosure Standards issued by the Korea Sustainability Standards Board (KSSB[1]). The report provides users of general-purpose financial reports with climate-related information on risks and opportunities relevant to decisions about providing resources to the Parent Company.

Climate-related disclosure began with the publication of the SK Telecom TCFD Report 2023, which was prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD[2]). The Climate-related Disclosure Report 2024 expanded the scope of disclosure to include greenhouse gas emissions information for the Parent Company's Major Subsidiaries. This was followed by the publication of the Climate-related Disclosure Report 2025, reflecting the exposure draft of the Korea Sustainability Disclosure Standards. This Climate-related Disclosure Report 2025-2026 has been prepared in accordance with the final Korea Sustainability Disclosure Standards.

Reporting Standards

This report has been prepared in accordance with the following sustainability disclosure standards:

- Korea Sustainability Disclosure Standard No. 1, General Requirements for Disclosure of Sustainability-related Financial Information
- Korea Sustainability Disclosure Standard No. 2, Climate-related Disclosures

Reporting Entity and Scope

The reporting entities covered by the 42nd Business Report include the Parent Company and its Subsidiaries. However, entities whose principal business activity is investment, for which the underlying data is difficult to obtain, and entities that ceased or are expected to cease to be controlled by the Parent Company during the current or subsequent reporting period, or that have been or are scheduled to be liquidated, are excluded. The reporting scope of this report, including the relevant Subsidiaries within the consolidated group (hereinafter the "Major Subsidiaries"), is as follows:

- Reporting Entities: SK Telecom, as the Parent Company, and its Major Subsidiaries (collectively, the "Group")
- Major Subsidiaries (9): SK Telink Co., Ltd., SK Broadband Co., Ltd., PS&Marketing Co., Ltd., SERVICE ACE Co., Ltd., SERVICE TOP Co., Ltd., SK O&S Co., Ltd., SK Telecom Americas, Inc., Happy Hanool Co., Ltd., and Home & Service Co., Ltd.

Classification	Consolidated Subsidiaries (Summary)					
	Opening	Additions	Reductions	Closing	Excluded	Reported
42nd Business Report (FY2025)	21	1	3	19	-	19
Climate-related Disclosure Report 2025-2026 (FY2025)	21	1	3	19	10[1)]	9

1) This report excludes six entities primarily engaged in investment activities (SK Telecom China Holdings Co., Ltd., Atlas Investment, SK Telecom Innovation Fund, L.P., Astra AI Infra LLC, Forest AI Investment, and SAPEON Inc.); two entities that were deconsolidated or liquidated during, or are scheduled for liquidation in, the current or subsequent reporting period (SK stoa Co., Ltd. and Media S Co., Ltd.); and two entities that are not Major Subsidiaries (Global AI Platform Corporation Korea Co., Ltd. and Global AI Platform Corporation).

1. KSSB (Korea Sustainability Standards Board): A body established under the Korea Accounting Institute to develop and oversee Korea's sustainability disclosure standards.
2. TCFD (Task Force on Climate-related Financial Disclosures): An international task force that issued recommendations on the financial disclosure of climate-related risks and opportunities. Its recommendations were incorporated into IFRS S1 and IFRS S2 following its dissolution in October 2023.

Reporting Period

The reporting period is January 1 to December 31, 2025, aligned with the reporting period covered by the 42nd Business Report. Quantitative information for the current reporting period is presented together with comparative information for 2024. However, given the nature of the assessments in Strategy (Chapter 2) and Metrics and Targets (Chapter 4), these chapters also include information outside the reporting period, including historical trends and forward-looking information covering the short, medium, and long term.

Information Linked to Consolidated Financial Statements

The data and assumptions used in the sustainability-related financial disclosures are consistent with those used to prepare the K-IFRS[3] consolidated financial statements for the same reporting period. Where the scope of the reporting entity differs from that of the consolidated financial statements, or where information from outside the reporting entity's boundaries, including its value chain, is used, the relevant section provides separate disclosure of this fact.

Presentation Currency

Consistent with the consolidated financial statements, Korean won (KRW), the functional currency of the primary economic environment in which the Group operates, is also used as the presentation currency. Unless otherwise stated, monetary amounts are presented in Korean won (KRW). Greenhouse gas emissions are presented in tonnes of carbon dioxide equivalent (tCO_2e).

Limitations

Certain quantitative information has been prepared using reasonable and supportable information available as of the reporting date without undue cost or effort. Where measurement uncertainty is significant, qualitative information is also provided. Any potential changes to the key assumptions and estimates used in these calculations are disclosed separately in the relevant section.

3. K-IFRS (Korean International Financial Reporting Standards): Accounting standards adopted in Korea based on IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), with modifications reflecting Korea's accounting environment.

Disclaimer

This report contains forward-looking statements, including predictions, projections, and estimates, as well as information relating to the Company's current and past activities, performance, and initiatives for sustainable growth and social value creation. In this report, words and phrases such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "aims to," "goals," "trying to," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," "pursue," "objectives," "strategies," "scheduled," "prospects," "expected," "estimated," "expectations," "planning," and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the Company's current plans, estimates, and projections, as well as its expectations regarding future political and economic conditions, and are subject to known and unknown risks, uncertainties, and other factors. Actual results or performance may therefore differ from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on such statements.

Certain information in this report is based on estimates and assumptions and may be revised as data availability improves or calculation methodologies and standards evolve. Information obtained from third-party sources is believed to be reliable. However, the Company has not independently verified such information.

This report may include information beyond that required to be disclosed as material under the Korea Sustainability Disclosure Standards, as well as contextual information provided to enhance stakeholders' understanding. Including such information does not indicate financial materiality. The forward-looking statements contained in this report are made only as of the date of its publication. Except as required by applicable laws and regulations, the Company undertakes no obligation to update, revise, or correct any forward-looking statements to reflect subsequent events, risks, or uncertainties.

Under no circumstances shall this report be used as evidence to establish legal liability for any investment outcome.

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1. Governance

This section describes the governance processes, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities.

1.1 Roles and Responsibilities of Governance Bodies

1.1.1 Responsibilities and Delegation of Governance Bodies

The Parent Company has assigned oversight responsibilities for climate-related risks and opportunities to the Board of Directors, while delegating certain decision-making authority to the ESG Committee under the Board. The Board reviews and approves key climate-related matters, including investments, strategies, and business plans. As the Company's highest governance body, it has adopted 2050 Net Zero as a core management objective. The ESG Committee regularly reviews the strategic direction and performance of ESG initiatives across environmental, social, customer, information security, and supply chain matters, as well as climate-related risks and opportunities.

Governance and Oversight Policy of the Governance Bodies

The ESG Committee's responsibilities for overseeing climate-related risks and opportunities are set out in Article 4 (Chairperson) and Article 5 (Authority) of the ESG Committee Regulations, established in 2021. Under Article 5(1), the ESG Committee is responsible for reviewing the implementation and disclosure of ESG matters, including climate-related issues, through its oversight of the strategic direction and performance of key ESG initiatives, mandatory ESG disclosures, and ESG-related stakeholder communications. In addition, Article 5(2) and Article 5(3) establish a delegation framework under which matters reviewed by the ESG Committee that require Board approval are submitted to the Board of Directors for deliberation and resolution.

ESG Committee Regulations of the Parent Company[1),2)] (as of December 2025)

Classification	Content
Article 4 (Chairperson)	① The ESG Committee shall have a Chairperson elected by and from among its members to represent the Committee. ② If the Chairperson is unable to perform his or her duties due to an accident or other reason, a member shall be elected by and from among the members to act on behalf of the Chairperson.
Article 5 (Authority)	① The ESG Committee shall deliberate on the following matters: 1. Strategic direction and performance in key ESG areas 2. Mandatory ESG disclosure matters 3. Stakeholder communication related to ESG ② If the Committee deems it necessary, matters deliberated by the ESG Committee pursuant to Paragraph 1 may be submitted to the Board of Directors. ③ The Board of Directors may deliberate and resolve on matters submitted pursuant to Paragraph 2 and may modify the content thereof.

1) To accurately convey the scope and authority of these Regulations, the original text of the Parent Company's ESG Committee Regulations (established in 2021) is reproduced verbatim.

2) As the ESG Committee Regulations were partially amended in March 2026, certain provisions may differ.

1.1.2 Competencies of Governance Bodies and Future Development Plans

Competencies of the ESG Committee

To assess whether the ESG Committee possesses the competencies required to oversee climate-related risks and opportunities, the Parent Company maps each member's principal career experience and areas of expertise against the competency criteria set out in the ESG Committee Regulations (finance and accounting, risk management, AI, and growth strategy). The current ESG Committee comprises only Independent Directors, and the competency mapping results for each member are presented in the table below. Information on each ESG Committee member is based on the resolutions adopted at the 2025 Annual General Meeting of Shareholders and the 42nd Business Report.

ESG Committee Competency Matrix[1] (as of December 2025)

Name	Classification	Key Experience	Competency Matrix			
			Finance & Accounting	Risk Management	AI	Growth Strategy
Kim Jun-mo	Independent Director	Current Associate Professor, School of Electrical Engineering, KAIST Former Researcher, Samsung Advanced Institute of Technology			●	●
Kim Yong-hak	Independent Director	Current Professor Emeritus, Yonsei University Former Member, Presidential Commission on Policy Planning		●		
Oh Hae-yun	Independent Director	Current Director, Center for MARS Artificial Intelligence Research, KAIST Former Civilian Member, Presidential Committee on the 4th Industrial Revolution (under the direct authority of the President)			●	●
Noh Mi-kyung	Independent Director	Former Head of Risk/Credit Risk Review, HSBC Hong Kong Former EVP, Chief Risk Officer, HSBC Seoul	●	●		

1) Effective March 2026, the ESG Committee consists of Director Lee Seong-yeob (Chair), Director Kim Chang-bo, and Director Lim Tay-seop. Changes to ESG Committee membership may vary depending on the timing.

ESG Committee Competency Development Plan

The climate- and ESG-related training and advisory activities provided to members of the ESG Committee, a governance body, are presented in the table below. In addition, the Parent Company provides annual online environmental management training to all employees, including executives and working-level staff. The training is designed to enhance understanding of the Net Zero target and help employees understand the impacts and dependencies of the Parent Company's activities across environmental areas, including climate, water, waste, and biodiversity.

Training Record of the Parent Company's ESG Committee (as of December 2025)

Training Date	Training Topic	Directors in Attendance	Classification
February 18, 2025	2025 Compliance Training	Kim Yong-hak, Kim Seok-dong, Kim Jun-mo, Oh Hae-yun, Noh Mi-kyung	Internal training
March 26, 2025	Training for New Independent Directors (Corporate Strategy, Business Planning, Governance, etc.; three sessions)	Kim Chang-bo	Internal training
April 23, 2025	Sharing and Discussion of 2024 Board of Directors Evaluation Results	Kim Yong-hak, Kim Jun-mo, Oh Hae-yun, Noh Mi-kyung, Kim Chang-bo	Internal training
April 25, 2025	Group New Independent Director Workshop	Kim Chang-bo	External training
September 24, 2025	Global Economic Outlook	Kim Yong-hak, Kim Seok-dong, Kim Jun-mo, Oh Hae-yun, Noh Mi-kyung	Internal training
October 28, 2025	Impact and Outlook of the Revised Commercial Act on Corporate Management	Kim Yong-hak, Kim Seok-dong, Kim Jun-mo, Noh Mi-kyung	Internal training
November 12, 2025	SK Director's Summit	Kim Yong-hak, Kim Seok-dong, Kim Jun-mo, Oh Hae-yun, Noh Mi-kyung	External training

1.1.3 Reporting Methods and Frequency to Governance Bodies

The ESG Committee meets regularly to review key climate- and environment-related matters. The Parent Company supports Independent Directors in effectively performing their duties on the Board of Directors and its committees and provides meeting materials in advance to allow sufficient time to review agenda items before Board and committee meetings.

During the reporting period, the ESG Committee held seven meetings and reviewed seven climate- and environment-related agenda items. Key matters included the establishment of company-wide ESG KPIs, a review of ESG fund operations, and progress on Net Zero initiatives. Climate- and environment-related matters are addressed at regular ESG Committee meetings, and matters requiring Board approval following Committee review are submitted to the Board of Directors in accordance with Articles 5(2) and 5(3) of the ESG Committee Regulations.

Parent Company ESG Committee Meeting Overview

Meeting Date	Key Agendas	Outcome	Status of Directors				
			Attendance Rates[1]				
			Kim Yong-hak	Kim Jun-mo	Oh Hae-yun	Noh Mi-kyung	Kang Jong-ryeol
			100%	100%	86%	100%	100%
			Vote				
25 February 2025	• 2025 company-wide ESG KPIs (provisional)	Deliberated	N/A[2]	-	-	-	-
23 April 2025	• Appointment of chairperson (provisional) • 2025 social value (SV) joint budget operation plan (provisional)	Approved	For	For	For	For	N/A[2]
21 May 2025	• Corporate Governance Report (provisional)	Deliberated	-	-	-	-	
25 June 2025	• 2024 Annual Report materiality assessment results and key details	Deliberated	-	-	-	-	
27 August 2025	• Report on SV measurement for 2025 company-wide KPI indicators • Human rights management performance and plans	Deliberated	-	-	-	-	
28 October 2025	• 2025 supply chain shared-growth/ESG cooperation performance and 2026 strategic direction	Deliberated	-	-	Absent	-	
26 November 2025	• 2025 ESG performance • 2025 materiality assessment results	Deliberated	-	-	-	-	

1) Attendance rates are calculated for the period from 1 January to 31 December 2025.
2) Committee members are appointed by the Board of Directors each March. Directors for whom attendance does not apply — because their appointment fell before or after the meetings in question — are identified separately.

1.1.4 Consideration of Key Matters in Decision-making

Approach to Climate-related Risks and Opportunities

A three-tier collaboration framework comprising the Governance Bodies, management, and working-level staff supports the integration of climate-related risks and opportunities into strategic planning, capital allocation, and financial planning. The roles and responsibilities of each are set out below.

Parent Company Climate Change Response Review System

Classification			Roles and Responsibilities
Governance Bodies	Board of Directors		• Review of key climate-related issues, including investments and business plans, and final decision-making
	ESG Committee		• Review of the direction and performance of key ESG initiatives • Review of mandatory ESG disclosures • Review of stakeholder communication
Management	CEO		• Review and reporting of key issues • Support for ESG Committee decision-making
	Head of GC Center[1)]		• Oversight of overall ESG management issues • Reporting of major ESG and climate-related agenda items
Working-level Staff	Sustainable Management Office	Sustainable Management Team	• Overall management of company-wide external ESG and climate-related disclosures • Coordination of implementation task-setting and management across relevant departments
		Green Value-up Team	• Development of climate change response strategies and plans • Establishment and monitoring of climate change response targets
	Climate-related Disclosures Working Group[2)]		• External communications on climate disclosures and regulations • Regular reporting and implementation of action items

1) The Head of the GC Center (General Counsel) is a C-level executive responsible for the Parent Company's legal affairs, compliance, and sustainability management (ESG).

2) The Climate-related Disclosures Working Group is a working-level consultative body comprising members of relevant departments across the Group, including the Parent Company and its Major Subsidiaries.

Consideration of Trade-offs between Climate-related Risks and Opportunities

In evaluating its climate response, the Parent Company considers the trade-offs between short-term costs and operational constraints and the medium- to long-term benefits of greater financial stability and enhanced corporate value. This is illustrated by renewable energy adoption and investments in energy efficiency technologies, which increase capital expenditure in the short term but also improve power efficiency and reduce emission allowance costs. Similarly, new growth areas such as AI data center expansion entail transition risks associated with increased power demand but may become opportunities when combined with low-power infrastructure and next-generation cooling technologies. Key trade-off considerations by major risk area are presented in the table below.

Parent Company's Trade-off Considerations between Climate-related Risk Factors and Opportunities

Classification	Risk Factors	Opportunity Factors	Trade-off Considerations
Transition	• Energy efficiency improvements • Increased technology development costs	• Improved power efficiency • Reduced emission allowance costs	• Achieving long-term efficiency gains and reducing emission allowance costs through short-term investment in technology development
	• Increased power demand from AI data centers • Rising electricity costs	• Integration of low-power technologies and environmentally friendly infrastructure • Growing demand for AI solutions	• Linking AI data centers and AI solutions to new business opportunities
Physical	• Damage to base stations and telecommunications network assets, and increased recovery costs due to more frequent acute disasters	• Advancement of disaster prevention infrastructure • Development of AI-based disaster monitoring technologies	• Enhancing network resilience through investment in disaster prevention infrastructure and integration of AI solutions

1.1.5 Target Setting and Progress Monitoring

Under the established monitoring process, the ESG Committee reviews ESG KPI targets annually and monitors progress quarterly and semi-annually. Performance against key ESG KPIs and Net Zero KPIs is reflected in the executive remuneration system. Executive remuneration is determined based on a comprehensive assessment of KPI achievement together with qualitative factors, including the achievement of strategic objectives. The ESG KPIs and their weighting in executive remuneration are presented in the table below.

Parent Company's Management KPIs and Remuneration Policy

KPIs	Description	Remuneration Ratio
Execution of Core ESG KPIs	Performance indicators for key initiatives requiring proactive management to improve ESG management	1.0%
Execution of Core Net Zero KPIs	Performance indicators based on annual emission targets required to achieve 2050 Net Zero	1.0%

1.2 Roles and Responsibilities of Management

1.2.1 Delegation of Roles to Management and Oversight Methods

Responsibility for managing climate-related risks and opportunities is delegated, at the management level, to the CEO and to the Head of the GC Center, who serves as Head of ESG. These roles ensure that stakeholder requirements and expectations — including those of customers, investors, and government — are reflected in decision-making across all aspects of ESG management, including climate-related matters.

The CEO receives regular reports on progress toward the 2050 Net Zero target and the status of climate-related risk assessments and implementation, and oversees the integration of ESG Committee resolutions into company-wide strategy and financial decision-making.

The Head of ESG oversees company-wide ESG management, with related activities supervised by the ESG Committee under the Board of Directors. The Head of ESG reports regularly to the ESG Committee on climate-related issues and performance, and the Committee's reviews and feedback are used to monitor the implementation of related initiatives.

1.2.2 Management Controls and Procedures

The Audit Committee and the ESG Committee under the Board of Directors perform key oversight functions, including oversight of climate-related matters, within the Parent Company's internal control and risk management framework. The Audit Committee conducts audits on a three-year cycle to assess the Group's compliance with ethical management standards, the effectiveness and efficiency of business operations, and the adequacy of internal control and risk management systems. For key functional areas such as human resources, finance, and procurement, self-assessments are conducted in parallel with on-site reviews.

The ESG Committee deliberates on and resolves key ESG strategies and targets, including climate-related matters, and monitors the implementation of the relevant policies and procedures. Composed primarily of Independent Directors, the Committee incorporates major ESG issues — including climate, information security, human rights, supply chain, and natural capital — into management decision-making based on its independence and expertise.

Management designates responsible personnel for each risk type and establishes and implements substantive improvement measures based on the findings of internal audits and ESG Committee reviews. Progress on key ESG matters, including climate-related risks, is regularly reported to the ESG Committee through the Head of ESG, and matters requiring Committee resolution are formally submitted to the Board of Directors in accordance with Article 5(2) and (3) of the ESG Committee Regulations.

2. Strategy

This section examines the effects of climate-related risks and opportunities on the Group's business model, strategy, and decision-making. The relevant disclosures are set out in Section 2.1 (Climate-related Risks and Opportunities), Section 2.2 (Business Model and Value Chain), Section 2.3 (Strategy and Decision-making), Section 2.4 (Financial Position, Financial Performance and Cash Flows), and Section 2.5 (Climate Resilience).

2.1 Climate-related Risks and Opportunities

2.1.1 Identification of Climate-related Risks and Opportunities

Climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects are classified into three categories: transition risks, physical risks, and opportunities. Transition risks are potential risks arising from changes in policies and laws, including carbon emissions regulations; advances in decarbonization technologies or the phase-out of high-carbon technologies; changes in stakeholder preferences and behavior; and declining trust resulting from shifts in climate-related awareness and public opinion. Physical risks include potential risks arising from disasters occurring over the short term (acute risks) and changes in climate patterns over the long term (chronic risks). Opportunities include the efficient use and recycling of resources; the transition to low-emission and renewable energy sources; new revenue from eco-friendly and low-carbon products; the acquisition of new customer segments; and access to financing. The assessment covers the Group.

The Group's Climate-related Risk and Opportunity Assessment Scope

Classification	Type	Description	Scope of Inclusion[1]	
			Parent Company	Major Subsidiaries
Transition Risks	Policy and Legal	Potential risk arising from carbon emission regulations, legislation, and policy measures related to climate change	●	●
	Technology	Potential risk arising from the advancement of decarbonization technologies or the phase-out of high-carbon technologies	●	●
	Market	Potential risk arising from changes in stakeholder preferences and behavior	●	●
	Reputational	Potential risk arising from declining corporate image or credibility due to societal awareness and public opinion on climate change	●	●
Physical Risks	Acute	Potential risk arising from disasters occurring over a short period	●	●
	Chronic	Potential risk arising from changes in climate patterns occurring over a long period	●	●
Opportunities	Resource Efficiency	Opportunity through more efficient use or increased recycling of raw materials	●	●
	Energy Sources	Opportunity through transitioning to clean energy sources and securing stable energy supply	●	●
	Products and Services	Opportunity to create new revenue streams through eco-friendly technologies and solutions, and low-carbon products	●	●
	Market	Opportunity to acquire new customer segments or to access capital from government and investors	●	●

1) The '●' symbol indicates inclusion in the assessment scope.

2.1.2 Time Horizons of Identified Risks and Opportunities

Each year, the Group assesses seven transition risk factors, nine physical risk factors, and eight opportunity factors to identify material climate-related risks and opportunities. The materiality of each factor is assessed over its expected time horizon and classified into three levels: Not Material, Material, and Highly Material. The identified material risks and opportunities are

presented in the tables below. Time horizons are classified as short term (within one year), medium term (more than one year to within five years), and long term (more than five years), in accordance with the definitions set out in the Korea Sustainability Disclosure Standards.

The climate-related risks and opportunities identified in the current reporting period are in line with those identified in the previous reporting period. Transition risks are expected to have limited impacts in the short term. However, market factors such as increased power demand associated with AI data center development and rising electricity costs are assessed as having highly material impacts over the medium to long term, while rising greenhouse gas emission allowance prices and strengthened energy efficiency regulations are expected to become more material over the long term.

Physical risks are expected to have limited impacts in the short and medium term, while certain acute and chronic factors—such as cyclones, extreme heat, and heavy rainfall—are expected to become concentrated over the long term. Regarding opportunities, the development and operation of AI data centers are assessed as highly material opportunity factors over the medium to long term. Factors such as the adoption of energy efficiency technologies and the use of low-emission energy sources are also expected to expand progressively from the medium term onward.

Climate-related Transition Risks of the Group

Type	Risk Factor	Expected Time Horizon[1]		
		Short-term	Medium-term	Long-term
Policy and Legal	Increased price of greenhouse gas emission allowances	○	○	◐
	Strengthening of supply chain risk management systems	○	○	○
	Tightening of energy efficiency-related regulations	○	○	◐
Technology	Increasing development costs for low-carbon AI technologies	○	○	○
Market	Increase in power demand from AI data center development	◐	●	●
	Increased cost of electricity	○	●	●
Reputational	Increasing negative perception among stakeholders	○	○	○

1) ○ Not Material ◐ Material ● Highly Material

Climate-related Physical Risks of the Group

Type	Risk Factor	Expected Time Horizon[1]		
		Short-term	Medium-term	Long-term
Acute	Coastal floods	○	○	○
	Fluvial floods	○	○	○
	Cyclones	○	○	◐
	Wildfires	○	◐	◐
Chronic	Extreme heat	○	○	◐
	Extreme cold	○	○	○
	Heavy rains	○	◐	◐
	Heavy snows	○	○	○
	Strong winds	○	○	○

1) ○ Not Material ◐ Material ● Highly Material

Climate-related Opportunities of the Group

Type	Opportunity Factor	Expected Time Horizon[1)]		
		Short-term	Medium-term	Long-term
Resource Efficiency	Adoption of energy efficiency technologies	○	○	○
Energy Sources	Use of low-emission energy sources	○	○	○
	Participation in the carbon market	○	○	○
Products and Services	Growing demand for AI-based solutions	○	○	○
	Increased consumer preference driven by eco-friendly activities	○	○	○
	Development and operation of AI data centers	◐	●	●
	Increased revenue from renewable energy generation and sales	○	○	○
Market	Diversification of funding instruments	○	○	○

1) ○ Not Material ◐ Material ● Highly Material

Climate-related Materiality Assessment Results

In 2025, the Group conducted a materiality assessment by evaluating the likelihood of occurrence and the level of impact of climate-related risk and opportunity factors based on input from internal and external stakeholders. As of FY2025, the top three factors by short-, medium-, and long-term horizon for climate-related risks and opportunities are presented in the table below.

Among transition risks, increased power demand from AI data center development and rising electricity costs were identified as major factors across the short, medium, and long term. The increased cost of developing low-carbon AI technologies was highly material in the short term but showed a gradual decline in materiality toward the medium and long term. In contrast, strengthened energy efficiency regulations and rising greenhouse gas emission allowance prices showed increasing materiality toward the medium and long term. This appears to reflect the combined effect of increased power demand from AI business expansion and strengthened external regulation.

For physical risks, wildfires and cyclones (acute) and heavy rain and extreme heat (chronic) were identified as the major factors. However, compared to transition risks and opportunities, the relative importance of physical risks decreased from the previous year.

Among opportunities, the development and operation of AI data centers, the adoption of energy efficiency technologies, and growing demand for AI-based solutions were all identified as major opportunities across all time horizons. Growing demand for AI-based solutions in particular is expected to become even more material in the long term.

Top Material Climate-related Risks and Opportunities of the Group

Classification	Materiality Rank	Short-term	Medium-term	Long-term
Transition Risks	1	Increase in power demand from AI data center development	Increase in power demand from AI data center development	Increase in power demand from AI data center development
	2	Increased cost of electricity	Increased cost of electricity	Increased cost of electricity
	3	Increasing development costs for low-carbon AI technologies	Increasing development costs for low-carbon AI technologies	Increased price of greenhouse gas emission allowances
Physical Risks	1	Wildfires	Wildfires	Heavy rains
	2	Heavy rains	Heavy rains	Wildfires
	3	Cyclones	Cyclones	Extreme heat

Classification	Materiality Rank	Short-term	Medium-term	Long-term
Opportunities	1	Development and operation of AI data centers	Development and operation of AI data centers	Development and operation of AI data centers
	2	Adoption of energy efficiency technologies	Adoption of energy efficiency technologies	Growing demand for AI-based solutions
	3	Growing demand for AI-based solutions	Growing demand for AI-based solutions	Adoption of energy efficiency technologies

Alignment of Expected Time Horizons with Strategic Decision-making Planning Periods

The time horizons over which climate-related risks and opportunities could reasonably be expected to have an impact are aligned with the Group's strategic decision-making planning periods.

Alignment with the Group's Strategic Decision-making Planning Periods

Classification	Short-term	Medium-term	Long-term
Periods of Occurrence of Climate Change Impacts	Up to one year	Over one year to five years	More than five years
Strategic Planning Period	Up to one year	Over one year to five years	More than five years

2.2 Business Model and Value Chain

2.2.1 Current and Anticipated Impacts

Based on its assessment, the climate-related risks and opportunities identified as of the reporting date are unlikely to result in significant changes to the Group's overall business model and value chain. However, transition risks, including greenhouse gas emissions regulations and rising electricity costs, as well as physical risks, may have a gradual impact. Accordingly, the current and anticipated impacts on the business model and value chain are disclosed separately below.

Impact of the Group's Climate-related Transition Risks on Its Business Model

Classification	Type	Current Impacts	Anticipated Impacts
Transition Risks	Policy and Legal	• Increased regulatory compliance costs due to strengthened greenhouse gas regulations, including emissions trading schemes • Increased ESG assessment costs for supply chain risk management	• Increased compliance costs and financial burden due to stricter emissions regulations • Increased equipment upgrade and maintenance costs due to mandatory infra efficiency improvements • Increased legal dispute and litigation risks due to inadequate climate-related disclosures
	Technology	• Increased capital expenditure for infrastructure and facilities required to develop low-carbon products and services	• Increased investment costs associated with the adoption of low-carbon AI solutions and the application of data center efficiency technologies • Increased capital expenditure associated with the transition to high-efficiency network equipment
	Market	• Increased operating costs due to rising power consumption and electricity prices • Increased management costs associated with power optimization of telecommunications equipment	• Increased investment costs to reduce energy consumption and dependence on grid electricity
	Reputational	• Increased marketing costs to support eco-friendly services and ESG initiatives	• Increased marketing costs associated with the expansion of low-carbon and AI-based energy efficiency services • Damage to brand value and customer churn due to failure to transition to low-carbon products and services

Impact of the Group's Climate-related Physical Risks on Its Business Model

Classification	Type	Current Impacts	Anticipated Impacts
Physical Risks	Acute	• Increased asset damage and recovery costs due to flooding of telecommunications infrastructure, including base stations and cables • Increased costs for disaster prevention activities and strengthened infrastructure protection measures • Customer inconvenience at retail stores due to heavy rain and strong winds	• Increased maintenance costs due to the higher frequency of disaster events • Increased operating costs associated with improvements in risk mitigation and response systems
	Chronic	• Increased operating costs due to surging heating and cooling demand • Increased investment costs to strengthen responses to telecommunications disruptions	• Increased operating costs due to rising energy demand and long-term supply instability • Increased maintenance costs due to the higher frequency of disaster events • Increased costs associated with improvements in risk mitigation and response systems

Impact of the Group's Climate-related Opportunities on Its Business Model

Classification	Type	Current Impacts	Anticipated Impacts
Opportunities	Resource Efficiency	• Increased R&D costs to improve data center cooling efficiency • Increased R&D costs to advance next-generation cooling technologies and temperature management • Enhanced recycling technologies and increased customer awareness of recycled products	• Reduced energy costs through improved cooling efficiency and temperature management systems • Reduced greenhouse gas emissions through improved energy efficiency • Reduced operating costs through the recycling of network equipment and telecommunications devices
	Energy Sources	• Reduced operating costs through the expanded use of low-emission and renewable energy	• Reduced costs through improved renewable energy generation efficiency • Reduced costs by securing reduction credits through participation in carbon markets
	Products and Services	• Reduced operating costs through AI-based energy efficiency services • Reduced costs through improved service quality and more efficient R&D investment	• Increased revenue through advances in AI technologies linked to telecommunications services and the expansion of eco-friendly services • Reduced costs through the development and operational optimization of low-power, high-efficiency AI data centers
	Market	• Reduced costs through improved access to financing enabled by a broader range of funding instruments	• Reduced development and operating costs through the use of green financing support, including green bonds, green finance, and RE100 incentives • Securing new revenue streams through entry into climate-friendly new businesses

Impact of the Group's Climate-related Risks and Opportunities on the Value Chain

Classification	Type	Current Impacts	Anticipated Impacts
Upstream	Contract Execution	• Increased operating costs due to delays in component procurement and logistics disruptions caused by disasters • Higher administrative costs from strengthened contract risk management procedures	• Increased legal response costs in the event of non-compliance due to strengthened supply chain regulations • Increased operating costs due to enhanced climate change-related requirements for suppliers
	Supply Chain Management	• Increased supply chain management costs due to the adoption and strengthened evaluation of supplier ESG codes of conduct • Increased costs due to the implementation of ESG training and strengthened verification procedures for suppliers	• Increased supplier transition costs due to the expansion of renewable energy use and the shift to eco-friendly components • Enhanced supplier management requirements resulting from strengthened design and equipment standards that consider resilience to physical hazards • Increased climate-related requirements in supply chain assessment criteria and the establishment of related management systems

Classification	Type	Current Impacts	Anticipated Impacts
Direct Operations	Maintenance	• Increased operating costs due to rising cooling demand and electricity consumption caused by climate change	• Shortened asset useful lives and accelerated depreciation due to physical hazards • Increased management costs due to strengthened maintenance standards for aging and low-efficiency facilities
	Research and Development	• Increased research and development investment costs to improve operational efficiency and develop in-house AI technologies • Increased operating costs due to higher electricity consumption associated with data center development	• Increased investment costs for the advancement of low-carbon technologies and cooling management systems • Development and expanded deployment of energy-efficient network equipment • Reduced dependence on grid power through expanded renewable energy procurement
Downstream	Quality Management	• Increased frequency of telecommunications network disruptions and recovery costs due to physical hazards	• Increased response costs due to higher disaster frequency and strengthened telecommunications service quality standards
	Sales/Marketing	• Increased marketing costs focused on climate change response and eco-friendly initiatives	• Increased revenue through enhanced brand competitiveness driven by the expansion of low-carbon solution offerings

2.2.2 Concentration of Impacts

From an asset-type perspective, the Group's exposure to climate-related risks and opportunities is concentrated in telecommunications infrastructure, including office buildings, telecommunications facilities, and data centers. Geographically, the analysis of domestic and overseas assets indicates that impacts are concentrated in the Seoul metropolitan area. Among these assets, office buildings and telecommunications facilities account for the largest shares of carrying amount and contribution to operating profit. This reflects their role as core infrastructure for providing telecommunications services and as the source of the majority of Scope 2 greenhouse gas emissions arising from electricity consumption. With key assets concentrated in the Seoul metropolitan area, physical hazards such as cyclones, floods, and extreme heat could result in asset damage and service disruptions. The Group recognizes that this asset concentration represents exposure to both transition and physical risks, as well as a focal point for realizing opportunities through energy efficiency improvements, the adoption of environmentally friendly facilities, and the transition to renewable energy. It incorporates these considerations into its strategies and decision-making.

2.3 Strategy and Decision-making

2.3.1 Responses to Risks and Opportunities

Current and Anticipated Changes to the Business Model

Changes implemented or planned in response to identified climate-related risks and opportunities are described below. These changes are categorized into efforts for direct mitigation and adaptation, efforts for indirect mitigation and adaptation, the climate-related transition plan, and the climate-related target achievement plan, and are disclosed as follows.

The Group's current efforts and future plans for direct mitigation and adaptation to its key risk and opportunity factors are as follows.

The Group's Efforts for Direct Mitigation and Adaptation to Transition Risks

Transition Risk Factors	Current Actions	Anticipated Actions
Increased price of greenhouse gas emission allowances	• Establishment of a greenhouse gas emissions reduction roadmap • Securing the maximum allocation of emission allowances for the fourth planning period of the Emissions Trading Scheme • Pursuit of offset credits through domestic and overseas emissions reduction projects	• Monitoring greenhouse gas emission allowance prices • Reduction of energy consumption through AI-based traffic analysis and cooling optimization • Improvement of data center Power Usage Effectiveness (PUE)[4] and strengthened energy efficiency management at telecommunications facilities • Diversification of renewable energy procurement methods and expansion of emissions reduction projects
Strengthening of supply chain risk management systems	• Implementation of supplier ESG codes of conduct and regular evaluation and management • Establishment of a sustainable procurement framework through internal contract risk diagnostics and operation of the Purchasing Review Committee	• Enhancement of climate-related risk assessment and management systems across the supply chain
Tightening of energy efficiency-related regulations	• Improvement of energy efficiency through replacement of aging equipment and decommissioning of inefficient facilities • Enhancement of operational efficiency through the adoption of high-efficiency cooling systems and server equipment	• Expansion of low-carbon, high-efficiency technology development and introduction of next-generation, low-power data center infrastructure
Increasing development costs for low-carbon AI technologies	• Reduction of data center power consumption through the use of green, low-carbon ICT technologies and AI-based traffic diagnostics • Improvement of telecommunications efficiency through the adoption of Single Radio Access Network (Single RAN)[5] technology	• In-house development and internalization of energy-efficient AI models
Increase in power demand from AI data center development	• Optimization of service efficiency through the use of AI-based Data Center Infrastructure Management (DCIM)[6] • Application of next-generation cooling technologies, including liquid cooling, in new data centers	• Expansion of RE100-based renewable energy use for AI data center operations to support the transition to low-carbon electricity

4. DC PUE (Data Center Power Usage Effectiveness): A metric calculated by dividing a data center's total power consumption by the power consumed by IT equipment, such as servers. A value closer to 1 indicates lower power consumption by auxiliary facilities and higher overall energy efficiency.
5. Single RAN (Single Radio Access Network): A wireless access network technology that enables multiple generations of mobile communications, including 3G, 4G, and 5G, to operate on a single integrated base station platform. It reduces the number of required equipment units and power consumption while improving operational and energy efficiency.
6. DCIM (Data Center Infrastructure Management): A system that provides integrated monitoring and management of a data center's physical infrastructure, including power, cooling, and IT equipment, to optimize energy use and improve operational efficiency.

Transition Risk Factors	Current Actions	Anticipated Actions
Increased cost of electricity	• Execution of Green Premium contracts for renewable energy procurement – SK Telecom: 232 GWh (FY2024), 284 GWh (FY2025) – SK Broadband: 44 GWh (FY2024), 58 GWh (FY2025) • Execution of Power Purchase Agreements (PPAs)[7] for renewable energy procurement – SK Telecom: 50 MW (scheduled for procurement in the second half of 2027) – SK Broadband: 30 MW (scheduled for procurement in the second half of 2027)	• Achievement of renewable energy usage targets by 2030 • Pursuit of new renewable energy procurement contracts, including solar PPAs • Optimization of facility performance through efficient maintenance of solar Energy Management Systems (EMS)[8] and upgrades to smart distribution panels
Increasing negative perception among stakeholders	• Strengthening of transparent communication through publication of climate-related disclosure reports • Inclusion in the DJ BIC World Index for 17 consecutive years and maintenance of an MSCI A rating	• Enhancement of response capabilities through expanded disclosure of climate-related financial information in accordance with domestic and international climate disclosure standards

The Group's Efforts to Directly Mitigate and Adapt to Physical Risks

Physical Risk Factors	Current Actions	Anticipated Actions
Coastal floods	• Installation of flood prevention infrastructure such as reinforced guy wires, equipment platforms, and water barriers • Strengthened regular inspections and maintenance for vulnerable sites • Operation of disaster recovery response systems	• Relocation of vulnerable sites or expansion of disaster prevention infrastructure investment based on climate scenario analysis results • Enhancement of equipment durability at vulnerable sites • Advancement of disaster recovery response systems
Fluvial floods	• Installation of flood prevention infrastructure such as reinforced guy wires, equipment platforms, and water barriers • Strengthened regular inspections and maintenance for vulnerable sites • Operation of disaster recovery response systems	• Relocation of vulnerable sites or expansion of disaster prevention infrastructure investment based on climate scenario analysis results • Enhancement of equipment durability at vulnerable sites • Advancement of disaster recovery response systems
Cyclones	• Redundancy of core network access routes and telecommunications facilities • Special inspections of key infrastructure and strengthened equipment protection measures • Operation of disaster recovery response systems	• Strengthening of joint response processes with government authorities, relevant agencies, and three major telecommunications operators • Enhancement of response capabilities through deployment of personnel and resources in collaboration with suppliers
Wildfires	• Expansion of automatic fire suppression systems in power units and application of heat-resistant materials, along with installation of weed prevention mats and caps for utility poles • Vegetation management around outdoor facilities • Operation of disaster recovery response systems	• Review of wildfire response manuals and strengthening of recovery systems • Advancement of temporary telecommunications infrastructure such as mobile base stations • Strengthening of joint response processes with government authorities, relevant agencies, and major telecommunications operators
Extreme heat	• Inspection of cooling systems and improvement of equipment performance in preparation for extreme heat • Enhanced monitoring of cooling equipment at data centers and telecom facilities; water spray systems prevent overheating • Distribution of heat-related illness prevention guidelines • Distribution of preventive supplies, including neck coolers and cooling arm sleeves	• Implementation of regular equipment cleaning and replacement • Strengthening of working hour adjustment standards for outdoor workers • Establishment of monitoring systems for outdoor operations • Inspection and management of heat-related illness prevention practices at suppliers

7. PPA (Power Purchase Agreement): A contractual arrangement under which an electricity user purchases electricity directly from a power generator. PPAs are used as a means of procuring renewable energy to support RE100 implementation.
8. EMS (Energy Management System): A system that monitors, controls, and optimizes the energy use of buildings, equipment, and facilities in real time to reduce energy consumption and costs.

Physical Risk Factors	Current Actions	Anticipated Actions
Extreme cold	• Inspection of freeze prevention measures for data centers and telecommunications facilities • Installation of insulation materials for relay equipment and implementation of performance degradation prevention activities • Suspension of outdoor work for field workers • Sharing safety guidelines for extreme cold weather	• Inspection of emergency power generation systems in preparation for unstable power supply • Strengthening of working hour adjustment standards for outdoor workers • Establishment of monitoring systems for outdoor operations
Heavy rains	• Installation of flood prevention infrastructure such as reinforced guy wires, equipment platforms, and water barriers • Strengthened regular inspections and maintenance for vulnerable sites • Operation of disaster recovery response systems • Relocation of electronic equipment, including office automation equipment, within stores	• Relocation of vulnerable sites or expansion of disaster prevention infrastructure investment • Enhancement of equipment durability at vulnerable sites • Advancement of disaster recovery response systems • Strengthening of joint response processes with government authorities, relevant agencies, and major telecommunications operators • Compilation of annual damage records and strengthening of preventive activities
Heavy snows	• Emergency recovery operations in areas affected by heavy snows • Operation of disaster recovery response systems • Suspension of outdoor work for field workers	• Enhancement of response capabilities through deployment of personnel and resources in collaboration with suppliers • Strengthening of joint response processes with government authorities, relevant agencies, and major telecommunications operators
Strong winds	• Reinforcement of guy wires and preemptive removal of high-risk materials • Operation of disaster recovery response systems • Inspection of store entrances, windows, and externally installed promotional materials	• Enhancement of response capabilities through deployment of personnel and resources in collaboration with suppliers • Strengthening of joint response processes with government authorities, relevant agencies, and major telecommunications operators • Establishment of installation standards for exterior store signage and promotional materials • Strengthening of preventive activities at stores with a history of significant damage based on annual damage records

The Group's Efforts to Directly Respond to Opportunity Factors

Opportunity Factors	Current Actions	Anticipated Actions
Adoption of energy efficiency technologies	• Improvement of energy efficiency through replacement with high-efficiency equipment and reallocation of service equipment • Application of AI-based data center Power Usage Effectiveness (PUE) optimization solutions	• Reduction of greenhouse gas emissions through advancement of AI-based energy efficiency optimization technologies
Use of low-emission energy sources	• Expansion of renewable energy use through participation in Power Purchase Agreements (PPAs) and strengthened internal reduction efforts • Promotion of full transition to eco-friendly vehicles for business operations	• Expansion of RE100 implementation through renewable energy procurement mechanisms such as green premiums and Power Purchase Agreements (PPAs)
Participation in the carbon market	• Implementation of greenhouse gas reduction projects through the distribution of high-efficiency cookstoves to communities in developing countries in Southeast Asia since 2018	• Diversification of greenhouse gas reduction project portfolios and identification of new reduction business models
Growing demand for AI-based solutions	• Application of AI-based energy optimization technologies tailored to industry-specific processes	• Advancement of low-carbon AI systems optimized for customer processes • Expansion of integration with existing operational systems in industrial sites

Opportunity Factors	Current Actions	Anticipated Actions
Increased consumer preference driven by eco-friendly activities	• Expansion of eco-friendly certified products and services	• Strengthening of brand recognition for low-carbon and eco-friendly initiatives • Expansion of communication and consultation activities in regions with limited access to telecommunications services
Development and operation of AI data centers	• Introduction of high-efficiency cooling systems to reduce energy costs in AI data centers	• Expansion of research and development investment in AI technologies
Increased revenue from renewable energy generation and sales	• Promotion of renewable energy investment and fuel switching	• Increase in revenue through renewable energy sales • Expansion of on-site power generation facilities such as solar installations in new data center development
Diversification of funding instruments	• Exploration of funding opportunities such as green finance and green bonds	• Strengthening of financial accessibility through preferential interest rate benefits

The Group's Efforts for Indirect Mitigation and Adaptation

Through supply chain collaboration and participation in external initiatives, the Group is pursuing the following indirect mitigation and adaptation measures:

Classification	Current Actions	Anticipated Actions
Collaboration with supply chain	• Review of fair trade and shared growth issues through the procurement review committee • Operation of an online education platform covering technical, financial, and regulatory topics for suppliers, along with support for ESG assessment costs • Regular supplier ethics audits and on-site visits	• Expansion of precise measurement of Scope 3 greenhouse gas emissions and third-party verification • Support for supplier participation in RE100 and promotion of renewable energy use • Introduction of physical risk response measures at supplier facilities
Participation in climate-related initiatives	• Participation in RE100 as the first company in Korea and annual verification of implementation status through the CDP9 • Establishment of Net Zero targets based on the Science Based Targets initiative (SBTi)10 and implementation of the Net Zero 2050 roadmap • Preparation and publication of reports aligned with disclosure frameworks to proactively respond to mandatory climate disclosures	• Strengthening of climate-related internal control processes • Monitoring of changes in domestic and international climate disclosure requirements and corresponding response

Climate-related Transition Plan

The transition plan is anchored in the Parent Company's Net Zero target, which was established in accordance with the Science Based Targets initiative (SBTi). The climate-related transition target was established in 2021 in accordance with SBTi requirements, and the Parent Company formally declared its commitment to achieving 2050 Net Zero at the 2022 Annual General Meeting of Shareholders. In July of the same year, it became the first telecommunications company in Korea to obtain SBTi target validation.

Interim targets are set at five-year intervals, reflecting SBTi and RE100 requirements. The first milestone is to reduce Scope 1 and Scope 2 emissions by 47.7% and Scope 3 emissions by 22.3% by 2030 compared with 2020 levels. The principal measures for achieving these targets are minimizing electricity consumption through improved energy efficiency of telecommunications equipment and progressively increasing the share of renewable energy, ultimately reaching Net Zero by 2050.

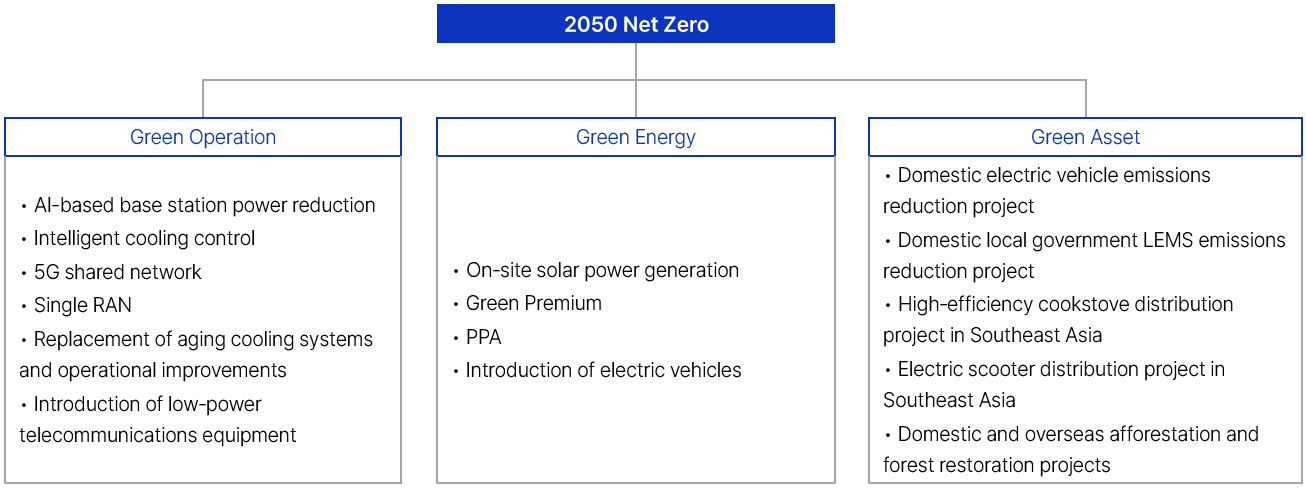
9. CDP: A global environmental disclosure platform that supports companies, cities, governments, and other organizations in disclosing environmental information related to climate change, water, forests, and other areas.
10. SBTi (Science Based Targets initiative): An international initiative that supports companies in establishing and validating greenhouse gas reduction targets aligned with the Paris Agreement's temperature goals.

The climate-related transition plan is based on assumptions concerning electricity demand and product types, the domestic renewable energy market, and technologies for improving network equipment efficiency. Accordingly, the Parent Company's climate-related transition plan may be revised if any key assumptions change.

Climate-related Target Achievement Plan — Three Green Strategies

Three Green strategies—Green Operation, Green Energy, and Green Asset—serve as the principal measures for achieving the Parent Company's climate-related targets. Each strategy is applied as follows:

The Parent Company's Three Green Strategies



- Green Operation (Operational Efficiency): This strategy aims to reduce projected electricity consumption in 2050 by 25% through AI-based energy efficiency improvements. To this end, the Parent Company is implementing measures including AI-based base station power reduction and the introduction of low-power telecommunications equipment. It is also introducing and upgrading intelligent cooling control systems and replacing aging cooling systems with new high-efficiency models to reduce energy consumption associated with equipment cooling. Other initiatives include the deployment of 5G shared networks and integrated equipment operation through Single RAN. Through these initiatives, the Parent Company continues to reduce energy consumption across its business operations.
- Green Energy (Energy Transition): This strategy aims to achieve RE100 by replacing electricity consumption, which accounts for the majority of the Parent Company's greenhouse gas emissions, with environmentally friendly and renewable energy. Since joining RE100 in 2020, the Parent Company has targeted increasing the share of renewable energy to 65% by 2030 and 100% by 2050. Specific measures include the installation of on-site solar power generation facilities, Green Premium contracts with Korea Electric Power Corporation, and Power Purchase Agreements (PPAs) with renewable energy providers.
- Green Asset (Emission Credit Monetization and Offsetting): This strategy involves securing emission credit assets through various emissions reduction projects and using them to offset unavoidable residual emissions. In Korea, the Parent Company undertakes greenhouse gas emissions reduction projects involving electric vehicles. Overseas, it implements greenhouse gas emissions reduction projects in Southeast Asia, including the distribution of high-efficiency cookstoves and electric scooters. It also pursues emissions reductions through domestic and overseas afforestation, forest restoration, and forest resource conservation projects.

Major Subsidiaries operate individual response plans tailored to their respective business characteristics within the Parent Company's 2050 Net Zero framework. Energy-intensive businesses, including data centers, networks, and media, prioritize energy efficiency improvements, energy transition, and emissions reduction initiatives, thereby contributing to the Group's emissions reduction targets.

2.3.2 Resource Procurement Plan

Funding required for climate change response strategies and Net Zero targets is sourced primarily from internal resources, such as retained earnings, and from external borrowings. Internal resources are allocated preferentially to emissions reduction initiatives, including network equipment efficiency improvements, the development of environmentally friendly data centers, and the transition to renewable energy. In August 2022, the Parent Company issued KRW 95 billion in ESG bonds aligned with green, social, and sustainability bond principles, raising dedicated financing for climate response initiatives. These sustainability bonds are directed toward refinancing projects recognized as contributing to environmental and social objectives.
Among the Major Subsidiaries, SK Broadband Co., Ltd. allocated the proceeds from KRW 50 billion in green bonds issued in January 2022 to a project converting its existing HFC[11] network to a more energy-efficient FTTH[12] network. The project was recognized as an eligible environmental project under the ICMA GBP[13].

The Group's ESG Bond Issuance Details (Unit: KRW million)

Entity	Classification	Project Description	Project Investment Amount	Bond Proceeds
SK Telecom Co., Ltd.	Environmental (Green)	Solar Power Generation Facilities	12,600	12,600
	Social	Shared Growth Fund	79,000	79,000
		SKT-Kakao ESG Fund	3,400	3,400
SK Broadband Co., Ltd.	Environmental (Green)	High-efficiency FTTH network conversion	50,000	50,000

2.3.3 Progress of Plans Compared to Previously Disclosed Periods

In FY2025, the Parent Company's location-based greenhouse gas emissions[14] amounted to 1,173,904 tCO_2e, approximately 13.7% below its 2025 target of 1,360,099 tCO_2e, thereby exceeding the target. Market-based greenhouse gas emissions[15] amounted to 1,043,431 tCO_2e, approximately 0.8% below the target of 1,052,000 tCO_2e, thereby achieving the target.
To achieve these targets, the Parent Company strengthened its emissions reduction initiatives by expanding renewable energy procurement, improving data center energy efficiency, and enhancing the energy efficiency of telecommunications network equipment. In future reporting periods, the Parent Company plans to reassess its emissions reduction pathway and implement its previously disclosed plans through emissions reductions aligned with its targets.

Progress of the Parent Company's Previously Disclosed Plans

Classification	41st Term (FY2024)			42nd Term (FY2025)		
	Target (tCO_2e)	Performance(tCO_2e)	Achievement	Target (tCO_2e)	Performance(tCO_2e)	Achievement
Location-based	1,265,795	1,166,518	Achieved	1,360,099	1,173,904	Achieved
Market-based	1,142,187	1,059,935	Achieved	1,052,000	1,043,431	Achieved

Trade-offs Between Climate-related Risks and Opportunities Considered by the Company

For examples of trade-offs between climate-related risks and opportunities considered in strategy development, refer to the table titled "Parent Company's Trade-off Considerations between Climate-related Risk Factors and Opportunities" under "1.1.4 Consideration of Key Matters in Decision-making."

11. HFC (Hybrid Fiber Coaxial): A communications network architecture that combines fiber-optic and coaxial cables. Fiber-optic cables are used for the backbone network, while coaxial cables connect individual subscribers to provide broadcasting and internet services.
12. FTTH (Fiber to the Home): A communications network architecture in which fiber-optic cables are connected directly to subscribers' homes or buildings. Compared with HFC networks, FTTH reduces the use of coaxial cable-based equipment and provides greater energy efficiency.
13. ICMA GBP (International Capital Market Association Green Bond Principles): Voluntary guidelines that establish criteria for the environmentally beneficial use of green bond proceeds, including project evaluation and selection, management of proceeds, and reporting.
14. Location-based greenhouse gas emissions: Emissions calculated using regional average emission factors, such as national electricity emission factors, in accordance with the Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme (Ministry of Climate, Energy and Environment Notice No. 2025-64). For further details, refer to the Third-Party Verification Opinion.
15. Market-based greenhouse gas emissions: Emissions calculated by reflecting a company's electricity procurement methods and contractual arrangements. In accordance with the GHG Protocol Scope 2 Guidance, an emission factor of zero is applied to renewable electricity procured through the Green Premium system. For further details, refer to the Third-Party Verification Opinion.

2.4 Financial Position, Financial Performance, and Cash Flows

2.4.1 Current Financial Effects

The effects of identified climate-related risks and opportunities on the Group's financial position, financial performance, and cash flows are presented with the relevant financial statement line items. However, where climate-related effects combine with other factors and cannot be separately identified, or where sufficient technical expertise or data is not available for measurement, quantitative disclosure is omitted[16] and replaced with qualitative information and the affected line items. Measurement methodologies for quantitative disclosure will be introduced progressively in subsequent reporting periods.

The amounts recognized during the reporting period[17] and the corresponding financial statement line items are presented in the following tables.

Impact of the Group's Climate-related Transition Risks on the Current-period Financial Statements[1)] (Unit: KRW million)

Transition Risk Factor	Potential Financial Effects	Account Items	41st Term (FY2024)	42nd Term (FY2025)
Increased price of greenhouse gas emission allowances	Increased greenhouse gas emission allowance purchase costs[2)]	Operating expenses (other operating expenses)	130	190
Strengthening of supply chain risk management systems	Increase in regulatory compliance costs	Operating expenses (commission fees)	-	-
Tightening of energy efficiency-related regulations	Increase in infrastructure facility construction and replacement costs[3)]	Non-current assets (property, plant and equipment)	3,996	90
		Operating expenses (other operating expenses)	141	58
Increasing development costs for low-carbon AI technologies	Increase in research and development (R&D) costs[4)]	Operating expenses (commission fees, other operating expenses)	563	102
Increase in power demand from AI data center development	Increase in electricity costs[5)]	Operating expenses (other operating expenses)	61,936	74,991
Increased cost of electricity	Increase in electricity costs[6)]	Operating expenses (other operating expenses)	13,899	21,512
	Increase in investments and costs regarding alternative energy sources (such as renewable energy)	Non-current assets (property, plant and equipment)	-	-
		Operating expenses (commission fees)	739	653
		Operating expenses (repairs and maintenance)[7)]	182	167
		Operating expenses (other operating expenses)[8)]	2,776	3,434
Increasing negative perception among stakeholders	Decline in stock price and corporate value due to reduced trust	Operating revenue (sales)	-	-
	Decline in market share and sales	Operating revenue (sales)		

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.
2) Emission allowance purchase costs are calculated based on the volume of allowances purchased by the Parent Company and SK Broadband, a major subsidiary.
3) Infrastructure construction and replacement costs include large-scale replacement costs for aging chillers at the Parent Company's facilities and telecommunications offices.
4) Research and Development (R&D) costs include R&D service costs related to low-carbon AI as disclosed in the business report.
5) The cost of power consumption was estimated by referring to the operating expenses of the data centers of the Parent Company and SK Broadband, a major subsidiary.
6) The cost of power consumption was calculated based on the power consumption and electricity unit price of the Parent Company and SK Broadband, a major subsidiary.
7) Among investments and costs for alternative energy sources (such as renewable energy), repair costs reflect the maintenance expenses required to operate the Parent Company's solar power system.
8) Among investments and costs for alternative energy sources (such as renewable energy), other operating expenses reflect the green premium purchase costs of the Parent Company and SK Broadband, a major subsidiary.

16. For transition risk factors for which quantitative analysis methods for expected financial effects are under development or review, quantitative information disclosure has been omitted and indicated as '-', with evaluation and calculation planned for the future.
17. Among the recognized impact amounts, transition risk factors for which no climate-related financial effects were identified during the reporting period are indicated as '0'.

Impact of the Group's Climate-related Physical Risks on the Current-period Financial Statements[1] (Unit: KRW million)

Physical Risk Factor	Potential Financial Effects	Account Items	41st Term (FY2024)	42nd Term (FY2025)
General disasters	Increase in insurance premium expenses[2]	Operating expenses (other operating expenses)	5,848	5,621
	Receipt of insurance proceeds from disaster occurrence	Non-operating income and expenses (other non-operating income and expenses)	0	(2,000)[3]
Coastal floods	Increased losses due to asset impairment and business activity disruption	Non-current assets (property, plant and equipment)	0	0
		Operating revenue (sales)	0	0
Fluvial floods		Non-current assets (property, plant and equipment)	0	0
		Operating revenue (sales)	0	0
Cyclones		Non-current assets (property, plant and equipment)	96	3
Wildfires		Non-current assets (property, plant and equipment)	0	5,129
		Operating revenue (sales)	0	582
Extreme heat	Increased costs due to reduced work productivity[4]	Operating expenses (commission fees)	59	94
	Increased power consumption and energy costs[5]	Operating expenses (other operating expenses)	2,004	1,776
	Increased losses due to disruption of business operations	Operating revenue (sales)	20	0
Extreme cold	Increased losses due to asset impairment and disruption of business operations	Operating revenue (sales)	0	0
Heavy rains		Non-current assets (property, plant and equipment)	664	2,291
		Operating expenses (other operating expenses)	58	229
Heavy snows		Operating revenue (sales)	0	0
Strong winds		Non-current assets (property, plant and equipment)	175	0
		Operating expenses (other operating expenses)	26	0

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.
2) Insurance premium expenses reflect the insurance premium expenditures of the Parent Company and SK Broadband, a major subsidiary.
3) Insurance proceeds received for disaster damage are presented in parentheses as an item offsetting the corresponding loss.
4) Costs due to reduced work productivity were calculated based on the number of outdoor workers, average working hours and wages, annual average number of heat wave days, and work loss rates at major subsidiaries Home & Service Co., Ltd. and SK O&S Co., Ltd.
5) The increase in power consumption and energy costs is calculated by taking into account the power consumption of the Parent Company's office buildings and telecommunications stations, electricity unit prices, and temperature variations during extreme heat.

Impact of the Group's Climate-related Opportunity Factors on the Current-period Financial Statements[1] (Unit: KRW million)

Opportunity Factor	Potential Financial Effects	Account Items	41st Term (FY2024)	42nd Term (FY2025)
Adoption of energy efficiency technologies	Reduction in operating costs due to decreased power consumption	Operating expenses (other operating expenses)	-	-
Use of low-emission energy sources	Energy cost reduction	Operating expenses (other operating expenses)	-	-
Participation in the carbon market	Revenue from sale of emission credits acquired from reduction projects	Non-operating income and expenses (other non-operating income and expenses)	-	-
	Increase in investment costs for reduction projects	Non-current assets (property, plant and equipment)	-	-
Growing demand for AI-based solutions	Increase in AI-based solution sales[2]	Non-current assets (property, plant and equipment, and intangible assets)	175	0
		Operating revenue (sales)	18,699	29,571
Increased consumer preference driven by eco-friendly activities	Increased sales of eco-friendly products and services	Operating revenue (sales)	-	-
Development and operation of AI data centers	Increased AI data center sales	Operating revenue (sales)	-	-
Increased revenue from renewable energy generation and sales	Revenue from the sale of renewable energy	Non-operating income and expenses (other non-operating income and expenses)	-	-
Diversification of funding instruments	Cost reduction resulting from the utilization of public sector incentives	Non-operating expenses (financial expenses)	-	-

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.

2) Applicable to Building Energy Management System (BEMS), Factory Energy Management System (FEMS), Lighting Energy Management System (LEMS), and Demand Response (DR) services.

Significant Climate-related Risks and Opportunities That Could Result in Material Adjustments

The Group identifies and discloses climate-related risks and opportunities that could result in material adjustments to the carrying amounts of assets and liabilities within the next fiscal year. As of the reporting date, the Group had not identified any significant climate-related risks or opportunities expected to result in material adjustments in the current or future reporting periods.

2.4.2 Anticipated Financial Effects

The anticipated financial effects are based on the Group's analysis of reasonable assumptions and scenarios that may arise over the short, medium, and long term. Where quantitative measurement is constrained by limitations in available technology or data, quantitative disclosure is omitted[18] and replaced with qualitative information and disclosure of the affected financial statement line items. The anticipated effects for each time horizon are presented either as a single amount or as a range and are estimated based on the scenario analysis described in Section 2.5, "Climate Resilience."

The amounts of the anticipated effects[19] and the corresponding financial statement line items are presented in the following tables.

Impact of the Group's Climate-related Transition Risks on the Future Financial Statements[1)] (Unit: KRW million)

Transition Risk Factor	Potential Financial Effects	Account Items	Short-term (FY26)	Medium-term (FY27-FY30)	Long-term (FY31-FY50)
Increased price of greenhouse gas emission allowances	Increased greenhouse gas emission allowance purchase costs[2)]	Operating expenses (other operating expenses)	0	0	0
Strengthening of supply chain risk management systems	Increase in regulatory compliance costs	Operating expenses (commission fees)	-	-	-
Tightening of energy efficiency-related regulations	Increase in infrastructure facility construction and replacement costs	Non-current assets (property, plant and equipment)	-	-	-
		Operating expenses (other operating expenses)	-	-	-
Increasing development costs for low-carbon AI technologies	Increase in research and development (R&D) costs	Operating expenses (commission fees, other operating expenses)	-	-	-
Increase in power demand from AI data center development	Increase in electricity costs	Operating expenses (other operating expenses)	-	-	-
Increased cost of electricity	Increase in electricity costs[3)]	Operating expenses (other operating expenses)	22,500	5,000	56,000
	Increase in investments and costs regarding alternative energy sources (such as renewable energy)	Non-current assets (property, plant and equipment)	-	-	-
		Operating expenses (commission fees)	-	-	-
		Operating expenses (repairs and maintenance)	-	-	-
		Operating expenses (other operating expenses)	-	-	-
Increasing negative perception among stakeholders	Decline in stock price and corporate value due to reduced trust	Operating revenue (sales)	-	-	-
	Decline in market share and sales	Operating revenue (sales)	-	-	-

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.

2) The "increased allowance purchase costs" is calculated based on the total quantity of emission allowances purchased by SK Broadband among the Parent Company and major subsidiaries.

3) The "increase in electricity costs" is calculated for the Parent Company and SK Broadband among major subsidiaries, reflecting electricity rate forecasts, power products, additional unit costs by RE100 procurement method, and electricity demand.

18. For transition risk factors for which quantitative analysis methods for expected financial effects are under development or review, quantitative information disclosure has been omitted and indicated as '-', with evaluation and calculation planned for the future.

19. Among the recognized impact amounts, transition risk factors for which no climate-related financial effects were identified during the reporting period are indicated as '0'.

Impact of the Group's Climate-related Physical Risks on the Future Financial Statements[1] (Unit: KRW million)

Physical Risk Factor	Potential Financial Effects	Account Items	Short-term (FY26)	Medium-term (FY27-FY30)	Long-term (FY31-FY50)
General disasters	Increase in insurance premium expenses	Operating expenses (other operating expenses)	-	-	-
	Receipt of insurance proceeds from disaster occurrence	Non-operating income and expenses (other non-operating income and expenses)	-	-	-
Coastal floods	Increased losses due to asset impairment and business activity disruption	Non-current assets (property, plant and equipment)	0	1	1
		Operating revenue (sales)	0	0	1
Fluvial floods		Non-current assets (property, plant and equipment)	25	40	59
		Operating revenue (sales)	13	22	32
Cyclones		Non-current assets (property, plant and equipment)	624	1,009	1,463
Wildfires		Non-current assets (property, plant and equipment)	0	0	1
		Operating revenue (sales)	0	0	0
Extreme heat	Increased costs due to reduced work productivity	Operating expenses (commission fees)	-	-	-
	Increased power consumption and energy costs	Operating expenses (other operating expenses)	-	-	-
	Increased losses due to disruption of business operations	Operating revenue (sales)	401	647	1,080
Extreme cold	Increased losses due to asset impairment and business disruption[2]	Operating revenue (sales)	(175)	(282)	(471)
Heavy rains		Operating expenses (other operating expenses)	188	303	444
Heavy snows		Operating revenue (sales)	0	0	0
Strong winds		Operating expenses (other operating expenses)	21	34	56

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.

2) 'Increased losses due to asset impairment and business disruption' are calculated by applying physical risk scenario analysis to consolidated assets to estimate potential financial effects by disaster type across short-, medium-, and long-term horizons. For details, refer to 'Estimation of Cumulative Financial Effects by Physical Risk Scenario' in '2.5.1 Climate Resilience Assessment'.

Impact of the Group's Climate-related Opportunity Factors on the Future Financial Statements[1] (Unit: KRW million)

Opportunity Factor	Potential Financial Effects	Account Items	Short-term (FY26)	Medium-term (FY27-FY30)	Long-term (FY31-FY50)
Adoption of energy efficiency technologies	Reduction in operating costs due to decreased power consumption	Operating expenses (other operating expenses)	-	-	-
Use of low-emission energy sources	Energy cost reduction	Operating expenses (other operating expenses)	-	-	-
Participation in the carbon market	Revenue from sale of emission credits acquired from reduction projects	Non-operating income and expenses (other non-operating income and expenses)	-	-	-
	Increase in investment costs for reduction projects	Non-current assets (property, plant and equipment)	-	-	-
Growing demand for AI-based solutions	Increase in AI-based solution sales	Non-current assets (property, plant and equipment, and intangible assets)	-	-	-
		Operating revenue (sales)	-	-	-
Increased consumer preference driven by eco-friendly activities	Increased sales of eco-friendly products and services	Operating revenue (sales)	-	-	-
Development and operation of AI data centers	Increased AI data center sales	Operating revenue (sales)	-	-	-
Increased revenue from renewable energy generation and sales	Revenue from the sale of renewable energy	Non-operating income and expenses (other non-operating income and expenses)	-	-	-
Diversification of funding instruments	Cost reduction resulting from the utilization of public sector incentives	Non-operating expenses (financial expenses)	-	-	-

1) These climate-related financial effects are based on the Group's internal analysis and calculations. These figures may change due to future policy changes or methodology revisions and should be used for reference purposes only.

Anticipated Changes to Financial Performance and Cash Flows

In the short term, costs associated with indirect emissions may increase as electricity consumption rises due to equipment expansion required to maintain stable 5G network quality and the operation of AI data centers. However, the Group expects to reduce operating costs through energy efficiency measures, including AI-based traffic management and the replacement of aging equipment, while partially offsetting higher electricity costs through increased use of renewable energy.

Over the medium to long term, renewable electricity procurement costs and expenditure on environmentally friendly infrastructure are expected to increase as the Group accelerates investment to implement RE100 and achieve the Net Zero target. Although these infrastructure investments require upfront capital expenditure, they may improve cash flows over the medium to long term by mitigating exposure to rising emission allowance prices and improving power efficiency. The Group seeks to address structural changes in its overall cost structure and revenue model through investments in low-carbon technologies, the transition to renewable energy, and the expansion of AI-based energy management solutions in pursuit of 2050 Net Zero.

2.5 Climate Resilience

2.5.1 Climate Resilience Assessment

The results of the Group's climate resilience assessment are presented below. The assessment analyzes transition risks, including rising electricity tariffs, the transition to renewable energy, and rising emission allowance prices, as well as physical risks arising from acute and chronic climate-related hazards, across the short, medium, and long term. It also considers areas of significant uncertainty, the availability and flexibility of financial resources to support the Group's response, its ability to redeploy, repurpose, or decommission existing assets, and the impact of current and planned mitigation and adaptation investments.

Transition Risks – Estimated Potential Financial Effects of Rising Electricity Tariffs and RE100 Implementation

Given the nature of its telecommunications services business, the Group recognizes that most of its greenhouse gas emissions are indirect emissions associated with electricity consumption. Power demand is also expected to increase gradually as the Group expands its AI products and services. Against this backdrop, rising electricity tariffs and the renewable energy procurement costs associated with RE100 implementation may place additional pressure on the Group's cost structure.

To estimate the potential financial effects, the Group applied historical average increases in electricity tariffs to domestic electricity price projections under each NGFS scenario and incorporated the additional costs associated with each renewable energy procurement mechanism. The NGFS scenarios are classified according to the stringency of climate mitigation policies into NDCs, Below 2°C, and NZE2050. Definitions of the scenarios and details of the relevant input variables, assumptions, and uncertainties are provided under "Transition Risk Scenario Input Variables" in Section 2.5.2, "Methods for Climate-related Scenario Analysis."

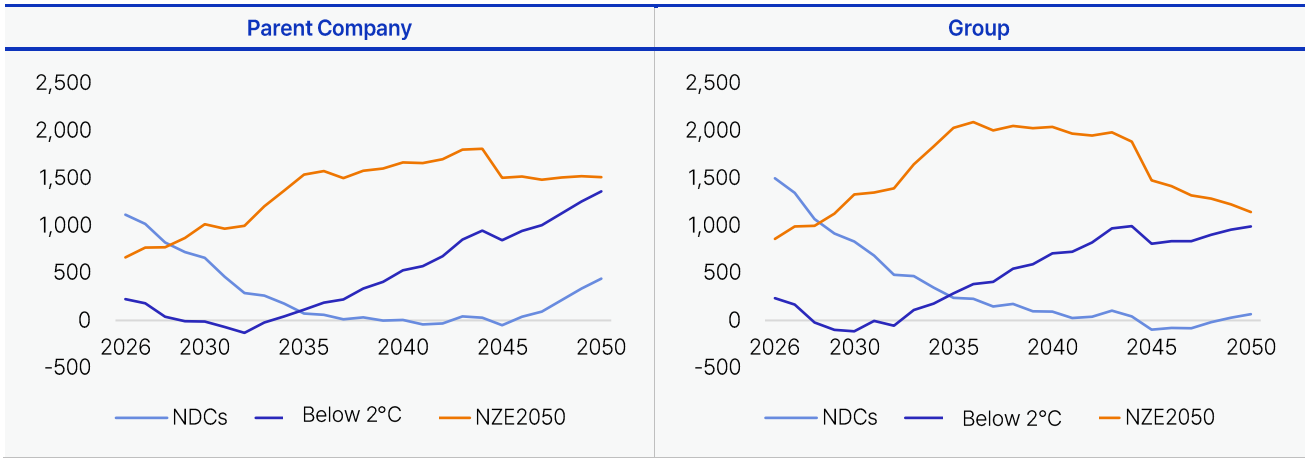
The average annual financial effect on the Parent Company arising from rising electricity tariffs and RE100 implementation is estimated to range from KRW 27.1 billion under the NDCs scenario to KRW 136.2 billion under the NZE2050 scenario. For the Group, which includes the Parent Company and its Major Subsidiaries, the corresponding additional financial effect is estimated to range from KRW 34.6 billion under the NDCs scenario to KRW 157.6 billion under the NZE2050 scenario, reflecting the additional electricity demand of the Subsidiaries.

This analysis estimates the additional financial effects that may arise within a foreseeable range under future scenarios, based on current electricity demand, electricity tariffs, and renewable energy procurement unit costs. The likelihood of these effects occurring remains uncertain. The results are estimates based on assumptions and scenarios as of a specific point in time and are provided for reference purposes only. They may vary depending on actual changes in policies and market conditions and do not represent amounts that will necessarily be realized in the future.

Given that most of the Group's greenhouse gas emissions are indirect emissions associated with electricity consumption, the Group is significantly affected by transition conditions under each scenario, including the stringency of emissions reduction policies and the pace of the transition to renewable energy. Depending on the scenario, increases in electricity tariffs or renewable energy procurement costs may have a material effect on the Group's medium- to long-term financial performance.

Accordingly, the Group plans to mitigate the effects of transition risks through investments in energy efficiency, analysis and optimization of electricity consumption patterns, expanded use of renewable energy, and diversification of procurement methods. The required funding is expected to be met through internally retained funds.

Estimated Potential Financial Effects (Costs) of Rising Electricity Tariffs and RE100 Implementation (Unit: KRW 100 million)



Transition Risks – Estimated Potential Financial Effects of Rising Emission Allowance Prices

Domestic emission allowance prices are expected to rise as greenhouse gas regulations become more stringent. Although the Group's emissions are projected to decline as it implements its 2050 Net Zero roadmap, including RE100, the analysis assumes that the proportion of allowances subject to paid allocation will increase to 15% in 2030, 30% in 2040, and 50% in 2050. It also assumes an allocation adjustment factor of approximately 90% by 2050.

Based on these assumptions, the Group estimated the potential financial effects by considering both projected domestic emission allowance prices and surplus allowances generated through its internal emissions reduction activities. The IEA[20] scenarios are classified according to the stringency of emissions reduction policies into STEPS, APS, and NZE. Definitions of the scenarios and details of their implications are provided under "Transition Risk Scenario Input Variables" in Section 2.5.2, "Methods for Climate-related Scenario Analysis."

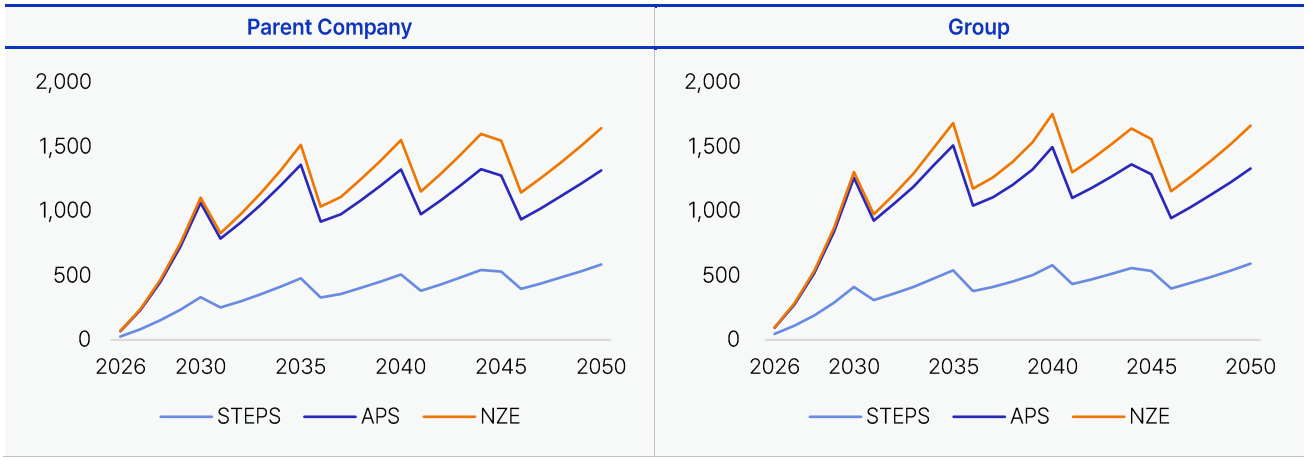
The average annual financial effect on the Parent Company arising from carbon regulations is estimated to range from KRW 37.8 billion under the STEPS scenario to KRW 114.6 billion under the NZE scenario. For the Group, which includes the Parent Company and its Major Subsidiaries, the corresponding additional financial effect is estimated to range from KRW 41.7 billion under the STEPS scenario to KRW 124.6 billion under the NZE scenario.

This analysis estimates the range of additional financial effects that could arise under future scenarios based on current emissions, emission allowance prices, and the level of emissions reduction activities. The likelihood of these effects occurring remains uncertain. The results are estimates based on assumptions and scenarios as of a specific point in time and are provided for reference purposes only. They may vary depending on actual policy and market developments and do not represent amounts that will necessarily be realized in the future.

Given that most of the Group's greenhouse gas emissions are indirect emissions associated with electricity consumption, changes in transition conditions under each scenario, particularly the stringency of emissions reduction policies, could have a significant effect on the Group. As the potential financial effects may increase under more stringent policy scenarios, the Group is pursuing greenhouse gas emissions reduction, expanded participation in PPAs, and accelerated RE100 implementation to turn the risks associated with rising emission allowance prices into opportunities.

20. IEA (International Energy Agency): An autonomous intergovernmental organization within the OECD framework that provides global energy policy analysis and outlooks.

Estimated Potential Financial Effects(Benefits) of Rising Emission Allowance Prices (Unit: KRW 100 million)



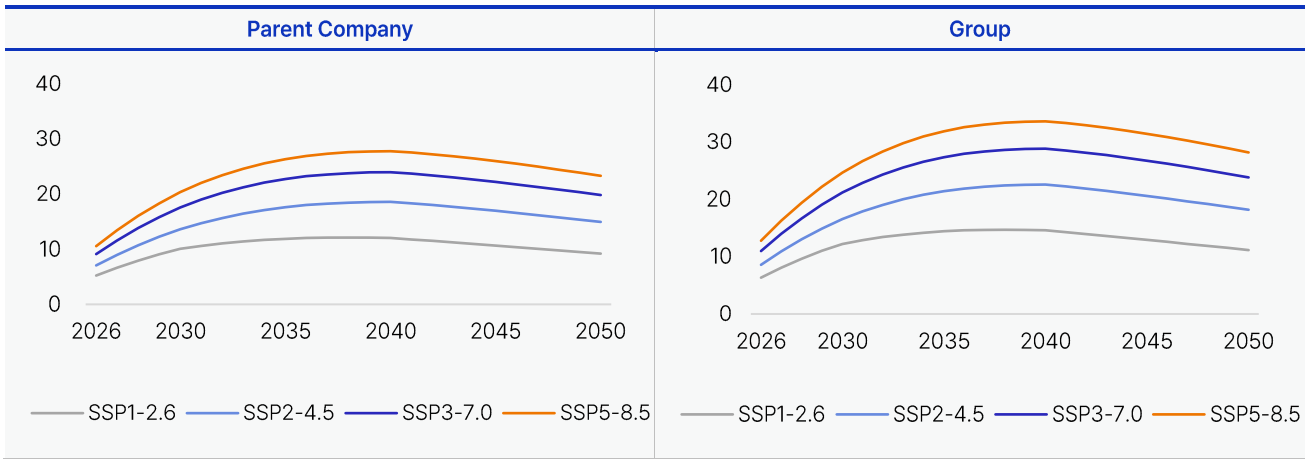
Physical Risks – Estimated Potential Financial Effects of Disaster Occurrence

Under the IPCC AR6 SSP scenarios, the Group identified nine acute and chronic physical risk factors and analyzed their potential financial effects. The scenarios are classified according to the degree of climate change mitigation as SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5. Definitions of the scenarios and details of the relevant input variables, assumptions, and uncertainties are provided under "Physical Risk Scenario" in Section 2.5.2, "Methods for Climate-related Scenario Analysis."

For the period from 2026 to 2050, the average annual financial effect on the Parent Company arising from disaster occurrence is estimated to range from KRW 1.0 billion under the SSP1-2.6 scenario to KRW 2.4 billion under the SSP5-8.5 scenario. For the Group, which includes the Parent Company and its Major Subsidiaries, the corresponding financial effect is estimated to range from KRW 1.3 billion under the SSP1-2.6 scenario to KRW 2.9 billion under the SSP5-8.5 scenario. This analysis estimates the additional financial effects that may arise within a foreseeable range under future scenarios, based on the current geographic distribution of assets and historical patterns of disaster occurrence. The timing and severity of future events remain uncertain. The results are estimates based on assumptions and scenarios as of a specific point in time and may vary depending on changes in climate and environmental conditions. Accordingly, they do not represent amounts that will necessarily be realized in the future.

In response to the potential financial effects of physical risks, the Group is developing scenario-specific measures to strengthen climate resilience and diversify its risk exposure. These measures are intended to strengthen the Group's response framework, maintain financial stability under a range of climate conditions, and minimize potential financial effects, including those arising under high-emissions scenarios.

Estimated Potential Financial Effects (Costs) of Disaster Occurrence (Unit: KRW 100 million)



Areas of Significant Uncertainty Considered in the Resilience Assessment

The climate resilience assessment considers the following areas of significant uncertainty:

- volatility in purchased electricity products and tariffs, the availability of renewable energy procurement options, and contract pricing;
- regulatory developments, including fluctuations in domestic emission allowance prices, changes in the proportion of paid allocation, and adjustments to allocation adjustment factors;
- disruption to telecommunications equipment and network operational stability arising from extreme weather events, including cyclones and floods; and
- changes in the investment and R&D environment for the low-carbon transition resulting from instability in global financial and economic conditions.

Availability and Flexibility of Existing Financial Resources to Address Impacts

To implement its climate-related strategy, the Group draws on internal resources, including retained earnings, and external borrowing instruments, including ESG bonds and green bonds. Internal resources are primarily allocated to major climate response projects, including network equipment efficiency improvements, the development of environmentally friendly data centers, and the transition to renewable energy, while external borrowing is managed in accordance with the Resource Procurement Plan described in Section 2.3.2. These financial resources are used to cover the short-, medium-, and long-term capital expenditures and operating costs required to strengthen climate resilience.

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

The Group's principal assets comprise base stations, repeaters, office buildings, telecommunications facilities, and data centers located throughout Korea. These assets may be redeployed, repurposed, upgraded, or decommissioned in response to climate-related transition and physical risks. The Group has already undertaken measures such as the phased replacement of aging infrastructure and low-efficiency equipment, as well as the consolidation and optimization of assets through AI-based traffic management technologies. Where the strategic repositioning of existing assets is required, asset-specific measures will be implemented following the appropriate review and approval process.

Impact of Current and Planned Investments

To build the technical foundation for a stronger climate response, the Parent Company is expanding R&D investment in low-carbon technologies. Key R&D areas over the three-year period from 2023 to 2025 include Cooling System Management (CSM)[21] solutions, shared memory pool management technologies based on Compute Express Link (CXL)[22], Virtual Power Plant (VPP)[23] energy technologies, AI-based 5G base station power reduction technologies, AI data center solutions, and CSM energy-saving technologies.

2.5.2 Methods for Climate-related Scenario Analysis

The table below presents the scenarios used in the Group's climate-related scenario analysis, including their sources, selection rationale, business activities covered, time horizons, and consistency and timing of assumptions.

The scenarios are drawn from publications issued by internationally recognized institutions, namely the Network for Greening the Financial System (NGFS), the International Energy Agency (IEA), and the Intergovernmental Panel on Climate Change (IPCC). They are aligned with the Paris Agreement, the principal international framework for addressing climate change, and are considered appropriate for assessing transition and physical risks relevant to the telecommunications services industry.

21. CSM (Cooling System Management): A system that monitors and controls cooling equipment, such as data center cooling systems, to improve energy efficiency.
22. CXL (Compute Express Link): An open interconnect standard that enables high-speed, low-latency connectivity between data center devices, such as CPUs and GPUs. It improves resource utilization and energy efficiency through memory sharing and pooling.
23. VPP (Virtual Power Plant): A system that integrates and coordinates distributed energy resources and demand response resources, including their operation and trading, to help manage renewable energy variability and maintain a stable balance between electricity supply and demand.

Transition Risk Scenario Input Variables for the Group

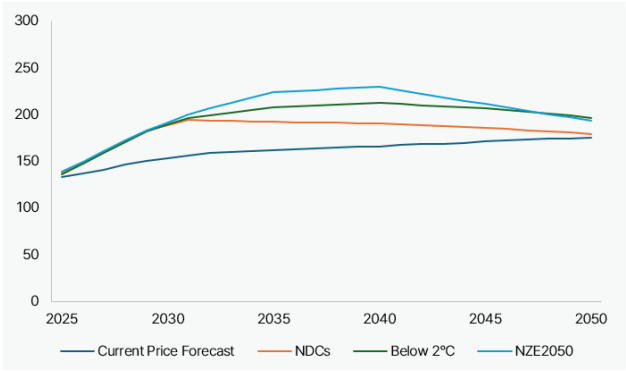
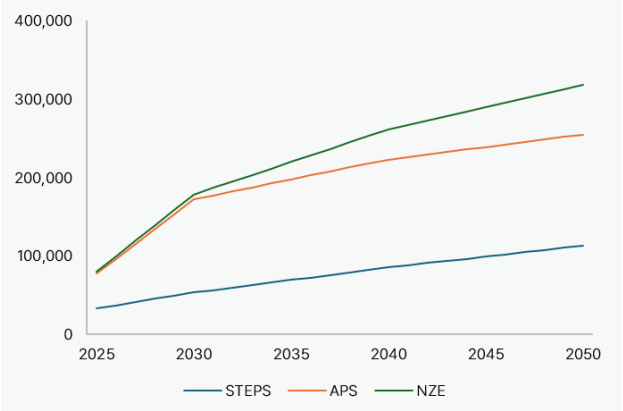
Classification	Description	Remarks
Scenario	NGFS NDCs, below 2°C, NZE2050	Utilize analysis of electricity tariffs and renewable energy costs
	STEPS, APS, NZE	Utilize analysis of carbon emission regulations
Compliance with international agreements	Aligned with the latest international agreement on climate change (Paris Agreement)	Compliant with both NGFS and IEA
Resilience assessment relevance	Used for assessing transition risk resilience of the Group	-
Time Range	2026- 2050	Including short-, medium-, and long-term periods
Scope of Analysis	Group	Consistent with the disclosure scope of this report

Transition Risk Scenario

Under the NGFS scenarios used to estimate future electricity prices, electricity prices under the NDCs scenario are projected to remain higher than those under the NZE2050 scenario through the 2030s. Where the projected electricity price under a particular scenario is lower than the current estimated electricity price, the resulting financial effect may be negative. The future electricity price projections applied in the transition risk analysis are not intended to predict whether electricity prices will rise or fall. They are used solely to estimate potential financial effects based on the relative differences between scenario projections and current levels.

Emission allowance price estimates reflect the carbon prices presented under each IEA WEO scenario. Relatively higher prices are projected under low-carbon scenarios with more stringent emissions reduction policies. The divergence in projected prices widens over the longer term, with the NZE scenario showing the largest increase. These projections are not intended as definitive forecasts of future prices in Korea's emission allowance market. They are used solely to estimate the price of emission allowances that may need to be purchased as a result of carbon emissions regulations.

Electricity Unit Price and Carbon Price Forecasts Under the Group's Transition Risk Scenarios (Unit: KRW/kWh, KRW/tCO_2e)

NGFS Electricity Unit Price Forecast	IEA Carbon Price Forecast
	

Physical Risk Scenario

The IPCC Shared Socioeconomic Pathway (SSP) scenarios reflect varying levels of socioeconomic development and greenhouse gas mitigation. The scenarios are categorized as SSP1-2.6 (low emissions), SSP2-4.5 (intermediate emissions), SSP3-7.0 (high emissions), and SSP5-8.5 (high emissions and high warming). Each scenario represents a different level of acute and chronic physical risk and is used to assess the potential financial effects of physical risks on the Group's assets.

Physical Risk Scenario Input Variables for the Group

Classification	Description	Remarks
Scenario	SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5	-
Compliance with international agreements	Based on IPCC AR6	-
Resilience assessment relevance	Used for assessing physical risk resilience of the Group	-
Time Range	2026-2050	Including short-, medium-, and long-term periods
Scope of Analysis	Group	Owned and leased assets, domestic and international

Key Assumptions Used in the Group's Climate-related Scenario Analysis

Classification	Assumptions	Assumption Details		
		2030	2040	2050
Climate-related policies	Proportion of paid allocation of domestic greenhouse gas emissions[1)]	15%	30%	50%
	Domestic greenhouse gas allocation adjustment factor[1)]	90%	90%	90%
Macroeconomic trends	Domestic inflation rate	2.0%	1.9%	1.8%
	KRW/USD exchange rate[2)]	KRW 1,300/US$	KRW 1,300/US$	KRW 1,300/US$
National/Regional level variables	South Korea Electricity Tariff (NZE2050)	KRW 194.2/kWh	KRW 229.3/kWh	KRW 193.1/kWh
Energy usage	Green Premium Cost under Net Zero Roadmap	KRW 135.8/kWh	KRW 147.3/kWh	KRW 155.6/kWh
	REC Cost under Net Zero Roadmap	KRW 149.4/kWh	KRW 150.5/kWh	KRW 154.6/kWh

1) Values for intermediate years assume application of identical values by segment (e.g., paid allocation ratio, adjustment coefficient, etc.) or linear increase.
2) To eliminate the impact of exchange rate fluctuations, the exchange rate is fixed at KRW 1,300.

Scenario Utilization and Uncertainty

The NGFS and IEA scenarios applied in the transition risk analysis, together with the IPCC SSP scenarios used in the physical risk analysis, are internationally recognized external reference pathways that support the robustness and comparability of climate scenario analysis. The scenario analysis is not intended to predict a specific future outcome. Rather, it is designed to assess the potential financial effects associated with differences in scenario assumptions and to evaluate the Group's response capabilities under each pathway, thereby providing a basis for future strategic planning.

The methodologies and data used in the analysis are subject to inherent uncertainty and limitations, and the results may vary depending on the underlying assumptions, input variables, and analytical methodologies. Accordingly, the scenario analysis results are intended for reference purposes only.

Reporting Period in Which the Climate-related Scenario Analysis Was Conducted

The climate-related scenario analysis presented in this report was conducted during FY2025. The analysis is updated each reporting period.

3. Risk Management

This section sets out the processes used to identify, assess, prioritize, and monitor climate-related risks and opportunities and explains how these processes are integrated into the Group's enterprise-wide risk management framework.

3.1 Management of Climate-related Risks and Opportunities

3.1.1 Climate-related Risk Management Processes and Policies

Inputs and Parameters Used in the Risk Management Process

The input variables and parameters used for risk identification and assessment are presented in the following table. The Group draws on both internal management data and external sources, including government agencies, research institutions, and international organizations.

Input Variables and Parameters of the Group

Input Variables and Parameters	Data Sources	Scope of Business Premises
Climate-related policies	Government ministry press releases, external research materials	Group
Industry trends	Sustainability-related financial disclosures in the same industry, external research materials, etc.	Group
Climate trends	Korea Meteorological Administration, NGFS, IPCC, etc.	Group
Emission allowance price	Ministry of Climate, Energy and Environment, NGFS, IEA, etc.	Group
Energy consumption	Internal company data, greenhouse gas emissions and energy consumption statements	Group
Greenhouse gas emission factors	Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme	Group
Asset information	Consolidated financial statements, internal company data	Group

Use of Climate-related Scenarios in Risk Identification and Analysis Methodology

Climate-related scenario analysis is used to identify transition and physical risks. The scenarios are based on data from internationally recognized organizations and reflect both Korea's carbon emissions regulatory environment and the specific characteristics of the telecommunications services industry. For details of the scenarios and assumptions applied, refer to Section 2.5.2, "Methods for Climate-related Scenario Analysis."

During the financial effect analysis, the Group quantitatively assesses the effects of climate-related risks on all relevant financial elements, including assets, liabilities, equity, financing arrangements, revenue, and expenses, based on the statement of financial position and the statement of profit or loss. The results are integrated into the Group's enterprise-wide risk management framework, and response priorities are determined through discussion by the Board.

Risk Assessment Methods

Each identified climate-related risk is assessed based on its likelihood of occurrence and potential magnitude of impact.

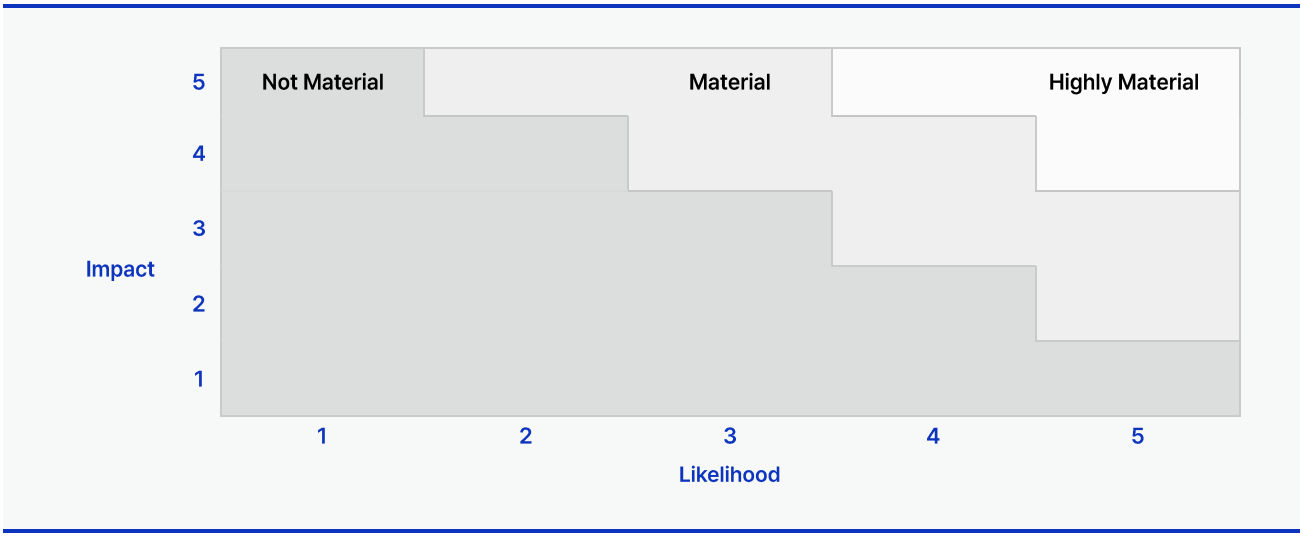
Likelihood is defined as the probability that a loss arising from a given risk will occur within a specified period. Impact is defined as the magnitude of the financial loss that would result if the risk materializes. The likelihood and impact of each risk factor are scored on a five-point scale based on the evaluator's judgment.

Criteria for Likelihood of Occurrence and Impact of Climate-Related Factors of the Group

Classification	Definition	Score	Level	Standard
Likelihood	Probability of risk-related loss occurring	1	Very Low	The probability of the risk occurring is very low, both currently and in the future
		2	Low	The probability of the risk occurring is low, both currently and in the future
		3	Moderate	The probability of the risk occurring is moderate, both currently and in the future
		4	High	The probability of the risk occurring is high, both currently and in the future
		5	Very High	The probability of the risk occurring is very high, both currently and in the future
Impact	Magnitude of financial loss in the event of risk materialization	1	Very Low	Financial loss in the event of risk materialization is negligible
		2	Low	Financial loss in the event of risk materialization is minimal
		3	Moderate	Financial loss in the event of risk materialization is moderate
		4	High	Financial loss in the event of risk materialization is significant
		5	Very High	Financial loss in the event of risk materialization is severe

The materiality of climate-related factors is determined using a 5×5 risk matrix. Materiality scores, ranging from 1 to 25, are classified as follows: Not Material (10 or above but below 15), Material (15 or above but below 20), and Highly Material (20 or above). Factors with higher assessment scores are assigned a higher management priority.

Climate-related Risk Assessment Matrix of the Group



Risk Prioritization Methods

Climate-related risks are prioritized within the enterprise-wide risk management framework using the same assessment criteria applied to other risk categories, including financial, operational, strategic, regulatory, and reputational risks. The assessment considers the likelihood and magnitude of impact, time horizon, and changes since the previous reporting period.

Risk Monitoring Methods

Climate-related risks are monitored through a tiered process aligned with the Group's reporting framework. Operating departments review key operational indicators, including energy consumption, greenhouse gas emissions, and the number of disaster incidents and recovery cases, on a monthly and quarterly basis. Working-level personnel report material changes in key indicators and newly identified risk factors to the Head of ESG, who reports regularly to the ESG Committee.

When a new risk is identified or the assessed impact of an existing risk changes materially, the relevant information is reflected in Section 2.1.2, "Time Horizons of Identified Risks and Opportunities," and Section 2.5.1, "Climate Resilience Assessment," and disclosed in the subsequent reporting period.

For information on the climate- and ESG-related agenda items reviewed by the ESG Committee and the frequency of its meetings, refer to the ESG Committee Meeting Overview table in Section 1.1.3, "Reporting Methods and Frequency to Governance Bodies."

Changes in the Risk Management Process Compared with the Previous Reporting Period

No significant changes were made to the risk management process compared with the previous reporting period.

3.1.2 Climate-related Opportunity Management Processes

Climate-related opportunity factors are evaluated and prioritized based on the likelihood of occurrence, magnitude of impact, time horizon, and changes from the previous reporting period. High-priority opportunity factors are addressed in Section 2.3.1, "Responses to Risks and Opportunities," and disclosed in the subsequent reporting period.

Progress in implementing opportunity-related initiatives is monitored through the same reporting framework used for climate-related risks (working-level departments → Head of ESG → ESG Committee). The ESG Committee reviews scenario analysis results together with external developments.

3.1.3 Integration of Enterprise Risk Management Processes

Climate-related risk and opportunity management processes are integrated into the Group's enterprise-wide risk management framework through three mechanisms.

First, climate-related risks and opportunities are assessed using the same input variables and evaluation scales applied to other risk categories, including financial, operational, strategic, and regulatory risks. Specifically, the same five-point scales for likelihood and impact are used, enabling all risk categories to be compared within a single 5×5 risk matrix.

Second, climate-related matters follow the Group's established reporting framework, progressing from the operating departments to the Head of ESG, then to the ESG Committee, and ultimately to the Board of Directors.

Third, matters deliberated by the ESG Committee that require Board resolution are submitted to the Board of Directors in accordance with Article 5, Paragraphs 2 and 3 of the ESG Committee Regulations, and are reflected in enterprise-wide strategy, capital allocation, and financial planning decisions.

4. Metrics and Targets

In accordance with paragraphs 27 and 28 of Korea Sustainability Disclosure Standard No. 2, this section presents the Group's climate-related metrics and targets. The disclosures are presented under 4.1 Climate-related Metrics and 4.2 Climate-related Targets, and include the Group's climate-related targets and its progress toward achieving them.

4.1 Climate-related Metrics

4.1.1 Greenhouse Gas Emissions

For the reporting period, the Group reports total absolute greenhouse gas emissions in tonnes of carbon dioxide equivalent (tCO_2e), classified as direct emissions (Scope 1), indirect emissions (Scope 2), and other indirect emissions (Scope 3). Greenhouse gas emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (2004) published by the World Resources Institute (WRI)[24] and the World Business Council for Sustainable Development (WBCSD)[25]. The measurement methodologies, input variables, and assumptions applied are described separately under "Greenhouse Gas Emissions Measurement Methods."

The Parent Company and, among its Major Subsidiaries, SK Broadband Co., Ltd. have maintained independent greenhouse gas management systems since 2015 in response to the Korea Emissions Trading System and have calculated and managed their greenhouse gas emissions annually through these systems. To ensure consistency with domestic regulatory requirements, the Parent Company and SK Broadband Co., Ltd. calculate Scope 1 and Scope 2 emissions in accordance with the Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme, and Scope 3 emissions in accordance with the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2013). All other Subsidiaries calculate Scope 1 and Scope 2 emissions using the GHG Protocol Corporate Accounting and Reporting Standard (2004) and Scope 3 emissions using the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2013).

Scope 1 and Scope 2 Greenhouse Gas Emissions by Group Entity Before Consolidation Adjustments

Since 2015, the Parent Company has maintained an independent greenhouse gas management system in compliance with the Korea Emissions Trading System. Under this system, Scope 1 (direct) and Scope 2 (indirect) greenhouse gas emissions are calculated annually and subject to third-party verification. The Parent Company calculates Scope 1 and Scope 2 emissions in accordance with the Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme, while the Group applies the GHG Protocol Corporate Accounting and Reporting Standard (2004) developed by WRI and WBCSD.

Based on the FY2025 Business Report for the 42nd fiscal year, the Group's greenhouse gas inventory covers the Parent Company and nine Major Subsidiaries, representing a total of 10 entities. Entities engaged solely in investment activities and those excluded due to organizational boundary changes, including mergers and liquidations, are not included. As a result, the reporting boundary was reduced from 14 entities in FY2024 to 10 entities in FY2025.

Before consolidation adjustments, the Group's total Scope 1 and Scope 2 greenhouse gas emissions amounted to 1,843,108 tCO_2e in FY2025, compared with 1,677,633 tCO_2e in FY2024, representing an increase of approximately 10%. The Parent Company accounted for 1,173,904 tCO_2e, or approximately 63% of the Group total, compared with 1,166,518 tCO_2e in FY2024. The year-on-year increase was primarily attributable to SK Broadband Co., Ltd., whose emissions increased by approximately 38%, from 455,962 tCO_2e in FY2024 to 627,682 tCO_2e in FY2025, mainly reflecting newly acquired data centers.

The Parent Company will strengthen its greenhouse gas quantification and verification processes in line with global disclosure standards and improve emissions data consistency across the Group to enhance the reliability of its climate-related disclosures.

24. WRI (World Resources Institute): A global nonprofit research organization that develops policy solutions in the areas of the environment, natural resources, and climate, and contributes to major climate and ESG standards and initiatives, including the GHG Protocol and SBTi.
25. WBCSD (World Business Council for Sustainable Development): A global business organization committed to sustainable development that jointly developed the GHG Protocol with WRI.

Scope 1 and Scope 2 Greenhouse Gas Emissions by Group Entity (Before Consolidation Adjustments) (Unit: tCO_2e)

Classification[1]	41st Term (FY2024)			42nd Term (FY2025)		
	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2
Total	1,677,633	21,937	1,655,757	1,843,108	20,628	1,822,534
SK Telecom Co., Ltd.	1,166,518	5,923	1,160,614	1,173,904	5,940	1,167,979
SK Telink Co., Ltd.	2,332	102	2,230	2,256	93	2,163
SK Broadband Co., Ltd.	455,962	1,677	454,327	627,682	1,424	626,297
PS&Marketing Co., Ltd.	6,294	465	5,829	5,843	395	5,448
SERVICE ACE Co., Ltd.	1,794	65	1,729	1,836	75	1,761
SERVICE TOP Co., Ltd.	11,077	171	10,906	9,157	175	8,982
SK O&S Co., Ltd.	8,098	1,548	6,550	6,746	1,805	4,941
SK Telecom Americas, Inc.	126	27	99	163	28	135
Happy Hanool Co., Ltd.	101	3	98	91	5	86
Home & Service Co., Ltd.	24,330	11,883	12,447	15,430	10,688	4,742
SK stoa Co., Ltd.	869	51	818	-	-	-
Media S Co., Ltd.	24	8	16	-	-	-
Global AI Platform Corporation Korea Co., Ltd.	45	-	45	-	-	-
Global AI Platform Corporation	63	14	49	-	-	-

1) Two entities that ceased to be controlled by the Parent Company or were liquidated (or scheduled for liquidation) during the current or following fiscal year, together with two entities that are not Major Subsidiaries, were excluded from the reporting scope (see "Reporting Entity and Scope" (p. 2)).

Location-based Scope 1 and Scope 2 Greenhouse Gas Emissions by Group Entity After Consolidation Adjustments

Following consolidation adjustments, the Group's total location-based Scope 1 and Scope 2 greenhouse gas emissions amounted to 1,827,413 tCO_2e in FY2025 (Scope 1: 20,242 tCO_2e; Scope 2: 1,807,225 tCO_2e), representing an increase of approximately 11% from 1,646,593 tCO_2e in FY2024. The Parent Company recorded emissions of 1,173,904 tCO_2e, accounting for 64% of the Group's consolidated location-based emissions, representing a slight increase from 1,166,518 tCO_2e in FY2024. The overall increase in emissions was primarily attributable to higher data center emissions at SK Broadband Co., Ltd.

Location-based Scope 1 and Scope 2 Greenhouse Gas Emissions by Group Entity (After Consolidation Adjustments) (Unit: tCO_2e)

Classification[1]	41st Term (FY2024)			42nd Term (FY2025)		
	Total[2]	Scope 1	Scope 2	Total[2]	Scope 1	Scope 2
Total	1,646,593	20,850	1,625,804	1,827,413	20,242	1,807,225
SK Telecom Co., Ltd.	1,166,518	5,923	1,160,614	1,173,904	5,940	1,167,979
SK Telink Co., Ltd.	21	21	-	13	13	-
SK Broadband Co., Ltd.	455,962	1,677	454,327	627,682	1,424	626,297
PS&Marketing Co., Ltd.	5,696	458	5,238	5,647	387	5,260
SERVICE ACE Co., Ltd.	492	20	472	494	27	467
SERVICE TOP Co., Ltd.	1,733	6	1,727	1,736	3	1,733
SK O&S Co., Ltd.	1,139	781	358	2,401	1,732	669
SK Telecom Americas, Inc.	126	27	99	163	28	135
Happy Hanool Co., Ltd.	-	-	-	-	-	-
Home & Service Co., Ltd.	13,905	11,864	2,041	15,373	10,688	4,685
SK stoa Co., Ltd.	869	51	818	-	-	-
Media S Co., Ltd.	24	8	16	-	-	-
Global AI Platform Corporation Korea Co., Ltd.	45	-	45	-	-	-
Global AI Platform Corporation	63	14	49	-	-	-

1) Two entities that ceased to be controlled by the Parent Company or were liquidated (or scheduled for liquidation) during the current or following fiscal year, together with two entities that are not Major Subsidiaries, were excluded from the reporting scope (see "Reporting Entity and Scope" (p. 2)).

2) Location-based greenhouse gas emissions by Group entity reflect intragroup lease arrangements, with duplicate emissions eliminated. Emissions of the Major Subsidiaries are calculated by truncating figures at the business-site level in accordance with the "Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme" before aggregation. Accordingly, the reported totals may differ from the simple sum of direct and indirect emissions.

Scope 1 and Scope 2 Greenhouse Gas Emissions of the Parent Company's Investees

Greenhouse gas emissions attributable to investees outside the Group's consolidation scope are identified and managed separately. Only the proportion of each investee's emissions attributable to the Parent Company's ownership interest as of the reporting-period end is accounted for.

The current measurement scope comprises investees listed under "Details of Investments in Other Corporations" in the Business Report for which either greenhouse gas emissions disclosures or energy consumption data are available. Accordingly, the number of investees whose emissions were calculated directly using activity data decreased from 13 in FY2024 to four in FY2025: P NATION Corporation, SM CULTURE & CONTENTS Co., Ltd., AIRI Inc., and Hana Financial Group.

Greenhouse gas emissions attributable to the Parent Company's investees amounted to 9,082 tCO_2e in FY2025, an increase of approximately 168% from 3,384 tCO_2e in FY2024.

Scope 1 and Scope 2 Greenhouse Gas Emissions of the Parent Company's Investees (Unit: tCO_2e)

Classification	41st Term (FY2024)			42nd Term (FY2025)		
	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2
Total	3,384	299	3,085	9,082[1]	290	1,874
P NATION Corporation[2]	19	8	11	17	7	10
SM CULTURE & CONTENTS Co., Ltd.[2]	63	44	19	120	68	52
AIRI Inc.[2]	4	-	4	4	-	4
Hana Financial Group[2]	1,889	214	1,675	2,027	215	1,813
KDX Korea Data Exchange[3]	2	1	1	72	-	-
CMES Robotics Inc.[3]	24	4	20	1,307	-	-
G.GURU Co., Ltd.[3]	0	0	0	7	-	-
Konan Technology[3]	1	1	-	4,357	-	-
MakinaRocks[3]	6	-	6	613	-	-
AhnLab Blockchain Company[3]	6	-	6	20	-	-
Invites Genomics[3]	28	18	10	307	-	-
Covet[3]	2	-	2	235	-	-
Kakao Corp.[4]	1,340	9	1,331	-	-	-

1) Starting from the 42nd fiscal year (FY2025), investee company emissions are calculated using both "direct calculation based on activity data" and "indirect calculation based on revenue." Accordingly, total emissions for FY2025 (9,082 tCO_2e) represent the sum of values calculated by both methods, resulting in a difference from the total based solely on direct calculation (Scope 1 and Scope 2).

2) Beginning in FY2025 (the 42nd fiscal year), emissions for the following four companies are calculated directly using activity data: P NATION Corporation, SM CULTURE & CONTENTS Co., Ltd., AIRI Inc., and Hana Financial Group.

3) Beginning in FY2025 (the 42nd fiscal year), emissions for the following eight companies are estimated indirectly based on revenue; accordingly, no separate Scope 1 and Scope 2 figures are presented for the current period: KDX Korea Data Exchange, CMES Robotics Inc., G.GURU Co., Ltd., Konan Technology, MakinaRocks, AhnLab Blockchain Company, Invites Genomics, and Covet.

4) Kakao Corp. was excluded from the emissions calculations following its divestment during FY2025 (the 42nd fiscal year) and FY2026 (the 43rd fiscal year).

Scope 3 Greenhouse Gas Emissions of the Parent Company

In addition to Scope 1 and Scope 2 emissions, the Parent Company discloses other indirect emissions generated across its value chain as Scope 3 emissions. In accordance with ISO 14064-1:2018 and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard developed by WRI and WBCSD, the Parent Company reports emissions across nine categories relevant to its business activities.

The Parent Company's Scope 3 emissions totaled 2,584,221 tCO_2e in FY2025, representing a decrease of approximately 19.5% from 3,210,242 tCO_2e in FY2024. Emissions from purchased goods and services (Category 1) decreased from 1,992,087 tCO_2e to 1,327,656 tCO_2e, while emissions from investments (Category 15) increased from 443,477 tCO_2e to 728,565 tCO_2e.

The increase in Category 15 emissions was primarily attributable to the combined impact of increased greenhouse gas emissions from SK Broadband Co., Ltd., a Major Subsidiary and investee of the Parent Company, and the increase in the Parent Company's ownership interest. SK Broadband's emissions increased following its acquisition of the Pangyo Data Center and higher utilization rates at its major business sites. At the same time, the Parent Company's ownership interest increased from 74.4% to 99.1%, increasing the proportion of SK Broadband's emissions attributable to the Parent Company.

Scope 3 Greenhouse Gas Emissions of the Parent Company (Unit: tCO_2e)

Category			Parent Company	
			41st Term (FY2024)	42nd Term (FY2025)
Total			3,210,242	2,584,221
Upstream Activity	1	Purchased goods and services	1,992,087	1,327,656
	2	Capital goods	548,573	306,166
	3	Fuel and energy related activities not included in Scope 1 or Scope 2	179,796	180,935
	4	Upstream transportation and distribution	-	-
	5	Waste generated from operations	771	586
	6	Business travel	2,446	2,367
	7	Employee commuting	5,422	2,903
	8	Upstream leased assets	10,614	10,057
Downstream Activity	9	Downstream transportation and distribution	-	-
	10	Processing of sold products	-	-
	11	Use of sold products	-	-
	12	End-of-life treatment of sold products	-	-
	13	Downstream leased assets		-
	14	Franchises	27,056	24,986
	15	Investments	443,477	728,565

Scope 3 Greenhouse Gas Emissions of the Group

The Group's total Scope 3 greenhouse gas emissions amounted to 3,474,133 tCO_2e in FY2025, representing a decrease of approximately 14% from 4,038,141 tCO_2e in FY2024. This decrease was driven primarily by a reduction in Category 1 (Purchased Goods and Services), the largest source of Scope 3 emissions, which declined from 2,342,772 tCO_2e to 1,733,734 tCO_2e. By contrast, emissions from Category 15 (Investments) increased from 445,623 tCO_2e to 733,350 tCO_2e.

Scope 3 Greenhouse Gas Emissions of the Group (Unit: tCO_2e)

Category			Group[1]	
			41st Term (FY2024)	42nd Term (FY2025)
Total			4,038,141	3,474,133
Upstream Activity	1	Purchased goods and services	2,342,772	1,733,734
	2	Capital goods	637,677	411,911
	3	Fuel and energy related activities	250,091	277,799
	4	Upstream transportation and distribution	11,840	10,679
	5	Waste	895	647
	6	Business travel	3,142	3,123
	7	Employee commuting	7,029	4,313
	8	Upstream leased assets	10,614	10,057
Downstream Activity	11	Use of sold products	301,402	263,534
	12	End-of-life treatment of sold products	-	-
	13	Downstream leased assets	-	-
	14	Franchises	27,056	24,986
	15	Investments	445,623	733,350

1) The entities subject to Scope 3 greenhouse gas emissions of the Group are SK Telecom and SK Broadband. The Group's Scope 3 emissions represent emissions without consideration of internal transactions between subsidiaries within the Group (before consolidation adjustments), and are the sum of Scope 3 emissions of separate legal entities.

Greenhouse Gas Emissions Measurement Methods

In measuring greenhouse gas emissions, the Parent Company applies the Control Approach, one of the approaches permitted under the GHG Protocol Corporate Accounting and Reporting Standard (2004). Under this approach, all emission sources from facilities over which the Parent Company has operational or financial control are included within the reporting boundary.

Scope Categories and Input Variables of the Group

Category	Category	Input Variables
Scope 1	Stationary Combustion	Activity Data: LNG (natural gas), LPG (propane), indoor kerosene Emission Factors: 2006 IPCC Guidelines for National Greenhouse Gas Inventories default emission factors
	Mobile Combustion	Activity data: Gasoline, Diesel Emission factors: 2006 IPCC Guidelines for National Greenhouse Gas Inventories default emission factors
Scope 2	Purchased Electricity (including electricity for electric vehicles)	Activity data: Electricity consumption (kWh), electricity cost (KRW), distance traveled (km), etc. Emission factors: Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme
	Purchased Heat (Steam)	Activity data: Quantity of external district heating heat purchased (Mcal), heat cost (KRW), fuel consumption of heating systems, etc. Emission factors: Korea District Heating Corporation steam coefficient list
Scope 3	Cat.1 Purchased Goods and Services	Activity data: Purchase volume and purchase amount of purchased goods and services Emission factors: Industry average emission factors, revenue intensity of purchased companies
	Cat.2 Capital Goods	Activity data: Purchase volume and purchase amount of capital goods Emission factors: Industry average emission factors, revenue intensity of purchased companies

Category	Category	Input Variables
Scope 3	Cat.3 Fuel and Energy Related Activities	Activity data: Consumption by fuel and energy source type Emission factors: Upstream emission factors
	Cat.4 Upstream Transportation and Distribution	Activity data: Energy consumption of transport vehicles by gasoline, diesel, and butane Emission factors: Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme
	Cat.5 Waste	Activity data: Total waste by treatment type Emission factors: Emission factors by treatment type
	Cat.6 Business Travel	Activity data: Transportation mode, travel distance, and number of travelers by business trip Emission factors: Emission factors by transportation mode
	Cat.7 Employee Commuting	Activity data: Transportation mode and travel distance by commuting pattern Emission factors: Emission factors by transportation mode
	Cat.8 Upstream Leased Assets	Activity data: Energy consumption (electricity) by leased asset Emission factors: National electricity emission factor
	Cat.11 Use of Sold Products	Activity data: Number of equipment units sold or leased, standby power, operating power, average daily operating hours, annual operating days, etc. Emission factors: National Institute of Environmental Research Scope 3 Greenhouse Gas Emissions Calculation and Reporting Guidelines – Electricity upstream emission factor
	Cat.14 Franchises	Activity data: Number of franchise stores, total area, energy consumption (electricity) Emission factors: National electricity emission factor
	Cat.15 Investments	Activity data: Greenhouse gas emissions, investment amount, and investment ratio of investee companies Emission factors: Industry average emission factors by investee company

4.1.2 Assets or Business Activities Vulnerable to Climate-related Risks

Transition Risks

Assets vulnerable to transition risks are measured based on greenhouse gas emission allowances. Emission allowances comprise two components that are recognized using different accounting treatments. Government-allocated allowances received free of charge are recognized at zero, while purchased allowances are recognized at cost, comprising the purchase price and any directly attributable acquisition costs.

Assets of the Group Vulnerable to Climate-related Transition Risks and Potential Financial Effects

Assets	Classification	41st Term (FY2024)		42nd Term (FY2025)	
		Amount (KRW million)	Percentage (%)[1)]	Amount (KRW million)	Percentage (%)[1)]
Greenhouse gas emission allowances	Current liabilities	437	0.0047	530	0.0081

1) The percentage represents the proportion of the Group's current liabilities accounted for by emission liabilities. Emission liabilities comprise the carrying amount of emission allowances held and the estimated expenditure required to settle obligations arising from emissions in excess of the allowances held.

Physical Risks

Assets and business activities exposed to physical risks are identified based on their potential financial exposure. Key assets include property, plant and equipment such as office buildings, telecommunications facilities, and telecommunications equipment. Among the office buildings owned by the Group, the headquarters has the highest carrying amount and is therefore considered the asset with the greatest potential financial exposure to physical risks. However, the carrying amount exposed to physical risks is subject to uncertainty arising from forward-looking data.

Assets of the Group Vulnerable to Climate-related Physical Risks and Potential Financial Effects

Assets	Classification	41st Term (FY2024)		42nd Term (FY2025)	
		Amount (KRW million)	Percentage (%)[1]	Amount (KRW million)	Percentage (%)[1]
Corporate office (Headquarters)	Property, plant and equipment	78,526	0.6224	71,991	0.6049

1) The percentage represents the carrying amount of the relevant assets as a proportion of the Group's total property, plant and equipment.

4.1.3 Assets or Business Activities Aligned with Climate-related Opportunities

The AI-based energy management solutions business is aligned with the identified climate-related opportunity of growing demand for AI-based solutions. The business comprises four areas: BEMS26, FEMS27, LEMS28, and DR29, and helps customers optimize energy use and reduce emissions.

Assets of the Group Aligned with Climate-related Opportunities and Potential Financial Effects

Business Activity	Classification	41st Term (FY2024)		42nd Term (FY2025)	
		Amount (KRW million)	Percentage (%)[1]	Amount (KRW million)	Percentage (%)[1]
BEMS·FEMS·LEMS·DR	Operating revenue	18,699	0.1042	29,571	0.1729

1) The percentage represents revenue from the respective business activity as a proportion of the Group's total operating revenue.

4.1.4 Capital Allocation for Climate-related Risks and Opportunities

The Parent Company allocates financial resources to address climate-related risks and capture emerging business opportunities. Capital expenditures (CapEx) target investments strengthening the long-term foundations of the Group's climate response — energy efficiency improvements, low-carbon infrastructure, and eco-friendly data centers — rising from KRW 1,819 million in FY2024 to KRW 1,877 million in FY2025. Operating expenditures (OpEx) support ongoing greenhouse gas reductions — network optimization, renewable energy procurement, and data monitoring system operation — rising sharply from KRW 7,483 million in FY2024 to KRW 31,405 million in FY2025.

Through this capital allocation, the Parent Company is addressing transition risks while expanding growth opportunities in AI-based energy management, renewable energy transition, and eco-friendly technologies. Going forward, it plans to further distinguish climate-related investments from general investments and refine its framework for quantifying financial effects, improving both capital efficiency and the effectiveness of its climate response.

The Group's Capital Allocation in Response to Climate-related Risks and Opportunities (Unit: KRW million)

Classification	Parent Company		Group[2]	
	41st Term (FY2024)	42nd Term (FY2025)	41st Term (FY2024)	42nd Term (FY2025)
Revenue	18,699	45,307[1]	-	-
Capital Expenditure (CapEx)	1,819	1,877	-	-
Operating Expenditure (OpEx)	7,483	31,405[1]	-	-

1) New analytical factors relating to the Parent Company's climate-related opportunities were added, resulting in increases in revenue and operating costs compared with the previous reporting period.

2) The process for identifying capital allocation related to climate-related risks and opportunities has been established only for the Parent Company. Accordingly, quantitative information for the Group is not disclosed and is indicated by '-'.

26. BEMS (Building Energy Management System): A system that monitors, controls, and optimizes energy use for heating, cooling, lighting, electricity, and other building systems to reduce energy consumption and costs.
27. FEMS (Factory Energy Management System): A system that monitors, controls, and optimizes energy use across production equipment, electricity, heat, and other factory operations to improve energy efficiency.
28. LEMS (Lighting Energy Management System): A system that controls and optimizes lighting in buildings and facilities based on occupancy, illuminance levels, time of day, and other factors to reduce energy consumption.
29. DR (Demand Response): A service that incentivizes electricity users to reduce consumption or shift usage to off-peak periods when electricity demand is high, and provides compensation for their participation.

4.1.5 Internal Carbon Price

Operation of the Internal Carbon Pricing System

The Parent Company operates an internal carbon pricing system to support the achievement of its 2050 Net Zero target and strengthen climate risk management across the short, medium, and long term. The system includes procedures for estimating greenhouse gas emissions from existing and new business activities and for developing and reviewing emissions reduction plans that incorporate the internal carbon price.

The internal carbon price is set for the short, medium, and long term. The applicable prices are based on the IEA's NZE and APS scenarios and adjusted to reflect domestic market conditions and the Parent Company's greenhouse gas emissions reduction targets.

Internal carbon price set by the Parent Company (Unit: KRW/tCO_2e)

Classification	Short-term	Medium-term	Long-term
Internal carbon price	44,000	78,000	150,000

4.1.6 Climate-linked Remuneration

The extent to which climate-related considerations are incorporated into executive remuneration is described under "Management KPIs and Remuneration Policy" in Section 1.1.5, "Target Setting and Progress Monitoring."

4.2 Climate-related Targets

4.2.1 Information on Climate Targets

Industry-based Metrics Used in Target Setting

Key metrics used to set climate-related targets and assess implementation progress include total energy consumption, the grid electricity ratio, and the renewable energy ratio. These metrics provide insight into the Group's energy consumption profile, reliance on external power grids, and level of renewable energy procurement. The individual data points are subject to third-party verification.

In FY2025, the Group's total energy consumption amounted to 38,083.6 TJ, an increase of approximately 11% from 34,290.6 TJ in FY2024. Electricity consumption totaled 37,754.1 TJ, accounting for the majority of the Group's total energy consumption.

Total Energy Consumption (Unit: TJ)

Classification		Parent Company		Group	
		41st Term (FY2024)	42nd Term (FY2025)	41st Term (FY2024)	42nd Term (FY2025)
Total		24,379.4	24,512.0	34,290.6	38,083.6
Direct Energy Consumption	Fuel	102.8	104.5	328.2	347.8
Indirect Energy Consumption	Electricity	24,259.6	24,411.5	33,978.3	37,754.1
	Steam	17.0	17.4	22.7	38.2

Grid electricity consumption refers to the amount of electricity purchased from, or supplied by, the external power grid. The grid electricity ratio represents the share of total electricity consumption sourced from the grid, and serves as an indicator of the Group's electricity procurement mix and its reliance on external power supply. For FY2025, the Group's grid electricity ratio was 99.9%, meaning that virtually all of its electricity was externally sourced.

Grid Electricity Ratio (Unit: TJ, %)

Classification	Parent Company		Group	
	41st Term (FY2024)	42nd Term (FY2025)	41st Term (FY2024)	42nd Term (FY2025)
Grid Electricity Consumption	24,259.6	24,411.5	33,976.4	37,754.1
Grid Electricity Ratio	99.9	99.9	99.9	99.9

The renewable energy ratio represents the proportion of total electricity consumption drawn from renewable sources, and serves as an indicator of the Group's procurement progress toward its RE100 and Net Zero targets. For FY2025, the Group's renewable energy ratio was 8.8%, an increase of 0.8 percentage points from 8.0% in FY2024. The Group uses this metric to monitor Scope 2 emissions associated with electricity consumption and to review its renewable energy procurement methods and the scope of their application.

Renewable Energy Ratio (Unit: TJ, %)

Classification	Parent Company		Group	
	41st Term (FY2024)	42nd Term (FY2025)	41st Term (FY2024)	42nd Term (FY2025)
Total Power Consumption	24,292.0	24,446.7	34,010.7	37,792.2
Renewable Energy Consumption	2,279.0	2,779.8	2,708.2	3,337.2
Renewable Energy Ratio	9.4	11.4	8.0	8.8

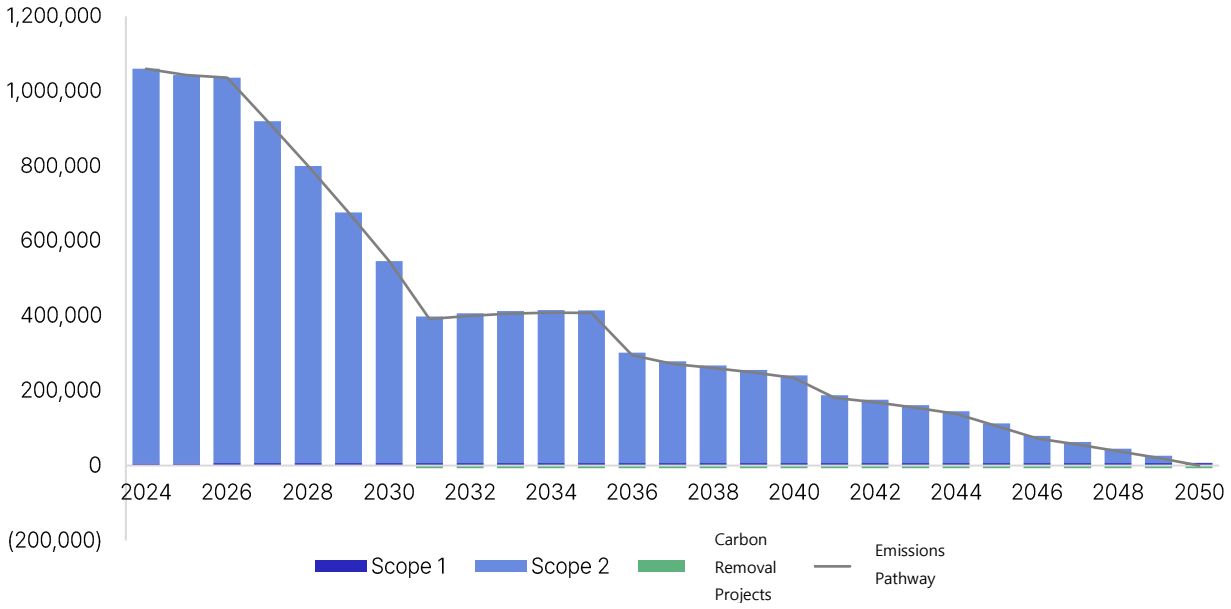
Climate Targets

The Parent Company's ultimate climate-related objective is to achieve Net Zero greenhouse gas emissions by 2050. To support this objective, it has established absolute emissions reduction targets aligned with the requirements of the Science Based Targets initiative (SBTi). Using 2020 market-based emissions as the baseline, the Parent Company aims to reduce Scope 1 and Scope 2 emissions by 47.7% and Scope 3 emissions by 22.3% by 2030.

As Scope 2 emissions account for the majority of the Group's greenhouse gas emissions, they are calculated and reported using both the location-based and market-based approaches in accordance with the GHG Protocol. However, target setting and progress monitoring are conducted consistently using the market-based approach in line with SBTi requirements. Accordingly, the 2050 Net Zero Roadmap presented below is based on market-based emissions.

Parent Company's 2050 Net Zero target (unit: tCO_2e)

Parent Company's 2050 Net Zero roadmap



To mitigate climate change, the Parent Company has also established renewable energy targets with reference to the RE100 initiative. Its phased renewable energy transition targets through 2050 are presented in the following table.

Parent Company's 2050 Renewable Energy Usage Target

Classification	Target Type	Scope of Business Premises	Base Year	Interim Year	Final year
Climate Change Mitigation	Absolute Target	Parent Company	2020	2030	2050
			0%	65%	100%

Alignment of Climate Targets with International Agreements and Regulatory Frameworks

In establishing its climate targets, the Parent Company considered the long-term goals of the Paris Agreement and the methodology used to formulate Nationally Determined Contributions (NDCs). It also applies science-based emissions reduction pathways for Scope 1 and Scope 2 emissions in setting its absolute greenhouse gas reduction targets in accordance with SBTi guidance.

4.2.2 Climate Target Setting and Monitoring Methods

The Parent Company manages its progress toward its 2050 Net Zero target in accordance with its SBTi-aligned roadmap. In 2022, it became the first telecommunications company in Korea to obtain SBTi target validation.

Progress toward the target is monitored using Scope 1, Scope 2, and Scope 3 greenhouse gas emissions data for the most recent three reporting periods. All reported emissions data are subject to third-party verification to ensure their reliability.

Parent Company's Target Years and Monitoring Indicators

Classification	Target Year	Monitoring Indicators
Net Zero Target	2050	Total Scope 1 and Scope 2 emissions
RE100 Target	2050	Renewable energy consumption / Total electricity consumption

4.2.3 Performance Against Climate Targets

For information on the Group's performance against its climate-related targets during the reporting period, refer to Section 2.3.3, "Progress of Plans Compared to Previously Disclosed Periods."

4.2.4 Information on Greenhouse Gas Emission Targets

The 2050 Net Zero target is expressed as gross greenhouse gas emissions on a market-based basis. The gases subject to target management are carbon dioxide, methane, and nitrous oxide — three of the seven internationally recognized greenhouse gases and the only ones emitted from the Parent Company's business activities.

The greenhouse gases included in the Scope 1 and Scope 2 target boundary are presented in the following table.

Scope of Greenhouse Gases Covered by the Group's Targets

Scope	Type of Greenhouse Gas[1]						
	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3
Scope 1	●	●	●	-	-	-	-
Scope 2	●	●	●	-	-	-	-

1) The '●' symbol indicates inclusion in the scope of management, while '-' indicates that emissions from business activities are negligible or not included in the measurement scope.

4.2.5 Carbon Credit Usage Plan

In accordance with its Net Zero Roadmap, the Parent Company prioritizes direct emissions reductions through energy efficiency improvements and RE100 implementation. Carbon credits will be used only as a complementary measure and will not replace direct emissions reduction efforts. When using carbon credits, the Parent Company will apply credibility and integrity as core principles and transparently disclose relevant information without overstating its claims, in accordance with the ICVCM[30] Core Carbon Principles (CCPs) and the VCMI[31] Claims Code of Practice, which are internationally recognized quality frameworks for the voluntary carbon market.

Except for the high-efficiency cookstove project, which is operated on a limited basis to comply with the Korea Emissions Trading System, the Parent Company has not used carbon credits as an emissions reduction measure to date. For residual emissions remaining after all feasible direct reduction measures have been implemented, the Parent Company plans to gradually use removal-based carbon credits generated through afforestation and forest management activities under its Green Asset strategy beginning in 2040.

30. ICVCM (Integrity Council for the Voluntary Carbon Market): An international standard-setting body that assesses carbon credit quality and sets out ten Core Carbon Principles, including additionality, permanence, and the prevention of double counting.
31. VCMI (Voluntary Carbon Markets Integrity Initiative): Provides international guidance on the integrity of corporate carbon credit use and related public claims.

Appendix

A1. Third-Party Verification Opinion on SK Telecom's Greenhouse Gas Emissions (Scope 1 and Scope 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_2 equivalent)

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)**		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 Green Premium 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

A2. Third-Party Verification Opinion on SK Telecom's Greenhouse Gas Emissions (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_2 equivalent)

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.

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.

Scope 3 emissions of SK Telecom for Yr 2025

(Unit: ton CO_2 equivalent)

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.

A3. Third-Party Verification Opinion on SK Broadband's Greenhouse Gas Emissions (Scope 1 and Scope 2)

Introduction

DNV Business Assurance Korea Ltd. (“DNV”) was commissioned by SK Broadband 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 SK Broadband
- 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 “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.

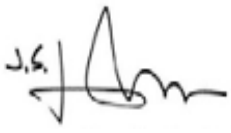
(Unit: ton CO_2 equivalent)

Classification	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Total emissions
KOREA (Location-based)*	1,424	626,297	627,682
KOREA (Market-based)**		599,766	601,151

※ 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 (generated from July to December 2024) purchased through Green Premium program by IDC Ilsan 2 center. 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. 05
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-1184053-AST-ENG

A4. Third-Party Verification Opinion on SK Broadband's Greenhouse Gas Emissions (Scope 3)

Introduction

DNV Business Assurance Korea Ltd. (“DNV”) was commissioned by SK BROADBAND CO., LTD. (here after “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 ‘ISO 14064-1:2018’ and ‘The Corporate Value Chain (Scope 3) Accounting and Reporting Standard’. 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 person or an entity 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: Company’s sites in Korea
- Reporting Boundary: Scope 3 (Other indirect emissions: Category 1, 2, 3, 4, 5, 6, 7, 11, 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 concluded our work so as to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a verification opinion with 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)

Year	Upstream	Downstream	Total
2025	621,593	268,319	889,912

※The above GHG emissions may differ by less than ± 1 tCO_2eq due to rounding to report as an integer

2026. 5. 25
Seoul, Republic of Korea

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.

Other indirect emissions (Scope 3) of SK BROADBAND CO., LTD. in Yr. 2025 (Domestic sites)

(Unit: ton CO_2-eq)

Category		Upstream	Downstream	Total
1	Purchased goods and service	406,078		406,078
2	Capital goods	105,745		105,745
3	Fuel-and energy-related activities	96,864		96,864
4	Upstream transportation and distribution	10,679		10,679
5	Waste generated in operations	61		61
6	Business travel	756		756
7	Commute	1,410		1,410
11	Use of sold products		263,534	263,534
15	Investment		4,785	4,785
Yr 2025 Total		**621,593**	**268,319**	**889,912**

A5. Paragraph Index for the Final Korea Sustainability Disclosure Standards (KSDS)

Governance

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Paragraph 6(1)(a)	Reflection in terms of reference, mandates, and role descriptions	1.1.1	p.6
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Paragraph 6(1)(c)	Reporting methods and frequency	1.1.3	p.8
Paragraph 6(1)(d)	Integration of climate-related risks and opportunities into strategy oversight, decision-making, and risk management	1.1.4	p.8-9
Paragraph 6(1)(e)	Target setting, progress monitoring, and performance-linked remuneration	1.1.5	p.10
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Paragraph 13(1)	Effects on the business model and value chain	2.2.1	p.14-16
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Paragraphs 14(1)(a) to (e)	Changes to the business model; mitigation, adaptation, and transition plans; and plans for achieving climate-related targets	2.3.1	p.17-21
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Paragraph 14(3)	Progress of Plans Compared to Previously Disclosed Periods	2.3.3	p.22-23
Paragraph 15(1)	Current financial effects	2.4.1	p.23-25
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Paragraphs 22(1)(a) to (c)	Climate resilience assessment	2.5.1	p.29-32
Paragraphs 22(2)(a) to (c)	Methods used to conduct climate-related scenario analysis	2.5.2	p.32-35

Risk Management

KSDS No. 2 Paragraph	Disclosure Requirement Summary	Location in This Report	
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Paragraph 25(2)	Climate-related opportunity management process	3.1.2	p.37
Paragraph 25(3)	Integration of enterprise-wide risk management process	3.1.3	p.37-38

Metrics and Targets

KSDS No. 2 Paragraph	Disclosure Requirement Summary	Location in This Report	
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Paragraph 29(2)	Assets and business activities vulnerable to transition risks	4.1.2	p.43-44
Paragraph 29(3)	Assets and business activities vulnerable to physical risks	4.1.2	p.43-44
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Paragraphs 29(6)(a) to (b)	Internal carbon price	4.1.5	p.45
Paragraphs 29(7)(a) to (b)	Percentage of executive remuneration linked to climate-related considerations	4.1.6	p.45-46
Paragraphs 33(1) to (8)	Climate-related metrics, targets, and alignment with international agreements	4.2.1	p.46-47
Paragraphs 34(1) to (4)	Target setting, review, and monitoring	4.2.2	p.48
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This report is available for download in PDF format from the SK Telecom website.