

2024 Sustainability Report



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Reader's Guide

SK broadband offers the following interactive features to enhance information accessibility for readers and provide more comprehensive content.

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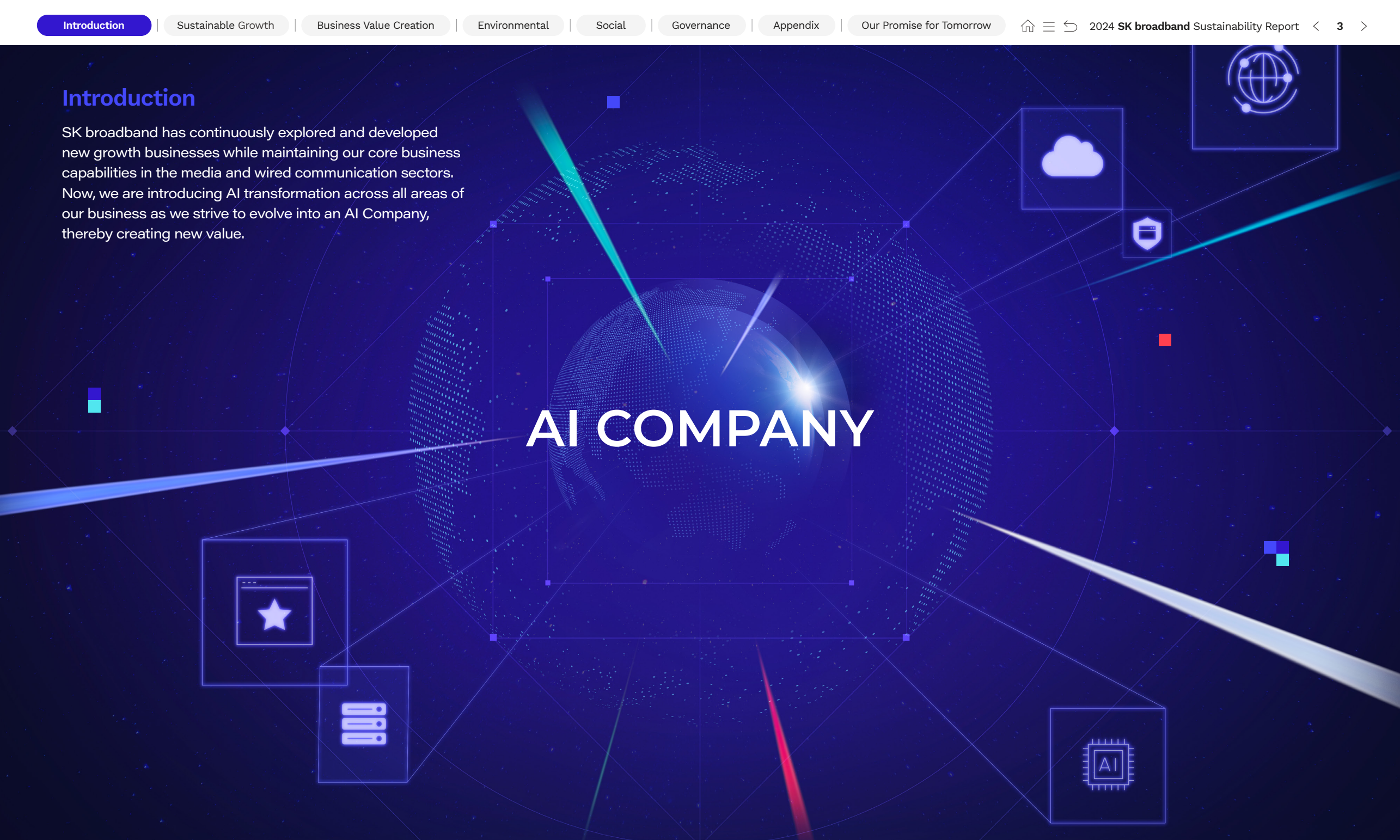


Cover Story

SK broadband is advancing its transformation into an AI company and, as part of this initiative, held an internal contest encouraging employees to utilize AI tools. The final cover design was developed based on the creative direction derived from the contest submissions. Centered around the brand logo "B," the design expresses SK broadband's sustainable management expanding in pixel form within a global, future-oriented mood that reflects our identity as an "AI Company."

Introduction

SK broadband has continuously explored and developed new growth businesses while maintaining our core business capabilities in the media and wired communication sectors. Now, we are introducing AI transformation across all areas of our business as we strive to evolve into an AI Company, thereby creating new value.

The background of the slide is a dark blue space with a grid of glowing blue lines. In the center is a glowing blue globe with a bright light source on its right side. Overlaid on the globe is the text "AI COMPANY" in large, white, sans-serif capital letters. Surrounding the globe are several white icons in square frames: a star, three server racks, a cloud, a shield, a globe with nodes, and a microchip with "AI" on it. There are also some small colored squares (blue, red, cyan) scattered around.

AI COMPANY

CEO Message



To our esteemed stakeholders,

Greetings, I am Jin Hyo Park CEO of SK broadband. First and foremost, I would like to express my sincere gratitude to everyone who has accompanied us on our journey of growth and transformation. Thanks to your continued interest and support, we have been able to turn every moment into an opportunity for challenge and progress toward new possibilities.

2024: Preparation and Achievements for an AI-Driven Leap Forward

The year 2024 marked the beginning of a full-fledged AI era, bringing significant transformation across all industries. Amid this shift, SK broadband has focused on strengthening the competitiveness of our existing businesses through Operation Improvement (O/I), while preparing for and implementing initiatives to secure new AI-driven growth engines.

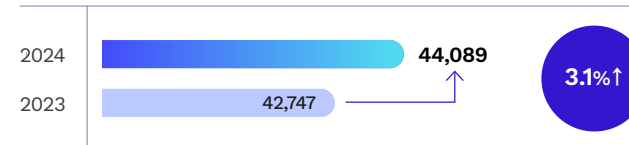
As a result, we achieved the highest net subscriber growth in both the Broadband internet and pay TV sectors. We also maintained steady growth in the B2B segment, which includes enterprise dedicated lines, AI data centers (AI DC), and submarine cables, and delivered meaningful outcomes across our operations.

In 2024, our consolidated revenue reached KRW 4,408.9 billion, a 3.1% increase from the previous year, while operating profit grew by 12.4% to KRW 352.4 billion. This growth was driven by the expansion of our B2C and B2B customer bases the generation of revenue from newly established data centers, and the strong execution of Operation Improvement initiatives.

Financial Performance in 2024

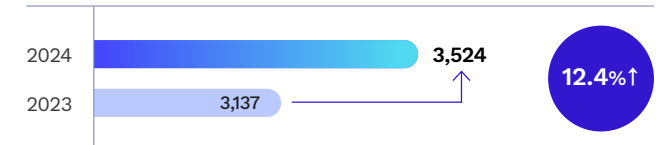
Revenue¹⁾

(Unit: 100 million KRW)



Operating Income¹⁾

(Unit: 100 million KRW)



¹⁾ Based on consolidated financial statements

CEO Message

2025: Securing Long-Term Sustainability

While 2025 is expected to present an even more challenging business environment, SK broadband will remain focused on the strategic execution necessary to secure long-term sustainability.

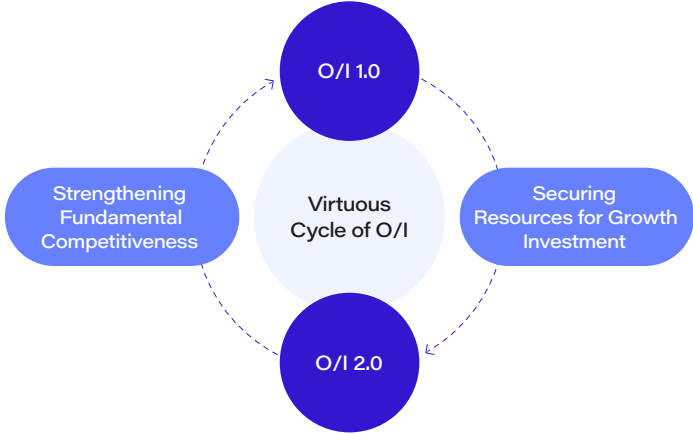
First, we are enhancing execution and efficiency through our company-wide innovation strategy, Operation Improvement (O/I). In 2024, we focused on O/I 1.0 to improve the fundamentals of our core business and drive cost innovation. Starting in 2025, we plan to focus on strengthening our fundamental business competitiveness through O/I 2.0. By establishing a virtuous cycle between O/I 1.0 and 2.0, we aim to evolve into an organization that possesses both strong execution and competitiveness.

In our wired telecommunications and media business, we will further solidify our leadership by continuously identifying new growth drivers. We aim to improve our profit structure by focusing on high-value customers, and in particular, expand our growth foundation in the enterprise segment by differentiating our competitive strengths and pursuing strategic client acquisition.

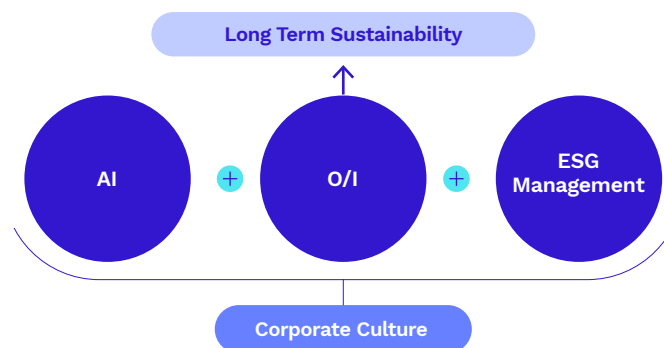
At the same time, we are accelerating the development of new growth businesses centered on AI data centers (AI DC). We are reinforcing the stable revenue base of our existing data centers while continuously seeking investment opportunities in new data centers and submarine cables. In 2025, we plan to achieve tangible outcomes such as acquiring SK Inc.'s Pangyo Data Center to strengthen our market competitiveness and building hyperscale Ulsan AI DCs through partnerships with global big tech companies.

Advancing ESG Management Through AI Technologies

At SK broadband, we view ESG not merely as a management control element but as a pathway to generating real value that is intrinsically linked to the core of our business. In particular, we are advancing ESG management by actively leveraging AI technologies. From an environmental perspective, we are undertaking energy efficiency projects based on AI to enhance the operational efficiency of our data centers and optimize electricity consumption. From a social perspective, we are utilizing AI to detect anomalies in advance, thereby enhancing the stability and reliability of our telecommunications infrastructure while also improving the safety of our employees. SK broadband will continue to fulfill our social responsibilities and strive to generate lasting social value through AI-based innovation.



CEO Message



A Passionate and Resilient Corporate Culture

The foundation of SK broadband lies not only in technology, but also in people—our members. We pursue a corporate culture in which all members participate voluntarily and willingly striving to grow together while moving in the same direction.

SK broadband's culture can be encapsulated in the spirit of "Saseokwiho (射石爲虎)," meaning "shooting a stone as if it were a tiger." Just as an arrow can pierce a stone when one aims at it with the intensity reserved for a tiger, our belief is that if we approach our work with boldness and passion, we can overcome any challenging environment. This mindset drives every member to give their utmost effort. Such a culture will enable SK broadband to sustain continuous growth, powered by unwavering organizational strength and tenacious execution, even in the face of crises.

Our Commitment to a Sustainable Tomorrow

Dear Valued Stakeholders, as we have always done, SK broadband will continue to move forward in the face of change and challenges, turning them into opportunities and persistently forging ahead.

Through AI-driven business growth, the establishment of a robust execution system under our O/I strategy, and the implementation of sustainable management grounded in ESG values, SK broadband is committed to making long-term sustainability a reality.

We sincerely ask for your warm encouragement and continued interest, and wish you and your families continued health and happiness.

Thank you.

President & CEO of SK broadband | Jin Hyo Park

박진효

About Us

General Information

SK broadband, headquartered in Toegye-ro, Jung-gu, Seoul, provides a wide range of telecommunications services nationwide, including IPTV and CATV, Broadband internet, fixed line telephone, and dedicated lines. We are solidifying a stable revenue base through our core businesses—media and wired communication—that deliver steady performance, as well as new growth businesses centered on internet data centers (IDCs).

With the vision of becoming an “AI Company,” we are applying AI technology across all business domains to enhance customer experience and improve operational efficiency. SK broadband continues to drive ongoing transformation and innovation to secure future growth engines.

Key Information

Company Name	SK Broadband Co., Ltd.	Year of Establishment	September 1997
Head Office Address	24, Toegye-ro, Jung-gu, Seoul, Republic of Korea ; Namsan Sowol Tower	Subsidiaries	Home&Service Co., Ltd., Media S Co., Ltd.
Legal Status	Company with listed bonds		

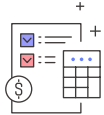
Milestone

With a legacy of challenges and innovation as a leading provider of internet and IPTV services, SK broadband is integrating its media and wired communication capabilities with AI data center (AI DC) competitiveness to leap forward as an AI Company, shaping a sustainable future through boundless imagination and technology.



Number of Employees

2,604



Revenue¹⁾

KRW 4,408.9 billion



Profit (loss)¹⁾

KRW 255.7 billion



Total Assets¹⁾

KRW 6,821.9 billion

1) Based on consolidated financial statements

1990s

Pioneering the Era with Bold Challenges

- June 1997 Selected as the second local telephone service provider as Hanaro Telecom by the Ministry of Information and Communication (MIC)
- September 1997 Hanaro Telecom incorporated
- April 1999 Launched commercial services for Broadband internet and local phone service

2000s

Breaking Boundaries with a success-driven DNA

- February 2000 Established the Internet Data Center (IDC)
- December 2002 Acquired licenses for long-distance and international telecommunications services
- September 2008 Renamed as SK broadband
- January 2009 Launched live IPTV broadcasting

2010s

Transformation and Innovation for Customer Happiness

- October 2012 Launched commercial service for B tv Mobile
- June 2017 Established Home&Service
- January 2018 Launched AI-powered IPTV service "B tv X NUGU"
- July 2019 Surpassed 5 million B tv subscribers

2020s

A New Leap Toward a Media Platform

- April 2020 Launched the merged entity of SK broadband and t-broad
- January 2021 Established Media S, a subsidiary for Program Provider (PP) services
- December 2023 Transformed into AI B tv, personalized to users and content
- April 2024 Ranked No.1 in NCSI (National Customer Satisfaction Index) for IPTV and Broadband internet for 14 Consecutive Years

AI Company

About Us

Our Subsidiaries

Home&Service

Home&Service provides installation and maintenance services for Broadband internet and IPTV based on wired and wireless communication services, guided by the value of “Warm service that connects people to each other, and people to the world.” Under the vision of becoming “a company that provides total home services backed by outstanding customer contact service competitiveness,” Home&Service is expanding its business areas to include security services, AI, IoT, and other lifestyle-related partnership services. Home&Service aims to go beyond conventional wired telecommunications services and advance into the New ICT domain. To that end, the company has consistently worked to provide differentiated total home services by reliably managing communication networks and facilities in residential buildings and apartment complexes nationwide. It has established a network of 112 teams and branches across the country, as well as distribution infrastructure at 44 major retail stores, creating an environment where customers can conveniently access subscription and after-sales services at any time. In addition, the company continues to strengthen its management systems based on accurate quality diagnostics, placing top priority on improving customer-perceived service quality.



Media S

Media S operates as a multiple program provider (MPP), running the general entertainment channel “Channel S,” which specializes in variety shows and dramas, as well as the variety channel “Channel S Plus,” which offers a wide range of programming. Since its establishment in 2021, Media S has produced approximately 28 original programs and has consistently worked to strengthen its channel competitiveness. Through collaborations with leading media operators such as general programming channels, t.cast, and ENA, the company delivers a unique content experience. These efforts have led to continuous improvements in channel rankings and record-breaking viewership ratings for original content each year. To further enhance its content production capabilities, Media S is exploring synergies between channels, content, and platforms through collaboration with SK Group affiliates. Additionally, the company is developing new genres and formats to meet the diverse needs of viewers and aims to strengthen its competitiveness in the domestic media market. Media S will continue to deliver differentiated content that creates new value for viewers.



Key Information

(As of the end of December 2024)

Company Name	Home&Service Co., Ltd.
Head Office Address	7th floor, 55, Sejong-daero, Jung-gu, Seoul, Republic of Korea ; Booyoung Taepyeong Building
Year of Establishment	June 2017
Number of Employees	5,357

Key Information

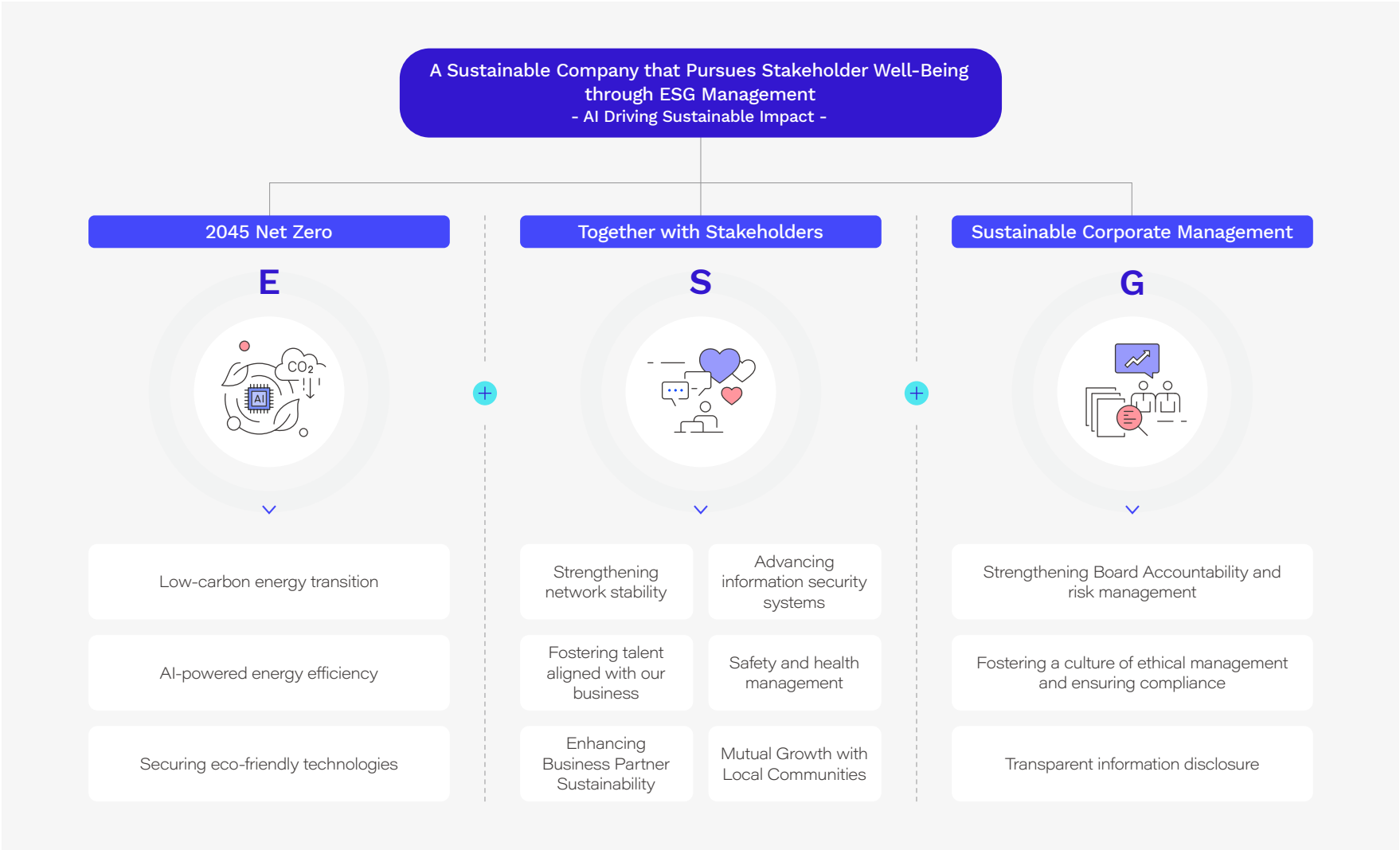
(As of the end of December 2024)

Company Name	Media S Co., Ltd.
Head Office Address	24, Toegye-ro, Jung-gu, Seoul, Republic of Korea ; Namsan Sowol Tower
Year of Establishment	January 2021
Number of Employees	33

About Us

ESG Management Framework

SK broadband is advancing its ESG management by actively leveraging AI technology aligned with a company-wide ESG vision. To this end, we have defined implementation tasks for each ESG area and are systematically managing our ESG performance by monitoring the progress of these tasks. Company-wide ESG management activities and outcomes are overseen by the CEO, who assumes ultimate supervisory responsibility. ESG issues are also discussed regularly in management meetings attended by key executives. Our dedicated ESG team facilitates information sharing across relevant departments and provides the necessary support for task implementation.



About Us

Creating Social Value

SK broadband practices SK Group's Double Bottom Line (DBL) management policy, which pursues both Economic Value (EV) and Social Value (SV). We quantify our contributions in the economic, environmental, and social fields, and convert them into social value using objective formulas. Our Indirect Economic Contributions Performance refers to the company's activities that indirectly contribute to the national economy. Environmental performance includes the environmental impact generated during product and service delivery or during operational and manufacturing processes. Social performance encompasses outcomes related to improving quality of life, enhancing working conditions, and contributing to local communities. Governance performance refers to achievements related to protecting the rights of minority shareholders and practicing transparent and ethical management. In 2024, SK broadband created a total social value of KRW 1,082.0 billion, an increase of KRW 208.9 billion from the previous year. In particular, social performance increased by KRW 105.4 billion (+207%), driven by new SV-creating activities related to voice phishing prevention, such as blocking smishing through business messaging services. As a result, the social value generated in 2024 under this indicator totaled KRW 114.3 billion.

Social Value Creation Performance¹⁾

(Unit: 100 million KRW)

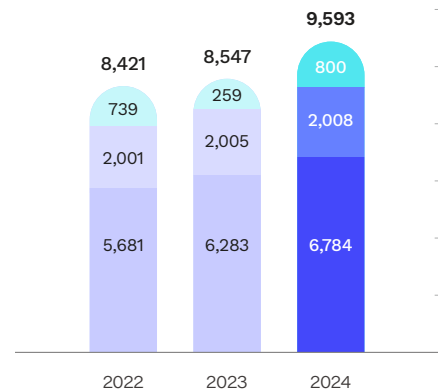
Indirect Economic Contributions Performance

- Employment: Total employee labor income
- Dividends: Total dividends paid to shareholders
- Taxes: Corporate income tax, national taxes, and local taxes

KRW **959.3** billion

KRW +104.5 billion year-on-year

Taxes Dividends Employment



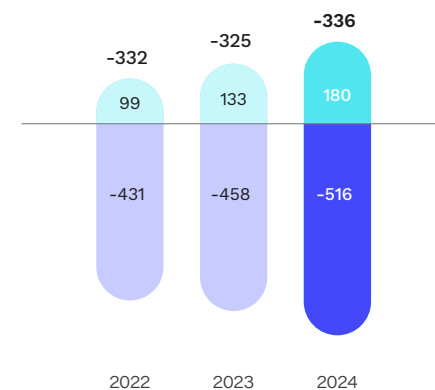
Environmental Performance

- Products/Services (Positive Impact): Improvements in environmental impact achieved through products or services
- Processes (Negative Impact): Environmental impact generated internally during production or service delivery processes

KRW **-33.6** billion

KRW -1.1 billion year-on-year

Products/Services Processes



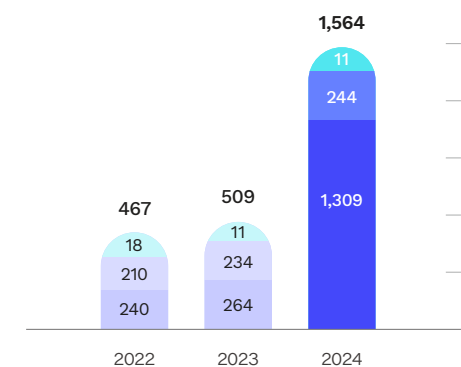
Social Performance

- Products/Services (Quality of Life): Improvements in user quality of life enabled by products or services
- Processes (Labor/Shared Growth): Enhancements in working conditions and co-prosperity within the industrial ecosystem
- Social Contribution: Outcomes from donations, volunteer work, and social contribution activities

KRW **156.4** billion

KRW +105.4 billion year-on-year

Social Contribution Processes (Labor/Shared Growth) Products/Services (Quality of Life)



1) Governance indicators are presented as non-monetary outcomes

MEDIA/WIRED COMMUNICATION



SK broadband delivers a variety of services centered on its media and wired communication businesses. In the media segment, we are continuously enhancing our services to provide a differentiated customer experience, while in the wired communication segment, we offer seamless and highly reliable telecommunications services based on stable infrastructure. Building on these core business capabilities, we are committed to delivering even greater value to our customers' lives and businesses.

About Our Business



Media / Wired Communication

“Based on a stable network infrastructure, we deliver AI-based personalized media experiences to individuals and innovative solutions to businesses—creating new value in the daily lives and operations of all our customers.”

Business Overview

In the media segment, SK broadband operates IPTV (B tv) and CATV (B tv cable, B tv pop) services. IPTV is a convergence platform that integrates telecommunications and broadcasting by offering interactive services such as real-time broadcasting, VOD, personalized content, and other two-way features. CATV provides TV viewing services via HFC networks and operates local channels.

In response to the expanding OTT market, SK broadband is strengthening its competitiveness through differentiated strategies such as launching “B tv+,” which integrates 17 subscription packages into a single offering; offering services tailored to specific customer segments, such as “B tv ZEM” and “Happy Senior.” We are also transitioning to AI B tv, aiming to offer an optimized content viewing environment recommended by AI—ultimately delivering a more convenient and satisfying media experience to our customers.

In the wired communication segment, we leverage SK broadband’s network infrastructure to offer telecommunications services such as Broadband internet, fixed line telephone, and dedicated lines, as well as enterprise solutions including Cloud PC, information security services, and On-Air/On-Ad content delivery tailored to business needs. For individual customers, we provide a stable ultrahigh-speed internet environment that supports seamless streaming of large video files through our Gigabit internet service, with speeds of up to 10 Gbps. For enterprise customers, we offer customized ICT services that support business innovation and operational efficiency—including Cloud PC solutions for cloud-based work environments, advanced security services using quantum cryptography, and communication solutions for in-house broadcasting (On-Air) and external marketing (On-Ad) content delivery.

Key Achievements in 2024

Ranked **No. 1**
in customer satisfaction
(NCSI, KS-SQI)

Achieved **No. 1**
in net subscriber growth of
Broadband internet

Key Services			
Pay TV Services	Services that deliver hyper-personalized media and content using AI technology	Telephone Services	Services for transmitting and receiving voice and other communications within the designated service area, using telecommunications equipment, as defined by telecommunications regulations
Internet Service	Services that provide internet access lines and internet connectivity, enabling customers to use various types of content and value-added services	Enterprise Solutions	Customized ICT solutions tailored to enterprise needs, including information security, Cloud PC, and digital signage

About Our Business Media / Wired Communication

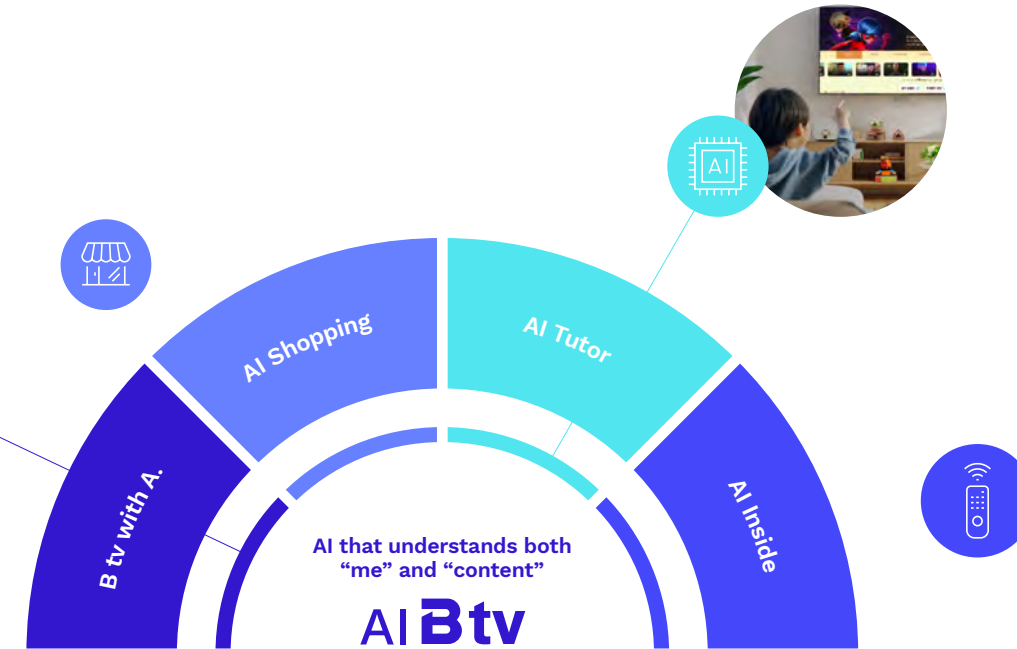
Future Growth Engine

AI B tv – A Friend Who Knows Me Well

SK broadband is delivering a new kind of media experience to our customers through AI B tv, a service that combines AI technology with media offerings. AI B tv utilizes various AI technologies—including Large Language Models (LLMs) and Deep Meta—as well as the extensive data of the SK ICT Family to understand content and analyze user preferences, to deliver personalized services. Notably, AI B tv automatically recognizes users and provides individually optimized content recommendations. Its role is expanding to enhance overall convenience throughout the B tv user experience. We are also

continuously improving the quality of services powered by AI technology to enhance user satisfaction with AI B tv. Through these efforts, we aim to overcome the inconveniences of using shared household devices and the limitations of traditional content recommendations and scheduling, ultimately realizing hyper-personalized media services. By driving service innovation based on AI technology, SK broadband is enriching the personalized media experience and continuously enhancing the appeal of its offerings.

MEDIA



Key AI B tv Services

B tv with A.

An interactive agent service that integrates SK Telecom's AI assistant "A." into B tv

AI Shopping

A service that uses AI to extract and analyze product information within content, providing personalized shopping recommendations and a convenient purchasing experience

AI Tutor

A customized education and mental care service that uses generative AI to support children's English learning and provide psychological counseling

AI Inside

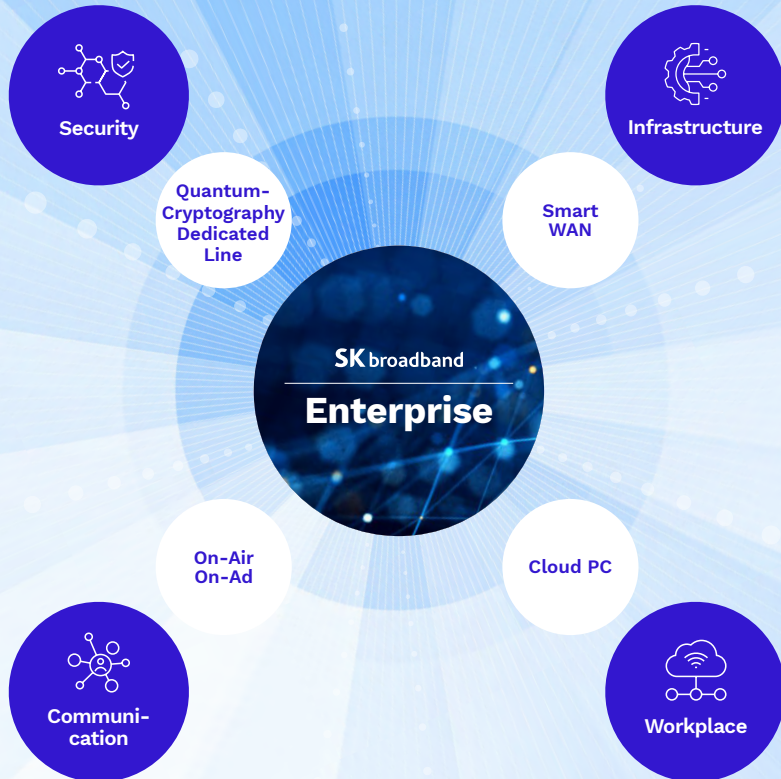
A service that uses AI video analysis to provide a wide range of information about VOD content, including people, locations, and background music



About Our Business

Media / Wired Communication

WIRED COMMUNICATION



AIX-Based B2B Innovation Services

SK broadband is actively applying AI technology in the B2B business domain to deliver real value to our customers' businesses. To meet the diverse needs of enterprise customers in a rapidly evolving digital environment, we prioritize uninterrupted network connectivity, reliable service quality, and the delivery of customized solutions. In particular, we have identified Security, Workplace, Communication, and Infrastructure as the core growth areas of B2B digital business in response to fast-changing digital trends. We continue to develop and expand innovative technologies and services in each of these areas to enhance our customers' competitiveness. Through these efforts, we are evolving beyond a simple telecommunications service provider to strengthen our role as a digital partner that contributes to our customers' business success.

Key Services

Quantum-Cryptography Dedicated Line

A dedicated line service enhanced with quantum cryptography technology for strengthened security

SmartWAN

An AI-based SD-WAN service offering global one-stop networking with both AI acceleration and enhanced security

Cloud PC

A smart work solution that enables "work anywhere" environments, built on robust security

On-Air/On-Ad

A service that enables the easy deployment of customized media environments via B tv at business sites

DATA CENTER

As we enter the era of hyperconnectivity, demand for Internet Data Centers (IDCs)—the core infrastructure of digital transformation—continues to grow due to the increasing need to store, process, and distribute massive volumes of data. Since establishing our first IDC in 2000, we have expanded to operate a total of eight centers. To accommodate the growing number of high-density servers and prepare for future demand, we are accelerating the development of new centers and advancing plans to establish a data hub in Asia.



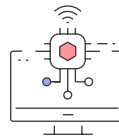
About Our Business

Data Centers

Key Achievements in 2024



Established
ultra-high-density AI
infrastructure at Gasan
Data Center



Successfully completed
construction of the
Yangju Data Center



Data Centers

"We are leading the AI data center (AI DC) market through bold execution, including the establishment of hyperscale data centers in Korea, and by offering differentiated solutions."

Business Overview

In response to the rising demand for Internet Data Centers (IDCs), which are core infrastructure in the era of hyperconnectivity, SK broadband is continuously strengthening its competitiveness in service quality. Since the launch of our first IDC in 2000, we now operate a total of eight data centers. To meet the growing demand for high-density servers and prepare for future requirements, we are actively pursuing the construction of new centers and the development of an Asia data hub. We have also secured a large-scale site with a capacity of approximately 100 MW for future data expansion and accumulated differentiated technological capabilities in design, construction, and customization of data centers. With strengths in stable power supply, advanced telecommunications line configurations, comprehensive disaster prevention design, and rigorous security operations, we are committed to safeguarding our customers' digital assets.



Key Services

IDC Centers

By investing in large-scale facilities within our data centers (including power systems, cooling, and network equipment), we offer ICT environments to customers—including floor space, network connectivity, and value-added services such as relocation support, managed operations, and equipment leasing.

About Our Business

Data Centers

Future Growth Engine

AI DC

An AI data center (AI DC) refers to a data center built with high-performance infrastructure to support advanced AI services such as generative AI, Large Language Models (LLMs), and Machine Learning (M/L). AI DCs provide specialized infrastructure solutions designed to reliably operate the latest AI technologies. Based on our successful experience establishing AI infrastructure at the Gasan Center, SK broadband will continue to expand its business scope and capabilities to become a leading provider in Korea's AI DC market.

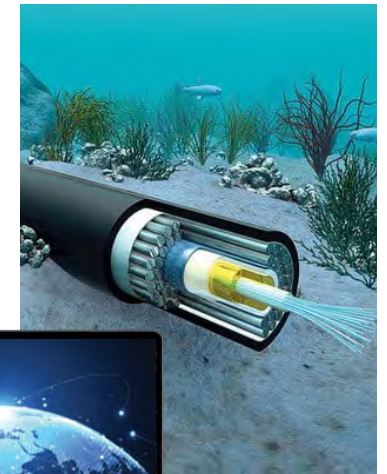
Submarine Cable

The global content industry is growing rapidly, and the surge in video-based service consumption continues to drive increasing international traffic demand. In response, SK broadband is promoting the deployment of international submarine cables to handle the massive volume of data generated by artificial intelligence, big data, and cloud services, while ensuring a stable global communications network. As a result, SK broadband has secured international network capacity of 5,700 Gbps and are expanding the submarine cable monitoring range from the current 100 km to 280 km to enhance system reliability. Following our investment in the Southeast Asia–Japan Cable 2 (SJC2), which connects Japan, Hong Kong, and Singapore, we have also commenced the development of a new submarine cable that will connect Korea, Taiwan, Japan, and the United States.

AI Ultra-High-Density Infrastructure
Established at Gasan Data Center



2nd Proprietary Submarine Cable Investment:
E2A (1st Trans-Pacific Cable)



Securing international submarine cable infrastructure plays a vital role in facilitating global information and knowledge exchange and accelerating economic growth. Accordingly, SK broadband's submarine cable deployment strategy not only addresses the growing demand for domestic and international traffic but also lays the groundwork for enhancing South Korea's global competitiveness and advancing its position as a leading data hub in Asia.



Sustainable Growth

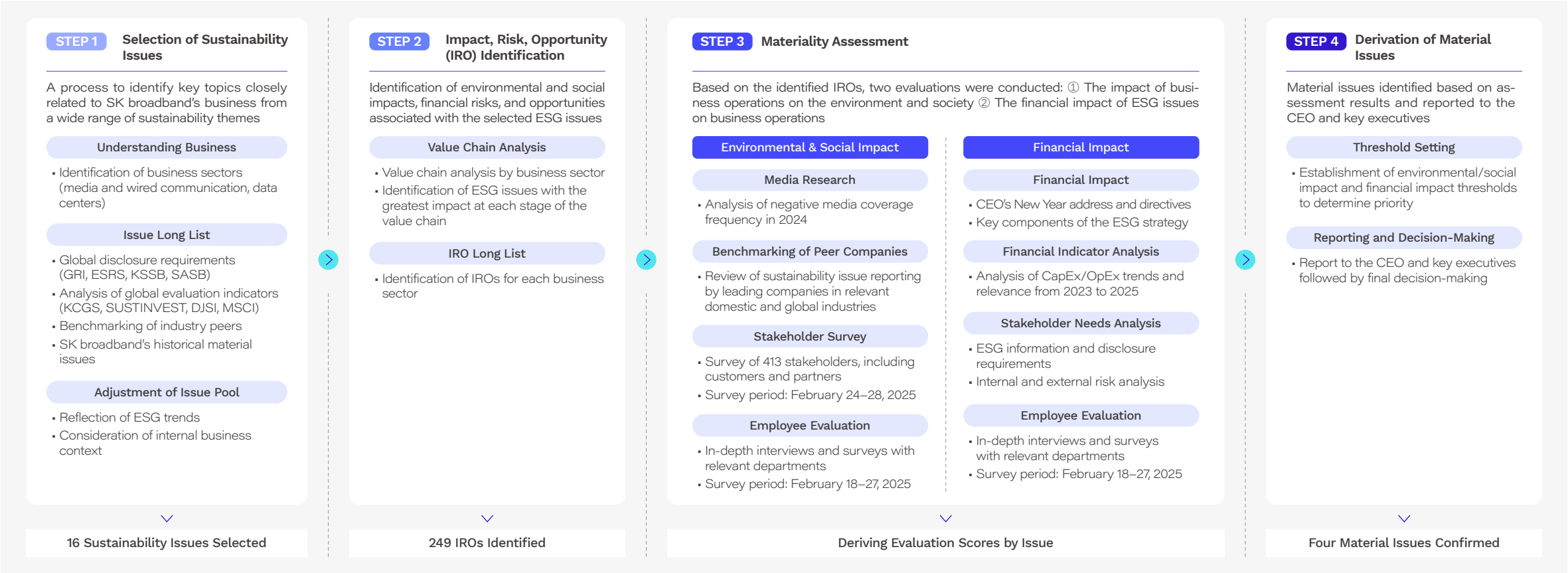
Companies must minimize their negative impact on the environment and society while proactively responding to the demands of diverse stakeholders. To this end, SK broadband conducts a materiality assessment annually to identify risks and opportunities related to sustainability and implement appropriate response measures.

Double Materiality Assessment

Double Materiality Assessment Process

To determine key company issues, we conducted a double materiality assessment in accordance with the EU ESRS (European Sustainability Reporting Standards) methodology, considering both environmental and social impact as well as financial risks and opportunities. Identifying and evaluating the impact, risks, and opportunities of sustainability issues is a key factor in SK broadband's business growth and in building stakeholder trust. For this reason, the latest double materiality assessment included a value chain analysis for each business sector to enhance business relevance, and the assessment methodology was further refined to ensure objectivity and accuracy of the results. Key enhancements include a more multidimensional analysis in the employee survey through improved survey logic, and strengthened validation of trends and consistency in the financial indicator analysis.

Double Materiality Assessment



Double Materiality Assessment

Double Materiality Assessment Results

We prioritize managing issues that meet the threshold for both environmental/social impact and financial impact, classifying them as material issues. The material issues include a total of four issues: "Network Stability and Quality Management," "Customer Experience and Service Innovation," "Climate Change Response and Energy Management," and "Strengthening Information Security System."

Double Materiality Assessment Results¹⁾



1) Changes in material issues: Compared to the previous year, "Strengthening New Growth Businesses" has been excluded; all other issues remain unchanged.

Double Materiality Assessment

Issue Impact and Response Activities

SK broadband analyzes the impact of material issues across the entire value chain of each business sector and carries out response activities to mitigate risks and expand opportunities accordingly.

Management of Material Issues								
● High ● Medium ○ Low								
Material Issue	Business Sector	Value Chain Impact			Key IRO		SK broadband's Response	
		Upstream	Own Operation	Downstream	Impact	Risk & Opportunity	Mid- to Long-Term Goal	2024 Activities and Achievements
Network Stability and Quality Management	Media / Wired Communication	●	●	●	- Improvement in device/equipment functionality, enhancing perceived network quality for customers - Expansion of international network capacity and service reliability through submarine cable deployment	- Service quality degradation may lead to increased customer churn - Quality improvement secures corporate competitiveness and customer trust	Zero major network failures	- Strengthened network stabilization and disaster recovery systems - Development and application of next-generation internet technologies - Developed international circuit management system for proactive response to traffic fluctuations
	Data Centers	●	●	○				
Customer Experience and Service Innovation	Media / Wired Communication	○	●	●	- Increased customer satisfaction through personalized content recommendations, product development, and convenient UI/UX - Improved service quality through customer-centric activities	- Repeated negative experiences may lead to customer churn - Customer-centric service enhancements improve customer retention and acquisition	Ranked No.1 in external customer satisfaction surveys	- Digitalized customer touchpoints and services - Launched customer-focused products such as B tv+ - Ranked No. 1 in external customer satisfaction and received top marks in user protection evaluation Very good
	Data Centers	●	○	●				
Climate Change Response and Energy Management	Media / Wired Communication	●	○	●	- Reduction in power usage and GHG emissions during customer usage through low-carbon devices /equipment - Energy efficiency improvements through infrastructure upgrades (e.g., transition to low-power devices application of high-efficiency cooling technologies)	- Increasing costs due to stricter regulations on GHG emissions - Rising electricity prices leading to higher operating expenses - Establishing energy efficiency in data centers reduces operating costs and enhances the long-term value of high-efficiency assets	Achieving Net Zero by 2045	- Conducted analysis of potential financial impacts from major transition and physical risks - Improved power efficiency through network streamlining - Increased renewable energy usage: 4.5%
	Data Centers	●	●	○				
Strengthening Information Security System	Media / Wired Communication	○	●	●	- Prevented data breaches and leaks through enhanced information security management systems - Strengthened security infrastructure through quantum cryptography communication services	- DDoS attacks or security breaches may cause service disruptions, leading to customer dissatisfaction and cancellations - Strong security capabilities serve as a foundation for expanding market share	Zero incidents related to information security and privacy protection	- Acquired and maintained information security and privacy protection certifications - Established overseas scrubbing centers capable of handling Tera-level DDoS attacks - Strengthened privacy management systems for agencies and subsidiaries
	Data Centers	○	○	●				

Business Value Creation

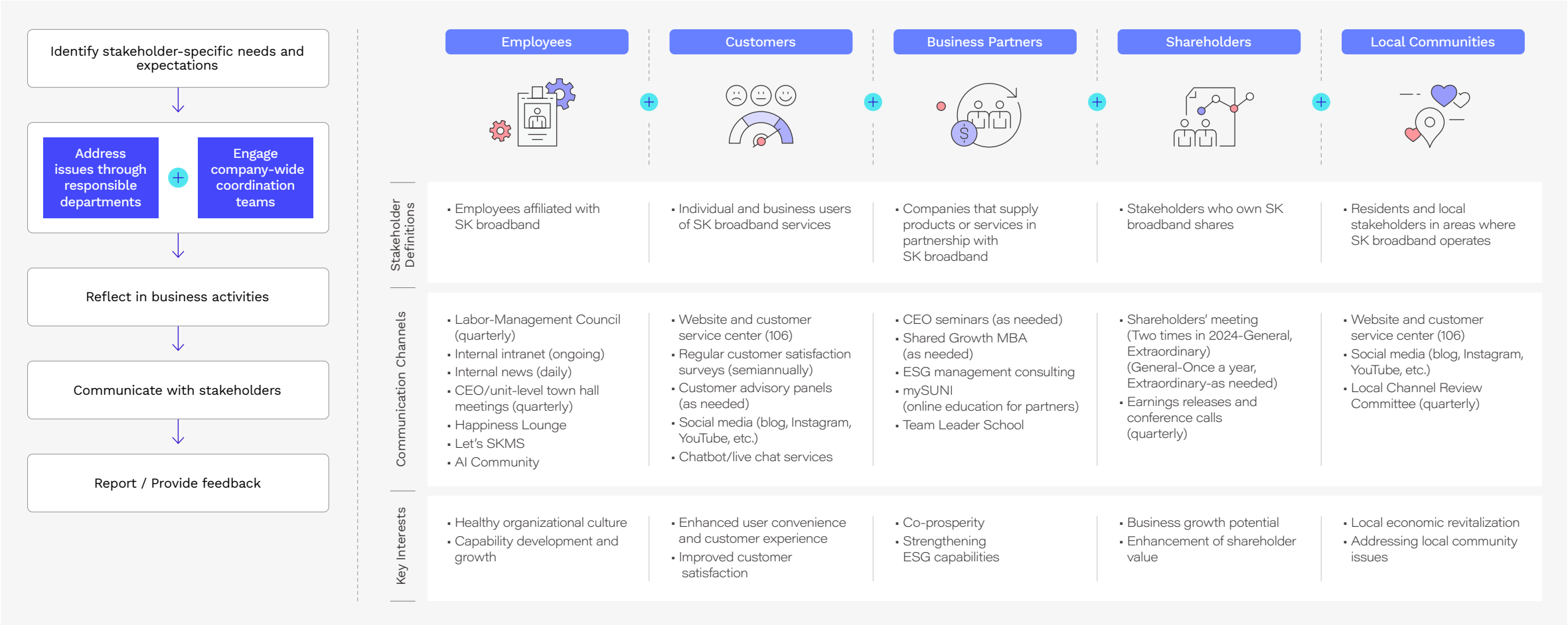
Risks and opportunities related to corporate sustainability arise throughout the entire value chain. SK broadband identifies ESG requirements from stakeholders along the value chains of its core business segments—including media and wired communication, and data centers—and strives to realize sustainable management through systematic responses.

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Stakeholder Engagement

SK broadband includes in its reporting scope all stakeholders who significantly affect or are affected by our business activities. We define our key stakeholders as employees, customers, business partners, shareholders, and local communities. By fostering genuine communication with these stakeholders, we establish the foundation for sustainable growth. We actively incorporate the feedback gathered through various channels into our overall management activities.

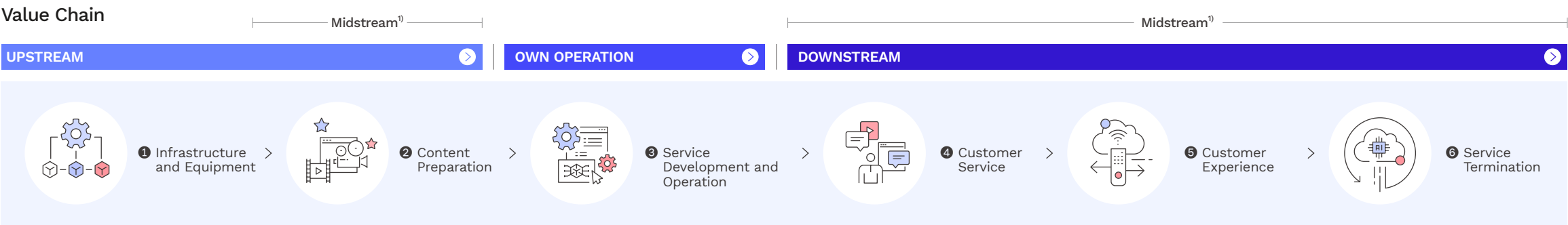
Stakeholder Engagement Process



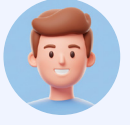
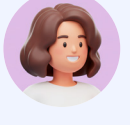
Media / Wired communication

OVERVIEW

SK broadband identifies ESG risks and opportunities throughout the value chain of its media and wired communication businesses and implements responsive actions that reflect stakeholder expectations.



1) Midstream: Areas where SK broadband's operations overlap with both upstream and downstream activities.

ESG ISSUE	RISK & OPPORTUNITY	KEY STAKEHOLDER EXPECTATIONS	OUR RESPONSE
Customer Experience and Service Innovation	Inconvenient access to content may reduce the user base and increase marketing and promotional costs Proactively addressing customer needs enhances market competitiveness and builds trust Relevant Value Chain Stage: Customer Experience	 "I want access to a variety of media content at reasonable prices, and in ways that are convenient."	Our Response 1 Expanding Content Accessibility Based on Customer Needs
Network Stability and Quality Management	Network outages can cause widespread social disruption and economic loss A rapid recovery system increases customer loyalty and supports new customer acquisition Relevant Value Chain Stage: Service Development and Operation	 "A network failure can severely disrupt daily life and work, so I believe stable service operations are essential."	Our Response 2 Seamless Connectivity Through Enhanced Network Stability
Strengthening Information Security System	Data breaches can lead to significant business losses and weakened market competitiveness Developing cybersecurity solutions and services creates new revenue streams Relevant Value Chain Stage: Service Development and Operation	 "With the rise of quantum computing, we want to enhance our company's data security level."	Our Response 3 Building Digital Trust with Enterprise Customers

Media / Wired communication

Our Response 1. Enhanced Content Accessibility Based on Customer Needs

All-in-One Access to Every Genre with B tv+

In response to changing customer content consumption trends and demands for viewing convenience, we launched B tv+, an integrated subscription media service. B tv+ is an integrated media product that offers unlimited viewing of approximately 200,000 VOD content titles across various genres, including movies, TV series, entertainment shows, animation, kids' programs, and documentaries, all for a single monthly subscription fee. It also offers enhanced convenience through hyper-personalized services and a range of AI-powered curation features, delivering a richer content experience. For children, the platform includes more than 60,000 kids titles and premium educational brand content, creating a viewing environment that the entire family can enjoy. In addition, B tv+ maximizes user convenience by enabling a seamless cross-device experience between TV and mobile, allowing customers to enjoy uninterrupted content anytime, anywhere.

AI Curation Features

Hyper- personalized Recommendations

Customized content suggestions based on ultra-fine personalization

Summary Previews

Condensed summaries to help users quickly understand the content

AI-Generated Posters

Automatically generated posters based on key scenes and themes

AI Highlights

Key scene clips provided through AI video recognition technology

Menu Naming

Intuitive, uniquely generated menu titles

Stronger Content Experience with B tv x Netflix

As customer content consumption patterns diversify, SK broadband strives to provide richer content at reasonable prices and in convenient ways. In 2024, we launched the B tv x Netflix pricing plan, an integrated product that allows customers to enjoy real-time broadcasts, VOD, and Netflix original content all on a single platform.

This bundled plan combines SK broadband's B tv services (B tv All or B tv Standard) with Netflix (Premium or Standard) to deliver both content variety and cost efficiency in one media subscription. Customers can seamlessly access real-time broadcasts and over-the-top (OTT) content in one place. They can also experience a more intuitive and convenient viewing environment through a dedicated remote control featuring a Netflix shortcut hotkey within the B tv menu. Moreover, this remote control incorporates a USB-C type rechargeable design instead of disposable batteries, demonstrating our consideration for both environmental protection and user convenience.

Through such service enhancements, SK broadband aims to expand customer content accessibility and provide a richer and more efficient media experience.



Media / Wired communication



Our Response 2. Seamless Connectivity Through Enhanced Network Stability

Ensuring Network Stability Through Redundant Line Architecture and On-Site Risk Management

SK broadband strives to provide stable services by minimizing the scale of line failures, preventing them, and enabling rapid emergency recovery. To reduce the potential impact on customers in the event of a failure, we have built redundant subscriber network lines and continue to improve network structure by proactively distributing high-density areas where failure risks are elevated. To prevent line disconnections caused by third-party construction work—such as excavation or development projects, which are among the most frequent causes of service disruption—we actively participate in road excavation review committees operated by major local governments (cities, counties, districts). Once designated as a mandatory consulting party in these committees, we gain early access to construction information. This allows us to assign and manage risk levels to each construction site in advance. Additionally, we integrate and apply excavation plan data from the Ministry of Land, Infrastructure and Transport, the National Police Agency, KTOA¹⁾, and EOCS²⁾ with our GIS³⁾ system to manage on-site inspections more closely and effectively.

On-Site Inspection Cycle by Construction Risk Grade

Grade	S Grade	A Grade	B Grade
Inspection Cycle	Once a day	Twice a week	Once a week

1) KTOA: Korea Telecommunications Operations Association
2) EOCS: Excavation One-Call System), managed by the Korea Gas Safety Corporation
3) GIS: Geographical Information System

Next-Generation Dedicated Line Service: IP-MPLS

In 2024, SK broadband established a nationwide next-generation dedicated line network based on IP-MPLS (Internet Protocol-Multi Protocol Label Switching) technology. IP-MPLS is a transmission technology capable of efficiently processing rapidly increasing network traffic due to the simultaneous use of various applications. It enhances network stability and line reliability through its multipath redundancy. As a result, demand for this service is increasing, particularly among customers in sectors where uninterrupted connectivity is critical—such as finance and public institutions.

The technology supports high bandwidth, expandable up to 400 Gbps, which meets the needs of large enterprises operating in cloud-based environments that require large-scale data transfers. Because a nationwide dedicated line infrastructure is already in place, small and medium-sized enterprises (SMEs) that were previously deterred by high upfront investment costs are now able to adopt reliable network services more easily.

Based on this technological foundation, SK broadband is proactively responding to the evolving cybersecurity environment and providing an integrated network infrastructure to help customers sustain their businesses in a safer and more reliable environment.

Backup Solution for Payment Continuity: Payment Relief Service

To ensure the business continuity of small business owners and minimize damages caused by payment disruptions, we launched the “Payment Relief Service.” This backup solution automatically switches to the LTE wireless network in the event of an internet outage, allowing uninterrupted credit card transactions. With this service, SK broadband offers practical, digital safeguards to support the stable operations of small businesses.



Application of Next-Generation Networking Technology: Wi-Fi 7 Home Routers

SK broadband has developed a Wi-Fi 7 home router incorporating cutting-edge technologies such as 4K-QAM¹⁾, Multi-Link Operation²⁾, and Preamble Puncturing³⁾, with plans for commercial release by the end of 2025. This router maximizes data transmission efficiency and speed while improving frequency utilization by avoiding interference signals. As a result, customers can experience approximately 50% faster speeds compared to existing services and maintain stable connections even when multiple devices are connected simultaneously. In particular, it provides an environment where high-quality services requiring large-volume data transmission, such as AR/VR content and ultra-high-definition video streaming, can be smoothly utilized within the home.

1) 4K-QAM (Quadrature Amplitude Modulation): A technology that enhances data transmission by integrating signal amplitude and phase
2) Multi-Link Operation: A technology that transmits data simultaneously across multiple frequency bands
3) Preamble Puncturing: A method to optimize frequency usage by avoiding interference signals

Media / Wired communication

Our Response 3. Building Digital Trust with Enterprise Customers

Launch of Quantum-Cryptography Dedicated Line Using Quantum Technology

With the advent of the quantum computer era, capable of high-speed calculations, the importance of security is becoming even more prominent. In response to these environmental changes, SK broadband is pioneering the provision of quantum-safe communication technology, a security technology based on quantum mechanics.

SK broadband is the first company in Korea to possess the capability to apply both Post-Quantum Cryptography (PQC) and Quantum Key Distribution (QKD) technologies simultaneously to dedicated lines. Leveraging the complementary nature of these two technologies, we provide tailored security services for our customers.

PQC is a software-based encryption method that uses mathematical problems difficult for quantum computers to solve, making it a quantum-secure communication technology that can be applied over any distance. Our PQC-dedicated lines utilize jointly developed encryption transmission equipment with WooryNet, enabling real-time data protection while maintaining network performance.

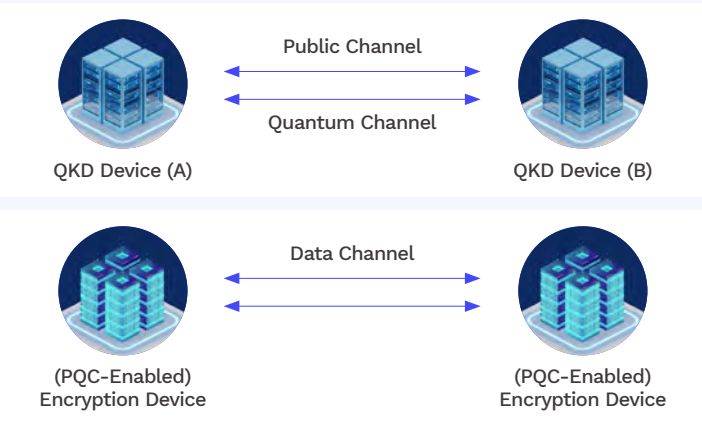
QKD is a hardware-based technology that creates and distributes encryption keys between the sender and receiver using quantum mechanics. SK broadband continues to enhance the security and efficiency of its QKD offering through device miniaturization, extended transmission distance, and the integration of Quantum Random Number Generator (QRNG)¹⁾ technology that has passed testing by the National Institute of Standards and Technology (NIST)²⁾.

1) QRNG: Quantum Random Number Generator, a technology that generates true random numbers using the principles of quantum mechanics.

2) NIST: National Institute of Standards and Technology (USA)

3) KCMVP: Korea Cryptographic Module Validation Program, a certification system operated by the National Intelligence Service to validate the stability and conformity of cryptographic modules used to protect data transmitted and received in government or public institution networks

Customizable Encryption via Simultaneous QKD and PQC Dedicated Line



Key Features of the Quantum-Cryptography Dedicated Line

Diverse Speed Offerings Supports a range of speeds from 1G to 100G	Enhanced Security Applies quantum cryptography leveraging quantum properties
Operational Efficiency Real-time performance and status monitoring via platform-based service	KCMVP³⁾-Certified First in Korea to acquire certification from the National Intelligence Service's Cryptographic Module Validation Program

Integration of Global SD-WAN and SDP: SmartWAN

SK broadband launched SmartWAN, an integrated network solution featuring AI-based internet path optimization and Zero Trust security functions. SmartWAN is an enterprise-exclusive service that allows flexible integration of various global networks using Software-Defined Wide Area Network (SD-WAN)¹⁾ technology. It is distinguished by its application of Zero Trust Network Access (ZTA)²⁾ and Software-Defined Perimeter (SDP)³⁾ technologies, which enhance both global connectivity and network security.

SD-WAN is a software-based technology that effectively controls diverse network environments, while SDP is a software-based security method that strengthens security by concealing the protected target. Notably, SmartWAN's SDP—based on a Zero Trust model—generates unpredictable encryption keys via QRNG each time a user attempts to access the network. This enables end-to-end encryption and strengthens overall security.

AI-based SD-WAN - Smart routing - Dynamic bandwidth allocation - Automatic failover	ZTA, SDP - Micro-segmentation - Common Criteria certified EAL 4 Grade
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1) SD-WAN: Software-Defined Wide Area Network

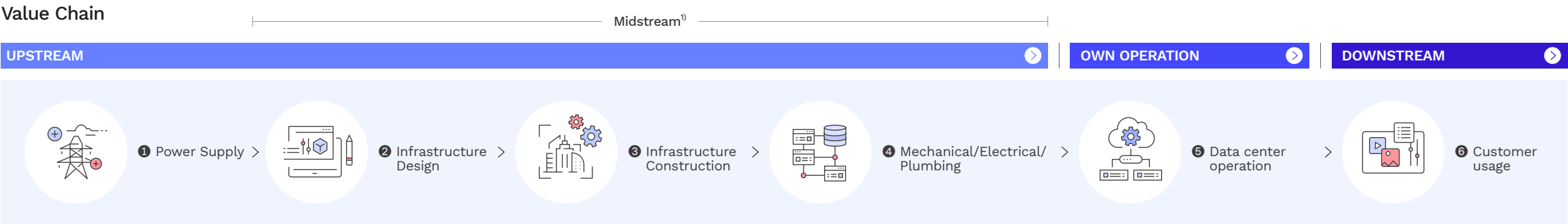
2) ZTA: Zero Trust Architecture

3) SDP: Software-Defined Perimeter

Data Center

OVERVIEW

SK broadband identifies ESG risks and opportunities throughout the value chain of its data center business and implements response activities that reflect stakeholder expectations.



1) Midstream: Areas where SK broadband's operations overlap with both upstream and downstream activities.

ESG ISSUE	RISK & OPPORTUNITY	KEY STAKEHOLDER EXPECTATIONS	OUR RESPONSE
Climate Change Response and Energy Management	→ - Growing carbon reduction regulations and expectations for telecommunications and data center operations - Establishing energy efficiency improves operational efficiency and reduces operating costs Relevant Value Chain Stage: Data Center Operation	→  "As AI competition intensifies, data center energy use will likely surge—so it's important to keep improving power efficiency."	→ Our Response 1 Operation of Energy-Efficient Data Centers
Safety and Health	→ - Increased risk exposure due to stricter regulations such as the Occupational Safety and Health Act and the Serious Accidents Punishment Act - Reducing accidents and injury rates improves corporate trust and reputation Relevant Value Chain Stage: Infrastructure Construction, Mechanical/Electrical/ Plumbing	→  "Even as a small company, I want our workspaces to be safely managed, with proper protective gear and safety training provided."	→ Our Response 2 Enhancing Safety and Health Capabilities for Business Partners
Local Communities	→ - Project delays and financial losses due to conflict with local communities - Solving social issues and expanding social investment builds public support and market competitiveness Relevant Value Chain Stage: Infrastructure Design	→  "I'm concerned about whether the electromagnetic waves from the data center are really safe." "I hope the data center will help stimulate the local economy."	→ Our Response 3 Establishing a Foundation for Co-Prosperity with Local Communities

Data Center

Our Response 1. Operation of Energy-Efficient Data Centers

AI DC Test-Bed

Reducing carbon footprints and ensuring stable energy supply are critical challenges in data center operations. To address these challenges, the SK Group has mobilized the technological capabilities of its affiliates and partners to implement various initiatives—one of the most notable being the establishment of the AI DC Test-Bed in Pangyo in 2025.

The AI DC Test-Bed serves as a development and validation site for next-generation AI data center solutions. Based on the benchmarking of cutting-edge technologies, it facilitates a range of joint research and development projects. This Test-Bed features three next-generation liquid cooling technologies—direct-to-chip cooling, immersion cooling, and precision liquid cooling—alongside advanced AI semiconductors, virtualization technology, and AI-based energy optimization systems. It represents the first integrated implementation of these technologies in Korea. Liquid

cooling technology significantly outperforms traditional air cooling in thermal management by more effectively dissipating heat generated by servers. As a result, it reduces the electricity required for cooling and improves Power Usage Effectiveness (PUE)—a key energy efficiency metric in data center operations.

SK broadband is participating in a power control solution project within the Test-Bed, where we have implemented UPS and Super Capacitor solutions to manage GPU peak loads. In the Modular AI DC Integrated Solution project, we also contributed by developing an environment for AI-based PUE prediction modeling, thereby helping to improve operational efficiency in next-generation data centers.



▶ Pangyo AI DC Test-Bed

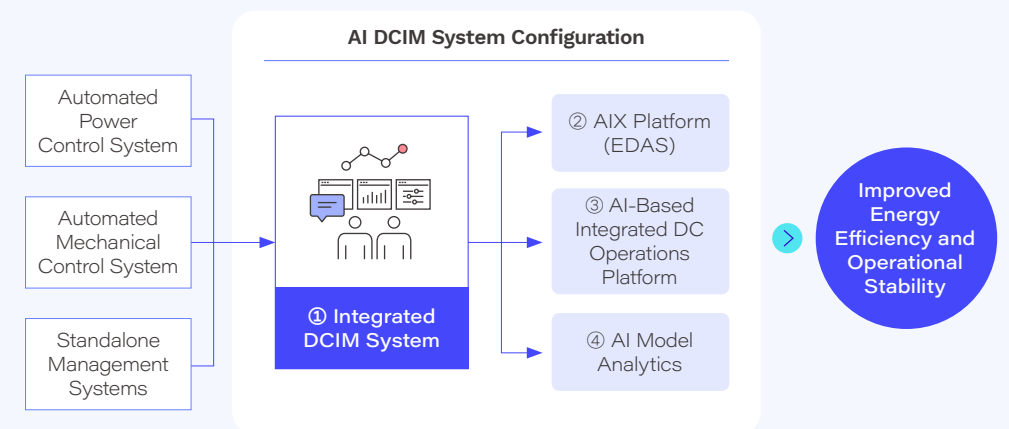


AI DCIM

To respond to the surging demand for IDCs driven by increased use of OTT video and AI services, SK broadband is transitioning from traditional operations to an AI-based automation system. We introduced the AI-based Data Center Infrastructure Management solution (AI DCIM) to ensure stable management of customer assets while improving energy efficiency.

AI DCIM integrates previously siloed infrastructure systems—including automated power control, mechanical systems (e.g., cooling), access control, and security systems—into a single intelligent platform, enhanced with AI analytics to optimize data center operations.

Based on the AIX platform (EDAS, Energy Data Analysis System), we utilize various AI analysis models such as DC optimal operation guidance, weather forecasting, cooling load prediction, and facility anomaly detection (EWS) to conduct precise real-time data analysis, enabling proactive response to data center temperature changes and optimizing cooling facility operations to enhance energy efficiency and operational stability.



Data Center

Our Response 2. Enhancing Safety and Health Capabilities for Business Partners

Enhancing Safety and Health Capabilities

SK broadband operates safety and health compliance inspections and capability enhancement programs to foster a sustainable safety culture in collaboration with our business partners.

In 2024, we conducted safety and health compliance inspections on 155 business partners. For partners whose management levels were found lacking, we conducted additional on-site training sessions led by our safety managers to drive tangible improvements.

We also participated in a government-led “Large and Small Business Co-Prosperity Program”, offering consulting support to small business partners with fewer than 50 employees. This initiative helps them build preventive, risk-based safety and health systems. In addition, we are running our own internal consulting program utilizing in-house experts, and we are gradually expanding the program’s reach.

We operate regular consultative bodies to discuss key issues and offer benchmarking opportunities among participating business partners. Outstanding business partners that have taken part in the consulting program will receive incentives, which will encourage voluntary improvements in their safety and health management.

Furthermore, we offered “Safety and Health Level-Up Training” for executives and safety officers of our business partners to strengthen their capabilities. We plan to introduce industry-specific safety and health training—tailored to construction, facility management, broadcasting, and other sectors—to provide more practical and targeted competency support.



▶ SK broadband – Signing Ceremony of MOU with the Ministry of Employment and Labor

Business Partner Safety and Health Shared Growth Program

Expanded Consulting Participation



- Conducted safety and health capability assessments semiannually
- Mandatory participation in consulting for business partners based on evaluation results

Safety Partnership Formation

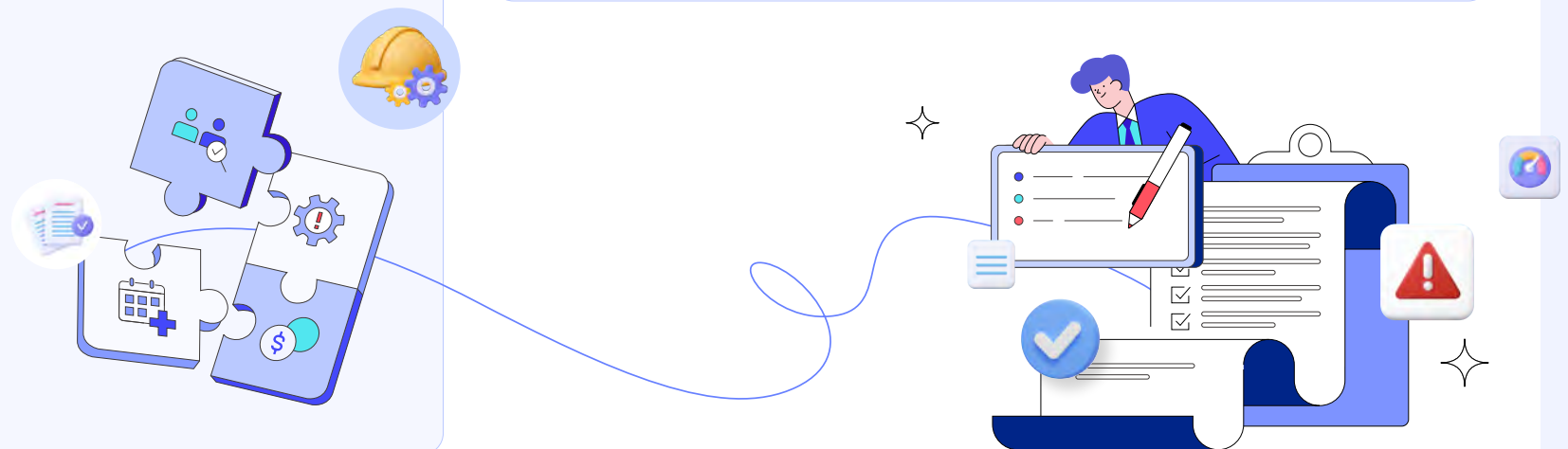


- Discussed key current issues and provided benchmarking opportunities among partners
- Collected feedback and suggestions to identify areas requiring support

Providing Incentives



- Provided incentives to outstanding business partners



Data Center

Our Response 3. Establishing a Foundation for Co-Prosperity with Local Communities

Installation of Electromagnetic Wave Signal Lights

Although data centers have emerged as a key infrastructure in the age of artificial intelligence (AI) competition, there may be concerns among some local residents regarding electromagnetic waves. According to measurements conducted by the Korea Communications Agency (KCA), electromagnetic waves emitted from data centers remain at less than 10% of the human safety threshold. To alleviate community concerns and build trust, SK broadband installed a pilot electromagnetic wave signal light at the Gasan Data Center in 2025. The electromagnetic wave signal light is a device that visually displays real-time electromagnetic wave levels on an LED screen by measuring waves generated near telecommunications base stations and other electronic equipment. According to Article 17 of the Electrical Installation Technical Standards under the Ministry of Trade, Industry and Energy, and Article 3 of the Human Protection Standards for High-Voltage Power Lines, the maximum allowable level for 60Hz electromagnetic waves is 833mG. Following pilot installation, the average daily electromagnetic wave level measured at the Gasan Data Center was 0.40mG.



Local Talent Recruitment in Yangju

During the establishment of the Yangju Data Center, SK broadband signed a memorandum of understanding (MOU) with the City of Yangju to expand local employment and promote coprosperity by creating quality jobs in various fields such as IT specialists, maintenance personnel, and security staff. Under the agreement, SK broadband is advancing sustainable cooperation with the local community by giving hiring priority to Yangju residents, sharing employment information to strengthen job matching, and working jointly to discover and support job seekers.



▶ MOU Signing Ceremony between Yangju City and SK broadband

Lobby Space Support at Gasan IDC

As part of its co-prosperity efforts with the local community, SK broadband supports the operation of a senior employment café in the lobby of the Gasan Data Center. The café was established in collaboration with the Geumcheon District Office and Geumcheon Job Corporation to create stable employment opportunities for senior residents in the local community. We provide the space free of charge and work with the operating organizations to support staff allocation and operational stability. As of 2024, a total of two senior employees are working in this space, creating tangible employment outcomes. SK broadband will continue to promote sustainable job models in collaboration with local communities.



Environmental

In an era of climate crisis, companies must establish sustainable growth strategies that incorporate carbon neutrality. SK broadband has taken responsibility as a corporate citizen by identifying the major sources of GHG emissions and formulating an integrated response strategy, which includes demand reduction, energy transition, and enhanced emissions management. In particular, we are assessing the potential financial impacts of climate change through initiatives such as improving the energy efficiency of our data centers and introducing an internal carbon pricing system. Additionally, we are fulfilling our role as an environmental influencer in the media and wired telecommunications sector by promoting environmental education content.

Climate Change Response and Energy Management	33
Advancement of Environmental Management System	45

Climate Change Response and Energy Management

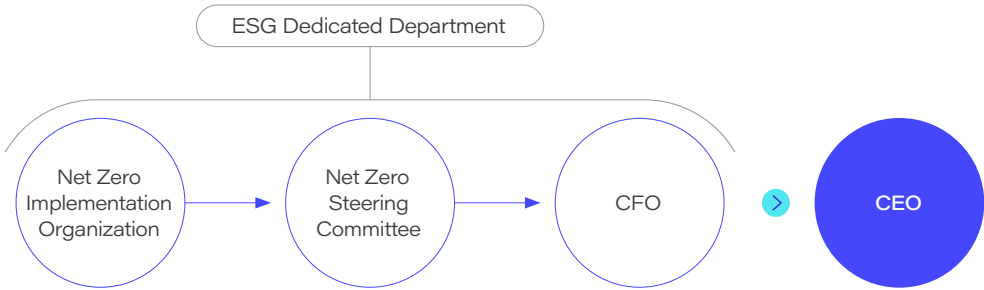
GOVERNANCE : Who Leads Our Sustainability

Roles and Responsibilities

To actively respond to climate change, we have set mid- to long-term goals such as “2045 Net Zero” and “RE100,” and we are operating the “Net Zero Steering Committee” as a systematic foundation for achieving these goals. The council discusses key elements of our climate transition plan, including climate-related risks and opportunities, scenario analysis, financial planning, target setting, and verification. It also regularly monitors the progress of implementation. Key issues are shared at biweekly management meetings led by the CEO and reported to the Board of Directors when necessary. Furthermore, in the event of an urgent climate issue, our dedicated ESG department and responsible departments report directly to the CEO and key management executives through an established response system. To enhance the strategic nature and execution of climate-related decision-making, SK broadband applies an internal carbon pricing system when reviewing investment proposals exceeding a certain scale. We also operate an investment feasibility assessment system that takes into account the impact of carbon price fluctuations on our business.

The CEO assumes ultimate responsibility for climate change response, overseeing everything from strategy development to performance management. Additionally, climate-related performance indicators, including progress toward Net Zero, are reflected in the performance evaluation and compensation criteria for the CEO and key executives. This approach strengthens our practical accountability in addressing climate change.

Decision-Making Process



STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	Low	Moderate	High
Data Centers	High	Moderate	Moderate

Low Moderate High

Risks and Opportunities

SK broadband has analyzed the major risks and opportunities related to climate change response and energy management that may arise in the course of business operations.

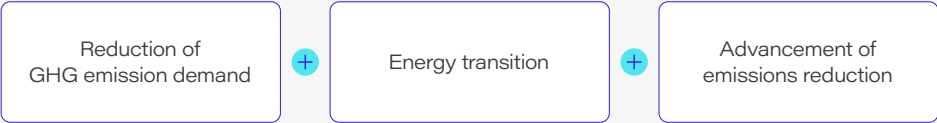
Risks

With the expansion of our telecommunications and data center businesses, electricity consumption is expected to increase, which may lead to higher operating expenses due to rising electricity rates. In addition, the strengthening of domestic and international regulations on GHG emissions may increase climate-related costs, such as the purchase of carbon credits.

Opportunities

By reducing GHG emissions, we can secure emissions allowances and mitigate financial risks. Practicing low-carbon management can also help attract customers and investors, enhancing our brand reputation. Additionally, if energy efficiency is embedded in our data centers, we can expect reduced operating costs and a long-term increase in the value of high-efficiency assets.

Key Strategies



Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Key Climate-Related Risks and Opportunities

SK broadband conducted a materiality assessment on climate-related risks and opportunities and identified the top 10 material factors based on mid-term significance. As a result, one physical risk, five transition risks, and four climate opportunities were identified as material factors. We analyzed the potential impact of each factor on our business and established current and future response plans accordingly. We also performed quantitative analyses for highly material factors and are implementing specific response strategies based on those findings.

Materiality Assessment Results

Very High

High

Moderate

Type		Risk/Opportunity Factor	Timeframe			Potential Impact	Response Status and Plans
			Short-Term	Mid-Term	Long-Term		
Physical Risk	Acute	Heatwaves				Increased cooling costs at business sites and decreased labor productivity	Optimization of high-efficiency cooling systems Establishment of heatwave response manuals and worker protection measures
Transition Risk	Transition Risk	Stricter carbon reduction regulations and requirements on the telecommunications and data center industries				Increased cost burden due to tighter GHG regulations and rising carbon prices	Refined emissions allowance forecasting in preparation for the 4th planning period Carbon emission reduction through securing RE100 implementation measures
	Market	Rising electricity prices				Increased cost of goods sold due to rising energy costs	Replacement of aging equipment and network streamlining Advancement of the energy management system
		Volatility in renewable energy source pricing				Higher procurement costs due to rising demand for alternatives to fossil fuels	Introduction of renewable energy through power purchase agreements (PPAs)
		Shift in stakeholder preferences leading to substitution of existing products and services				Decline in preference and competitiveness of existing products/services due to emergence of low-carbon alternatives	Risk management through application of internal carbon pricing system
	Technology	Uncertainty in returns on R&D investments				Increased cost of low-carbon technology development and potential financial loss if investments fail	Risk management through application of internal carbon pricing system
Opportunity	Resource efficiency	Improved energy efficiency				Reduced energy costs through energy use optimization	Improvement of IDC PUE (Power Usage Effectiveness) and adoption of low-power equipment
	Products & Services	Increased stakeholder demand for ecofriendly infrastructure				Enhanced business competitiveness by meeting stakeholder expectations for eco-friendly infrastructure	Recycling of construction waste (use of recycled aggregate)
		Innovation in R&D leading to new products and services				Increased revenue through development of low-carbon products/services	Development of low GHG emission products and services
	Energy Resources	Securing low-carbon energy sources				Risk mitigation against rising prices by securing renewable energy in advance	Installation of solar power generation facilities (new office building) Adoption of power purchase agreements (PPAs)

Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Analysis of Potential Financial Impact

Physical Risks

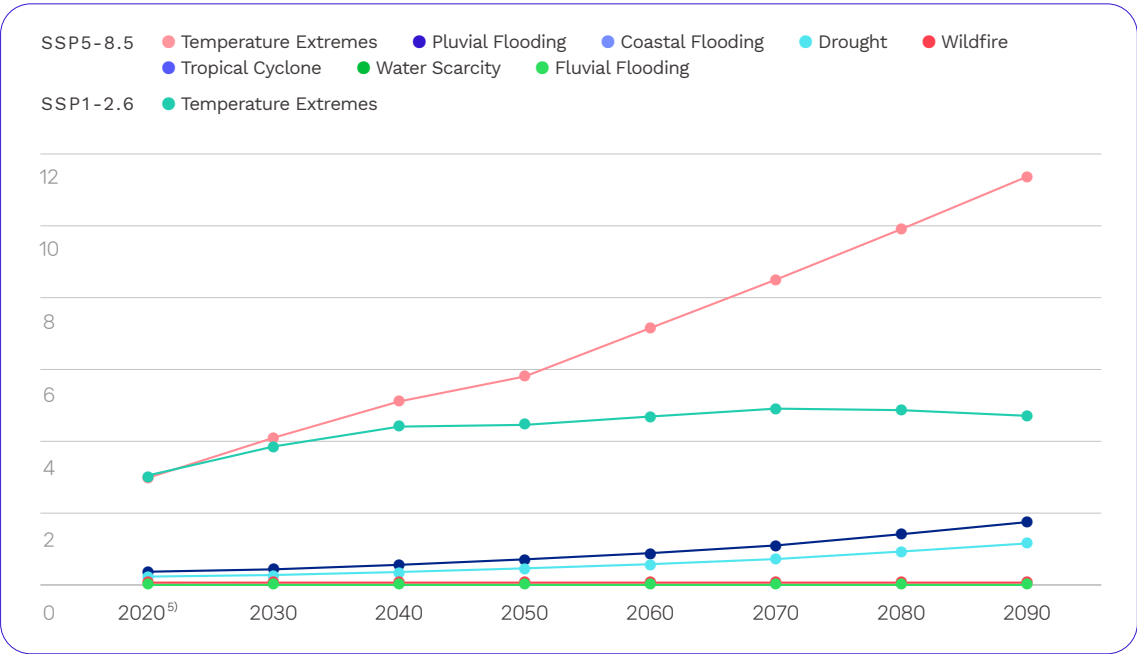
The Task Force on Climate-related Financial Disclosures (TCFD) recommends that companies assess their exposure to physical risks under various climate scenarios. Accordingly, SK broadband conducted a climate scenario-based physical risk analysis for its major business sites using the Climonomics risk modeling tool developed by S&P Global. The analysis projected eight major climate risks under four scenarios (SSP5-8.5, SSP3-7.0, SSP2-4.5, SSP1-2.6)¹⁾, and SK broadband focused primarily on the SSP5-8.5 scenario, which assumes radiative forcing reaching 8.5 W/m² or higher by 2100, taking a more conservative approach. Results showed that the asset loss rates at SK broadband's business sites due to the eight climate risks during the 2020–2029 period all remained below the threshold for significant risk². In particular, the impacts of seven factors—excluding temperature extremes—such as pluvial flooding, coastal flooding, drought, wildfire, tropical cyclone, water stress, and fluvial flooding were assessed to be generally negligible. Furthermore, the long-term trend analysis from 2020 to 2100 also indicated that significant changes in physical risks are not expected to occur. However, temperature extremes were identified as a progressive asset loss risk due to increased cooling loads leading to HVAC³⁾ performance deterioration, higher cooling costs, and reduced labor productivity. In response, SK broadband has developed energy demand management strategies, including the optimization of high-efficiency cooling systems and securing backup power in anticipation of increased energy consumption. We continue to implement measures to minimize risks associated with temperature extremes.

1) SSP (Shared Socioeconomic Pathways): Scenarios predicting how GHG emissions may vary depending on humanity's socioeconomic development trajectory (e.g., population, economic growth, technological changes).
SSP5-8.5: Increased fossil fuel use and extremely high emissions—referred to as the “worst-case scenario”
SSP3-7.0: High emissions due to lack of international cooperation and rapid population growth
SSP2-4.5: Intermediate emissions based on continuation of current policy trends
SSP1-2.6: Reduced emissions scenario aligned with climate mitigation goals such as the Paris Agreement

2) Significant risk level: Annual average asset loss rate of 16% or higher (S&P Global rating “Red”)

3) HVAC (Heating, Ventilation, and Air Conditioning): A system for heating, ventilation, and air conditioning

Projected Asset Loss Rates by Physical Risk Factor⁴⁾ (2020–2100, as a proportion of total assets)



4) For temperature extremes, which showed relatively higher asset loss rates among the physical risk factors, results were presented alongside SSP1-2.6 for scenario-based comparison.

5) Refers to the time span from 2020 to 2029

Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Analysis of Potential Financial Impact

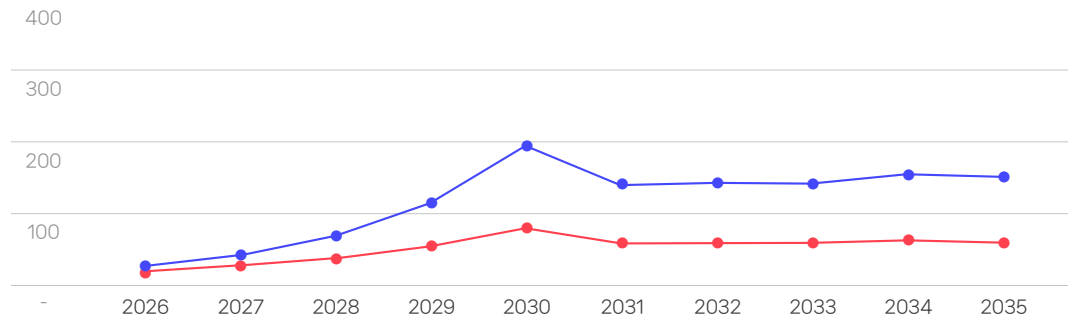
Transition Risks – Increased Carbon Regulations and Requirements in the Telecommunications and Data Industries

As a designated entity under the Emissions Trading Scheme (ETS), SK broadband is legally obligated to manage and reduce its allocated GHG emissions from directly operated business sites. With recent regulatory tightening on ETS, an increasing share of allowances being auctioned, and rising carbon credit prices, SK broadband anticipates a shortfall in emissions allowances during the third and fourth planning periods, which could pose a direct financial risk. To address this, we regularly review our business expansion plans, projected changes in the paid allocation ratio under the government's ETS planning periods, and the latest carbon price scenarios from the International Energy Agency (IEA), incorporating these factors into our climate-related financial impact assessments. Based on our analysis, we project that from 2026 to 2035, annual carbon credit purchase costs will range from approximately KRW 5.2 billion to KRW 11.7 billion. To mitigate potential financial impacts, SK Broadband is implementing emissions allowance management and reduction strategies through measures such as establishing a carbon emissions management system, introducing an internal carbon pricing system, and pursuing economically viable renewable energy procurement agreements.

Potential Financial Impact of Carbon Credit Purchases

(Unit: 100 million KRW)

- WEO STEPS 2024 (Stated Policies Scenario): A scenario based on currently implemented or officially announced national mitigation policies
- WEO APS 2024 (Announced Pledges Scenario): A scenario reflecting the fulfillment of each country's carbon neutrality targets and nationally determined contributions (NDCs)



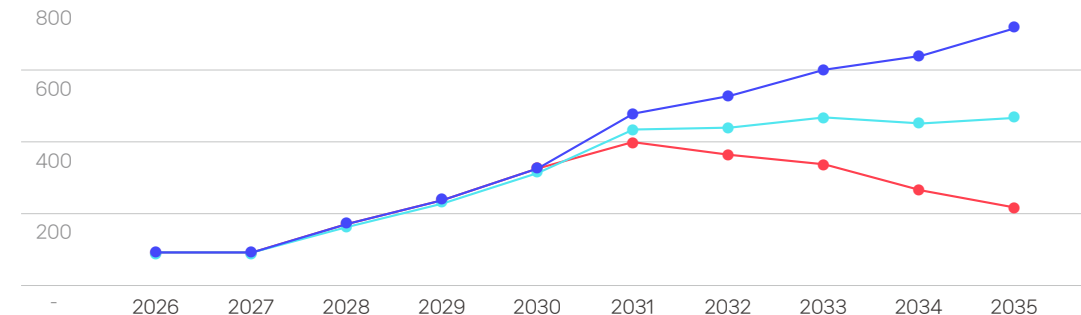
Transition Risks – Rising Electricity Prices

As our data center business continues to expand, electricity consumption is expected to rise significantly. As of 2024, electricity usage is approximately 989 GWh, and by 2035, it is projected to increase to roughly 1.6 times the 2024 level. To estimate the potential financial impact, we calculated additional electricity costs based on historical average increases in power rates, supplemented by projections from the NGFS (Network for Greening the Financial System) scenarios, and additional costs by type of renewable energy implementation. To minimize the negative financial impacts from expected increases in electricity costs, SK broadband plans to actively enhance energy efficiency and pursue greenhouse gas reduction initiatives.

Potential Financial Impact of Rising Electricity Prices

(Unit: 100 million KRW)

- Below 2°C: A scenario in which GHG emissions are reduced to limit the rise in global average temperature to below 2°C compared pre-industrial levels
- Nationally Determined Contributions (NDCs): A scenario assuming full implementation of voluntary national commitments to reduce GHG emissions
- Net Zero 2050: A scenario where all countries collaborate to achieve carbon neutrality by 2050, involving extensive energy transition efforts



Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

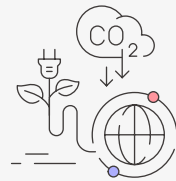
Key Response Strategies

Through materiality assessment and financial impact analysis, SK broadband has identified energy consumption as a major driver of GHG emissions and has positioned it as a core focus area in our climate change response strategy. Accordingly, we are reducing energy demand through power efficiency improvements and promoting a transition to renewable energy sources. We are also systematically enhancing our emissions reduction capabilities by developing low GHG emission products, building an emissions management system, and advancing related internal processes.

Strategy

STRATEGY 1

Demand Reduction for GHG Emissions



Energy Efficiency

IDC PUE Improvement

Network Streamlining

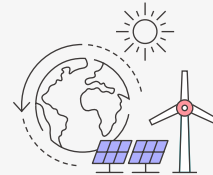
Transition to Low-Power Equipment

Power Saving

Transition to Electric Vehicles

STRATEGY 2

Energy Transition¹⁾



RE100

Installation of Solar Power Generation Facilities

External Renewable Energy Sourcing

STRATEGY 3

Advancement of Emissions Reduction



Development of Low GHG Emission Products

Advancement of Carbon Management System

Integrated Optical Module Technology

Carbon Emissions Management System (CEMS)

Low-Power Set-Top Boxes and Rechargeable Remote Controls

Internal Carbon Pricing System

Next-Generation IP Integrated Network (RON) Technology

Implementation Initiatives

Key Activities

1) Energy Transition: A shift from traditional fossil fuel-based energy systems to low-carbon energy systems to ensure future environmental sustainability.

Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Key Response Strategies

STRATEGY 1. Reduction of GHG Emission Demand

SK broadband is reducing GHG emissions by optimizing the operation of telecommunications buildings and network equipment to improve energy efficiency. To achieve this, we are improving infrastructure through network streamlining and the adoption of low power, high-efficiency equipment, while continuously increasing energy efficiency by improving the Power Usage Effectiveness (PUE)¹⁾ of our data centers (IDCs).

A high-efficiency, low-power cooling system replacement project at the Seocho and Ilsan IDCs was recognized by the Ministry of Environment as an internal reduction initiative. For the construction of the Gasan IDC, we maximized operational efficiency by applying a design that accounted for multiple environmental factors such as power supply facilities, server heat output, and external temperatures, along with seasonal optimization controls.

In collaboration with SK Telecom, we have also established a Data Center Infrastructure Management (DCIM) system incorporating BEMS (Building Energy Management System) to improve cooling efficiency and optimize energy consumption in our IDCs. Furthermore, we are enhancing our execution toward carbon neutrality by promoting greenhouse gas reduction activities such as converting our vehicle fleet to electric vehicles. As a result, SK broadband has reduced GHG emissions by 30,842 tCO₂eq, equivalent to 66,843 MWh of energy.

1) PUE (Power Usage Effectiveness): A metric used to assess the operational efficiency of data centers, calculated as the ratio of total energy used by the data center to the energy used by IT equipment such as servers.

Key Activities

Category	Description
IDC PUE Improvement	We are promoting various initiatives to improve the PUE of our IDCs, including applying free cooling to chillers, replacing cooling towers with high efficiency models, and expanding the deployment of immersion cooling systems. To manage the heat generated from large-scale server operations, we became the first domestic IDC operator to develop and commercialize hybrid air conditioning units. We are also focused on recovering waste heat generated in IDCs and reusing it for heating in winter, as part of our efforts to reduce energy use in data centers.
Network Streamlining	We are replacing outdated equipment and decommissioning legacy systems through network line reallocation and overhead cable maintenance focused on low-power devices. Additionally, we are optimizing our network infrastructure by redesigning network architecture and transitioning to virtualization.
Transition to Low-Power Equipment	We are enhancing energy efficiency by introducing low-power equipment such as inverter-type cooling systems and energy-efficient IP backbone devices, and by replacing CDN (Content Delivery Network) servers with low-power models.
Power Saving	We are reducing electricity consumption by installing mist units on outdoor cooling systems and applying phase control solutions.
Transition to Electric Vehicles	As a member of the K-EV100 (Korean Zero-Emission Vehicle Transition 100), we have formally committed to transitioning to zero-emission vehicles. As of 2024, 28% of our total fleet has been converted to zero-emission vehicles, and we plan to continue expanding this share.

Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Key Response Strategies

STRATEGY 2. Energy transition

More than 99% of SK broadband's total GHG emissions result from electricity consumption. While the continuous expansion of network infrastructure and equipment is essential for providing reliable telecommunications services, it inevitably leads to increased energy use and GHG emissions. In response, SK broadband has positioned the transition to renewable energy as a core strategy for reducing emissions. In November 2020, we became one of the first companies in Korea to declare participation in RE100¹⁾, alongside seven other SK Group affiliates. To achieve RE100, we are pursuing two main approaches: purchasing renewable energy from external sources and installing on-site solar power generation facilities. Our goal is to convert 100% of our electricity use to renewable energy by 2045.

We have installed solar power generation facilities with a combined capacity of 235 kW across four office buildings—Anseong, Daejeon, Daegu, and Gyeongnam—resulting in an annual reduction of approximately 133.2 tCO₂eq in GHG emissions.

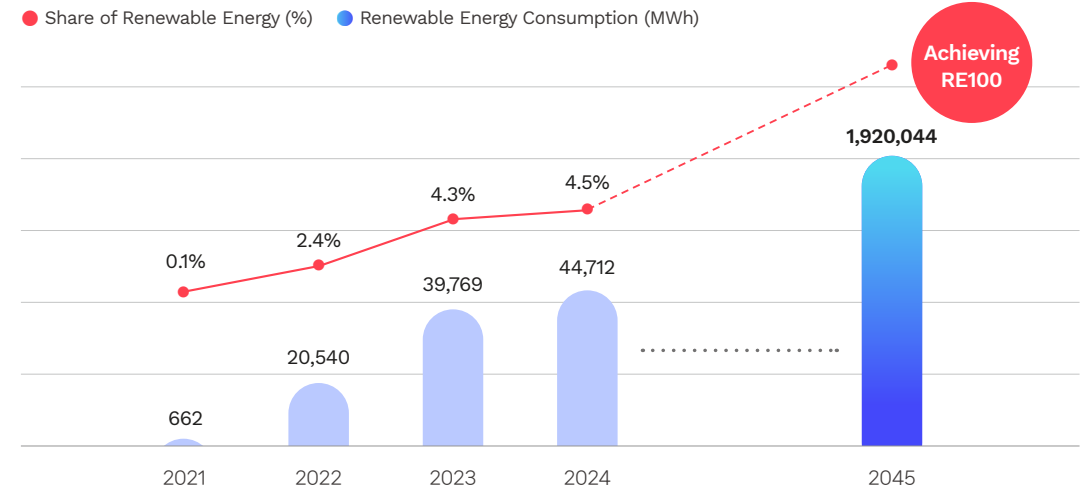
We are also actively considering solar power installations in the design of future new office buildings. Given the uncertainties of the domestic renewable energy procurement market, we are preparing the most cost-effective RE100 implementation strategy through an economic feasibility analysis by procurement method. Since 2021, we have been purchasing renewable energy through a Green Premium Contract²⁾ with Korea Electric Power Corporation (KEPCO), and as of 2024, we have procured 44,200 MWh of renewable electricity. We plan to adopt Power Purchase Agreements (PPAs)³⁾ to strengthen the effectiveness of our implementation strategy, including recognition of emission reduction credits.

1) RE100 (Renewable Electricity 100): A global initiative in which participating companies commit to sourcing 100% of their electricity needs from renewable sources such as wind and solar power. As of the end of 2024, more than 400 global companies have voluntarily joined the campaign.

2) Green Premium Contract: A system under which companies pay an additional fee to be certified as users of renewable electricity (e.g., solar, wind). The additional fee supports the expansion of renewable energy use and deployment.

3) PPA (Power Purchase Agreement): A long-term agreement between a renewable energy producer and a corporate consumer for the direct purchase of electricity.

RE100 Implementation Performance



Power Purchase Agreement for Renewable Energy Procurement

To accelerate the transition to renewable energy, SK broadband signed a renewable energy Power Purchase Agreement (PPA) with SK E&S in June 2024. Under this agreement, we will receive renewable electricity generated from a solar power plant for 20 years, starting in 2027. The secured renewable energy amounts to approximately 39 GWh annually, which corresponds to about 4% of SK broadband's total electricity consumption as of 2024. PPA contracts offer the advantage of fixed electricity prices over the 20-year term, reducing cost risks from future electricity price increases while enhancing long-term energy supply stability. Accordingly, SK broadband is pursuing PPAs as our primary RE100 implementation method.

Climate Change Response and Energy Management

STRATEGY : What Drives Our Pursuit

Key Response Strategies

STRATEGY 3. Advancement of Emissions Reduction

To enhance the effectiveness of greenhouse gas (GHG) reduction, SK broadband has advanced its carbon management system and developed low GHG emission products. On the product development side, we are focusing on designing eco-friendly products and services that reduce standby power consumption and improve energy efficiency. We strive to minimize energy consumption in telecommunications equipment commonly used by customers—such as set-top boxes, modems, routers, and remote controls—by applying advanced technology in ways that maintain or further reduce power consumption. Additionally, we have established the Carbon Emission Management System (CEMS) to monitor and manage GHG emissions, and we have implemented an internal carbon pricing system, that reflects carbon costs in operational and investment decisions.



▶ CEMS (Carbon Emission Management System)

Low-Power Set-Top Box, Smart 3



Rechargeable B tv Remote Control



Development of Low GHG Emission Products

Integrated Optical Module Technology

- A technology that enables 1–10 Gbps Broadband internet through a single piece of equipment using integrated optical modules
- Reduces heat generation and cuts effective power consumption (W) by up to 44%
- Eliminates the need to install separate devices for different speeds, reducing investment costs and improving installation space efficiency by up to 60% compared to existing systems

Low-Power Set-Top Box, Smart 3

- The Smart 3 set-top box was developed with carbon emissions reduction in mind throughout all phases—from planning to production
- Achieved up to an 80% reduction in carbon emissions compared to the previously certified UHD1 model by adopting a low-power system semiconductor
- Obtained "Low-Carbon Product Certification" from the Korea Environmental Industry & Technology Institute under the Ministry of Environment

Next-Generation IP Integrated Network (RON) Technology

- A technology that integrates IP and optical transmission networks to handle large-scale traffic services
- Enables direct router connections without separate transmission equipment, shortening line setup time, and simplifies network structure and transmission equipment, reducing carbon emissions by approximately 25% compared to conventional systems

Rechargeable B tv Remote Control

- Commercialized in 2024, the remote uses a supercapacitor instead of traditional batteries
- Reduces carbon emissions to just 10.6% of that generated by battery-powered remotes
- If 200,000 units are distributed annually, this remote is expected to reduce GHG emissions by approximately 33 tCO₂e

Advancement of Carbon Management System

Carbon Emission Management System (CEMS)

- The CEMS is integrated with our ERP system to compile data and supporting documents related to Scope 1 and Scope 2 emissions activities, metering device information, and emissions allowance data

Internal Carbon Pricing System

- To proactively address the volatile emissions trading market and meet Net Zero goals, we have introduced an internal carbon pricing system
- Operated using a shadow price method, this system applies anticipated emissions costs to overall operations and capital investment decisions in advance

Climate Change Response and Energy Management

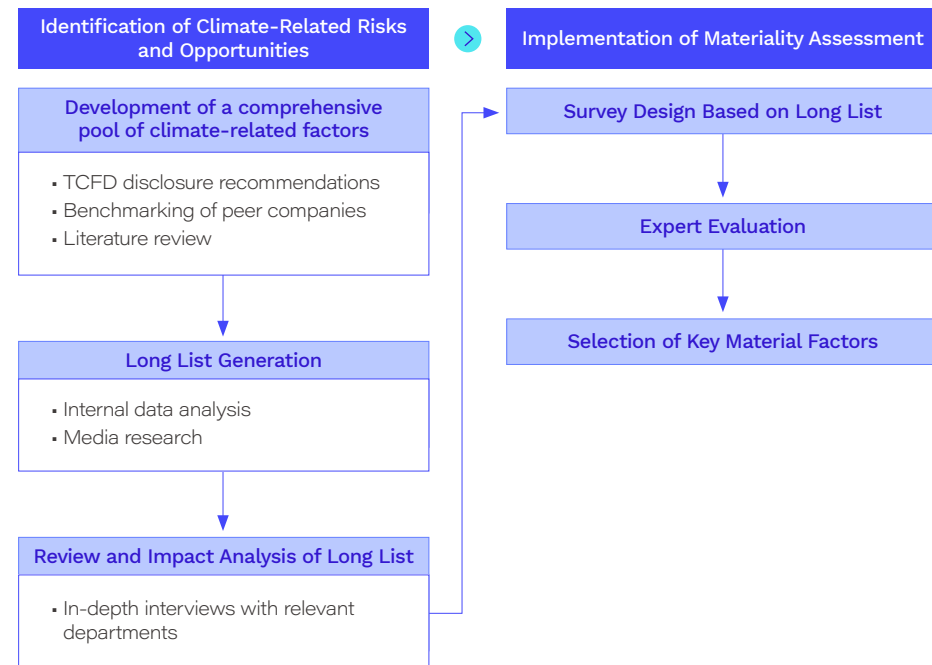
RISK MANAGEMENT : How We Manage Challenges

Identification and Materiality Assessment Process for Climate-Related Risks and Opportunities

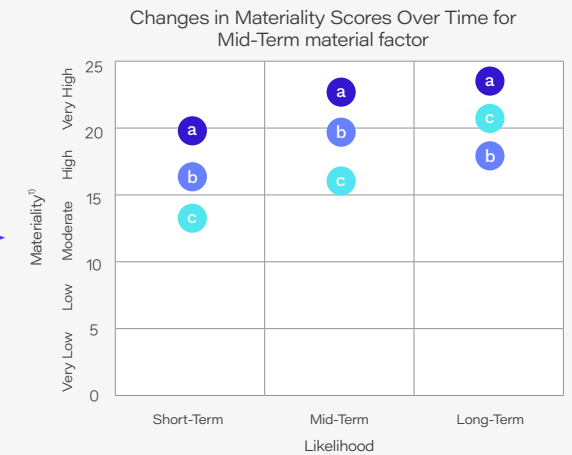
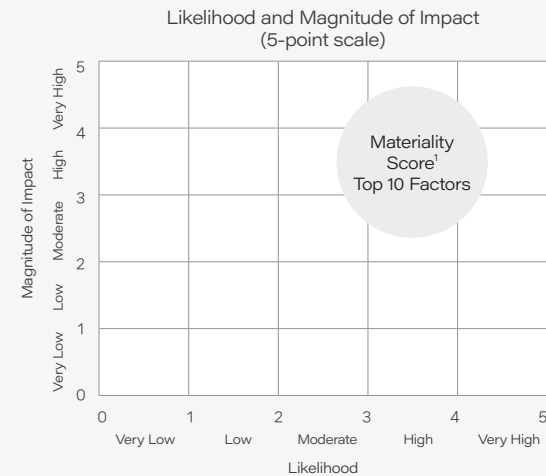
SK broadband operates a business model characterized by high electricity consumption, making the management of climate-related risks particularly critical. Accordingly, we comprehensively assess risks and opportunities across various dimensions, including policy, legal, technological, market, reputational, and both acute and chronic climate factors. Based on this assessment, we develop our business strategies by considering both corporate value and financial impact. Using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as a foundation, we identify climate-related risks and opportunities and conduct a materiality assessment by evaluating their potential impact and likelihood across short-, mid-, and long-term time horizons.

As a result, we selected the top 10 key factors—those with high impact and high likelihood in the mid-term—as our material factor and are managing them systematically while monitoring trends over time.

Materiality Assessment Process

 → Materiality Assessment Output

< Materiality Assessment Output (Example) >



   Examples of Climate-Related Factors

1) Materiality Score = Likelihood Score × Magnitude of Impact Score

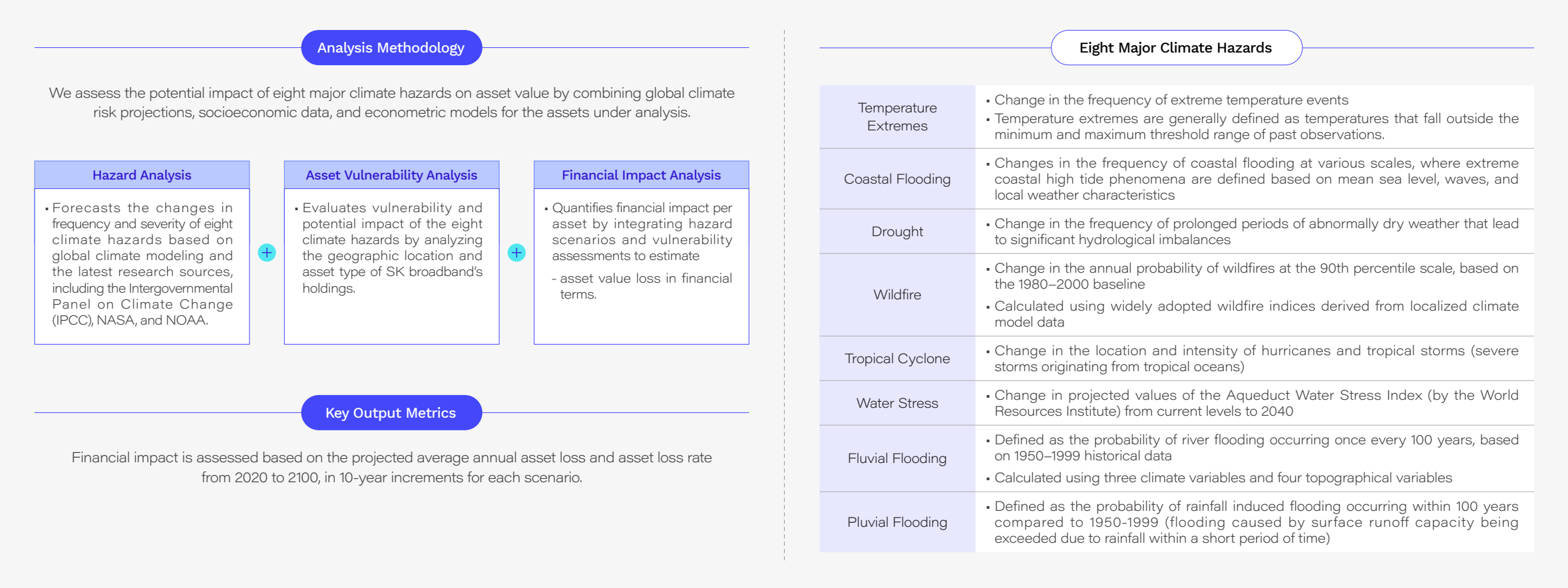
Climate Change Response and Energy Management

RISK MANAGEMENT : How We Manage Challenges

Assessment Process for the Potential Financial Impact of Physical Risks

As extreme weather events increase in frequency and severity, SK broadband is proactively evaluating the physical risks of climate change to its owned assets using S&P Global’s Climonomics[®] hazard modeling tool. Based on this assessment, we are developing tailored response strategies.

Analysis Overview



Climate Change Response and Energy Management

METRICS & TARGETS : Where We’re Heading

Achieving Net Zero by 2045

Since declaring its Net Zero commitment for 2045, SK broadband has continued its efforts to meet greenhouse gas (GHG) reduction targets. We set specific annual reduction goals and systematically monitor and manage performance and implementation progress. However, since the establishment of the Net Zero target in 2021, our business portfolio has expanded, and electricity demand is expected to increase significantly. As a result, we are reviewing our year-by-year roadmap for achieving Net Zero, taking into account external uncertainties and the realistic feasibility of implementation.

Given that approximately 99% of SK broadband's GHG emissions stem from electricity consumption, we have designated energy consumption, electricity use, and the proportion of renewable energy as key management indicators. In 2024, we reduced GHG emissions by 30,842 tCO₂eq¹⁾ through internal energy efficiency initiatives. We also expanded our renewable energy usage to 44,712 MWh through solar self-generation facilities and Green Premium Contracts, increasing our renewable energy usage ratio to 4.5%²⁾. Additionally, we regularly measure and manage major environmental indicators such as GHG emissions, water consumption, and waste generation. These efforts allow us to assess climate-related risks and opportunities in a comprehensive manner. Since 2022, we have introduced third-party verification for measurable Scope 3 emissions, and we plan to continue managing and disclosing this information transparently.

1) 2024 energy efficiency target: 26,260 tCO₂eq 2) 2024 renewable energy usage ratio target: 7.5%

Metrics

Greenhouse Gas (GHG) Emissions¹⁾

Category		Unit	2022	2023	2024
GHG Emissions	Total Emissions ²⁾	tCO ₂ eq	394,402	423,633	455,962
	Emission intensity	tCO ₂ eq / KRW 1 billion	94.76	98.94	103.27
Direct GHG Emissions (Scope 1)	Total	tCO ₂ eq	2,270	1,917	1,677
	Stationary Combustion	tCO ₂ eq	1,574	1,162	997
	Mobile Combustion	tCO ₂ eq	696	755	680
Indirect GHG Emissions (Scope 2)	Total	tCO ₂ eq	392,169	421,752	454,327
	Electricity	tCO ₂ eq	392,102	421,705	454,306
	Steam	tCO ₂ eq	68	47	21

1) Based on GHG Inventory
2) Due to rounding applied at the facility level per government standards, total GHG emissions may differ slightly from the sum of direct and indirect emissions

Category		Unit	2022	2023	2024
Other Indirect GHG Emissions ¹⁾ (Scope 3)	Total	tCO ₂ eq	856,412	939,437	827,899
	1. Purchased Goods and Services	tCO ₂ eq	389,936	451,683	350,685
	2. Capital Goods	tCO ₂ eq	139,344	130,264	89,104
	3. Fuel- and Energy Related Activities (Not Included in Scope 1 or Scope 2)	tCO ₂ eq	60,777	65,305	70,295
	4. Upstream Transportation and Distribution	tCO ₂ eq	13,639	15,602	11,840
	5. Waste Generated in Operations	tCO ₂ eq	29	261	124
	6. Business Travel	tCO ₂ eq	457	823	696
	7. Employee Commuting	tCO ₂ eq	1,528	1,320	1,607
	8. Upstream Leased Assets	tCO ₂ eq	-	-	-
	9. Downstream Transportation and Distribution	tCO ₂ eq	-	-	-
	10. Processing of Sold Products	tCO ₂ eq	-	-	-
	11. Use of Sold Products	tCO ₂ eq	247,412	271,919	301,402
	12. End-of-Life Treatment of Sold Products	tCO ₂ eq	-	-	-
	13. Downstream Leased Assets	tCO ₂ eq	-	-	-
	14. Franchises	tCO ₂ eq	-	-	-
	15. Investments	tCO ₂ eq	3,289	2,260	2,146

1) Recalculated values from 2022 to 2023 due to emission factor updates

Climate Change Response and Energy Management

METRICS & TARGETS : Where We're Heading

Metrics

Energy

Category			Unit	2022	2023	2024
Non-Renewable Energy	Total Non-Renewable Energy Consumption (Direct + Indirect) ¹⁾		TJ	8,193	8,810	9,485
	Total Non-Renewable Energy Consumption Intensity		TJ / KRW 1 billion	2.0	2.1	2.1
	Direct Energy Consumption by Source	Total	TJ	37.8	31.4	27.7
		City Gas (LNG)	TJ	17.8	12.9	12.1
		Gasoline	TJ	9.1	9.3	8.7
		Diesel	TJ	10.8	9.0	6.8
		LPG	TJ	0.1	0.1	0.1
		Indoor Kerosene	TJ	0.0	0.0	0.0
	Indirect Energy Consumption ²⁾	Total	TJ	8,195.6	8,814.6	9,495.9
		Electricity	TJ	8,193.5	8,813.1	9,495.2
		Steam	TJ	2.1	1.6	0.7
	Total Non-Renewable Energy Consumption (Direct + Indirect) ³⁾		MWh	864,559	927,078	996,768
	Total Non-Renewable Energy Consumption Intensity		MWh / KRW 1 billion	208	217	226
	Direct Energy Consumption by Source	Total	MWh	10,491	8,716	7,692
Indirect Energy Consumption by Source	Total	MWh	854,068	918,363	989,076	
Operational Emissions	Grid Electricity Share of Total Energy Consumption		%	99.97	99.97	99.95

1) The total energy consumption figure may differ from the sum of individual energy sources due to government rounding standards applied at the business site level

2) Revised 2023 data based on specification updates

3) Based on revised data calculation methodology

Category			Unit	2022	2023	2024
Renewable Energy	Total Renewable Energy Consumption (Self-Generation + External Procurement)		MWh	20,540	39,769	44,712
	Self-Generated Energy	Total	MWh	240	269	512
		Solar Power	MWh	240	269	512
		Wind Power	MWh	0	0	0
		Other (Hydropower, Biomass)	MWh	0	0	0
	Externally Procured Energy	Total	MWh	20,300	39,500	44,200
		Green Premium ¹⁾	MWh	20,300	39,500	44,200
		REC Purchase	MWh	0	0	0
		Third-Party PPA	MWh	0	0	0
	Total Electricity Consumption ²⁾		MWh	853,728	918,196	989,401
	Renewable Energy Usage Ratio ³⁾		%	2.41	4.33	4.52

1) Recognized as a renewable energy implementation mechanism, but not credited as GHG reduction under the Korea Emissions Trading Scheme.

2) Total electricity consumption is the sum of indirect electricity consumption and self-generated renewable electricity.

3) (Total Renewable Energy Consumption / Total Electricity Consumption) × 100

Advancement of Environmental Management System

GOVERNANCE : Who Leads Our Sustainability

Roles and Responsibilities

SK broadband's top management serves as the highest authority on environmental management and monitors the implementation status and performance of our environmental initiatives. Our ESG Executive Office, which serves as the dedicated environmental management organization, oversees the company-wide environmental management system and plans the implementation of our Net Zero roadmap.

Management System

SK broadband proactively addresses a broad range of environmental issues—including greenhouse gas reduction, energy efficiency, resource conservation, and circular economy realization—based on our company-wide environmental management policy. To achieve our environmental goals and strengthen our social responsibility, we have established a structured environmental management system. We also contribute to the spread of an eco-friendly culture through internal awareness campaigns and environmentally focused social contribution activities.

Environmental Management Policy



- 1

We are committed to complying with our environmental policy and making every effort to achieve our environmental objectives in pursuit of Net Zero.
- 2

We strengthen environmental awareness across our organization, comply with applicable environmental laws and regulations, and proactively prevent environmental pollution to contribute to the preservation of the global environment.
- 3

To fulfill our environmental responsibilities, we have established an environmental management system, which we actively implement to demonstrate the environmental commitment of all employees.
- 4

We regularly monitor the performance of our environmental management system and pursue continuous improvement activities to ensure transparency in our environmental outcomes.
- 5

We take the lead in incorporating renewable energy use, adopting low-carbon products, minimizing pollutant emissions, and promoting resource reuse and recycling in our daily operations.
- 6

We assign clear roles and responsibilities to our members to maximize our environmental performance and ensure these duties are carried out with integrity and commitment.

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed the key environmental management-related risks and opportunities that may arise in the course of its business operations.

Risks

With the strengthening of environmental regulations and rising expectations for sustainability, there may be increased upfront investment costs for implementing waste recovery and recycling programs, as well as building infrastructure with minimal environmental impact. In particular, efforts to transition toward environmentally friendly operations—such as adjusting existing business strategies or adopting new technologies—may result in increased short-term operating expenses. Noncompliance with environmental laws and regulations may lead to financial penalties and fines, in addition to negatively affecting corporate reputation. Moreover, as environmental disclosure requirements expand, the need for additional personnel and resources could also increase the administrative and financial burden.

Opportunities

By systematically advancing our level of environmental management and delivering products and services with low environmental impact, we can meet consumers' growing demand for eco-friendly consumption and gain a distinct competitive edge in the market. In particular, marketing focused on recycled materials and low-carbon products can enhance corporate reputation and serve as an opportunity to strengthen brand trust.

Key Strategies



Advancement of Environmental Management System

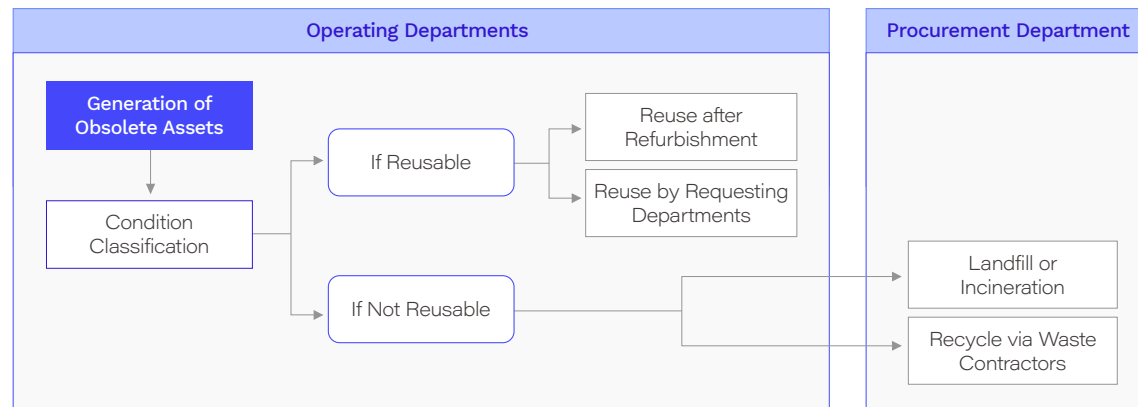
STRATEGY : What Drives Our Pursuit

Natural Capital Management

Waste Management

SK broadband is committed to systematically managing the diverse types of waste generated at our business sites and office buildings. Telecommunications equipment and customer-end devices generated during operations are assessed for usability. Equipment deemed reusable is refurbished or repaired, while devices that cannot be reused are recycled through certified recycling companies. These efforts help reduce resource waste and contribute to the realization of a circular economy. We also ensure that general waste generated in our offices is properly sorted and disposed of according to designated procedures. In 2025, to establish a more structured approach to waste reduction and resource circulation, we launched a Circular Economy Task Force in collaboration with SK Telecom. As part of this initiative, we introduced third-party verification to ensure the accuracy of waste generation data from our offices and to validate the appropriateness of the waste treatment process. Based on the verification results, we plan to review and improve our waste management processes, thereby advancing company-wide waste management practices.

Waste Treatment Process



Utilization of recycled construction aggregate

SK broadband contributes to natural resource conservation by using recycled sand for backfilling after excavation work related to pipeline installation. This initiative benchmarks the mandatory use of recycled aggregates in the construction sector and actively encourages participation by other telecommunications providers to expand the impact of resource savings. This case was presented as a best practice at the "2024 Seminar on Recycled Construction Aggregates and Recycled Construction Aggregate-Based Products" jointly hosted by the Ministry of Environment and the Ministry of Land, Infrastructure and Transport. It was recognized as an outstanding example and awarded the President's Prize by the Korea Construction Resources Association.



▶ 2024 Seminar on Recycled Construction Aggregates and Recycled Construction Aggregate-Based Products

Advancement of Environmental Management System

STRATEGY : What Drives Our Pursuit

Enhancing Internal and External Environmental Awareness

Provision of Environmental Content

To help children easily and enjoyably understand the importance of environmental protection, SK broadband offers a variety of educational content focused on environmental themes. Representative examples include content series such as "Don't melt! Bingsu" and "Why? Season 1 - Earth Explorer." Within our kids' service "B tv ZEM," we operate an experiential rewardbased feature where children can use "ZEM Stones" earned through learning to build villages for endangered animals. This service is designed around 20 familiar animals designated as natural monuments or internationally protected species, allowing children to naturally recognize the importance of protecting endangered species and the environment.

In addition, SK broadband released the ESG campaign song "We Love Earth" in collaboration with the local character content BIRDY FRIENDS, accompanied by a music video. We also partnered with Jeju United to promote the campaign and raise awareness of the importance of environmental protection.



▶ ESG campaign song "We Love Earth" in collaboration with Buddy Friends

Environmental Management Training for Employees

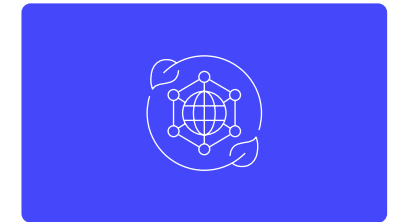
To raise awareness of ESG and environmental management, SK broadband distributes a monthly ESG Letter to executives and employees. By sharing the progress and outcomes of environmental projects across departments, we aim to increase employee interest in environmental management and encourage voluntary participation.

2024 ESG Letter Highlights (Environmental Management)

January	SK broadband CEO joins Disposable-Free Challenge	July	Proactive summer energy-saving measures reduce carbon emissions
February	First-ever award at CDP Korea Awards	August	Carbon emissions reduction through server storage optimization
March	Power savings through introduction of next-generation IP integrated network	September	Volunteer event to remove invasive plants in celebration of company anniversary Volunteer Activities
April	Carbon emissions reduction through PSTN switch migration	October	Power savings through next-generation dedicated line services
May	Smart 3 set-top box earns "Low Carbon Product Certification" from the Ministry of Environment	November	Joint labor-management fall plogging event
June	Signing of PPA contract for renewable energy procurement		

Environmental Awareness and Protection Campaign

SK broadband operates a year-round "HAPPY Plogging" program to actively engage employees in environmental management. In this program, employees voluntarily set their own schedule and route for plogging, then log their activity on the internal platform "Happiness Lounge" to receive rewards. It serves as a social contribution initiative aimed at environmental protection.



▶ 2024 plogging activities

Sponsorship of the Seoul International Eco Film Festival (SIEFF)

SK broadband has supported the Seoul International Eco Film Festival for four consecutive years since 2021. The festival uses film as a medium to explore the potential for harmony between humanity and the environment and to propose practical alternatives for a sustainable future. As a media company, SK broadband fulfills its role as an "environmental influencer" by featuring selected festival films in a special section on B tv. This initiative helps raise public awareness of environmental issues and fosters a shared understanding across society.

Advancement of Environmental Management System

STRATEGY : What Drives Our Pursuit

Environmental Information Disclosure

Compliance with Environmental Regulations and Information Disclosure

SK broadband transparently discloses environmental information—such as GHG emissions, energy consumption, water usage, and waste generation by major business sites—as well as any violations of environmental laws through platforms such as the Environmental Information Disclosure System operated by the Korea Environmental Industry & Technology Institute and our Sustainability Report. We strictly comply with all applicable environmental regulations, and there have been no violations of environmental laws over the past three years (2022–2024). Additionally, as SK broadband does not operate any facilities directly involved in product manufacturing or emitting environmental pollutants, we are not required to operate air or water pollution control facilities or environmental monitoring systems.

Participation in Environmental Initiatives

SK broadband is a member of the global initiative RE100, which aims to achieve 100% renewable electricity use. Through this commitment, we are advancing our efforts toward carbon neutrality by transitioning our electricity consumption to renewable energy sources. We also participate in the CDP (Carbon Disclosure Project), a global initiative for climate change response, through which we disclose our GHG emissions and climate strategies. Our efforts have been recognized with the Carbon Management Sector Honors award in the telecommunications category at the CDP Korea Awards for two consecutive years since 2023. The Carbon Management Sector Honors is awarded to exemplary companies in each industry sector among CDP respondents.

RE100 (Renewable Electricity 100%)

A global initiative through which companies commit to transitioning 100% of their electricity use to renewable energy by 2050. Over 400 companies worldwide are participating as of 2024.

RE100

CDP (Carbon Disclosure Project)

A global nonprofit that supports companies and cities in disclosing environmental impacts and managing risks related to climate change, water security, and deforestation.

More than 24,800 companies globally reported their environmental data through CDP as of 2024.

CDP



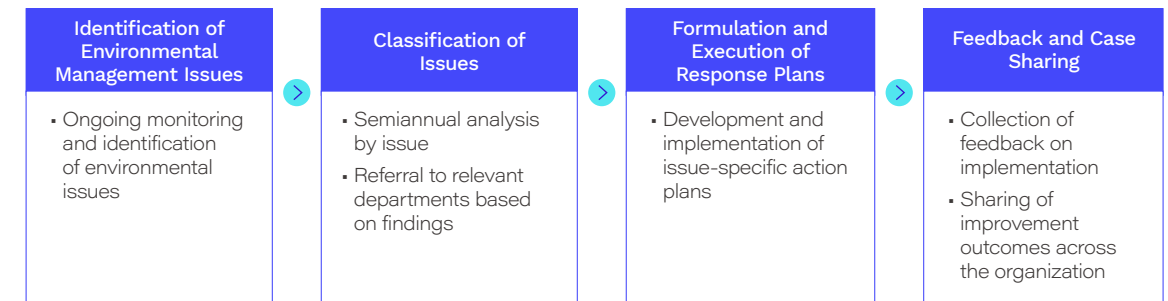
▶ CDP Carbon Management Sector Honors

RISK MANAGEMENT : How We Manage Challenges

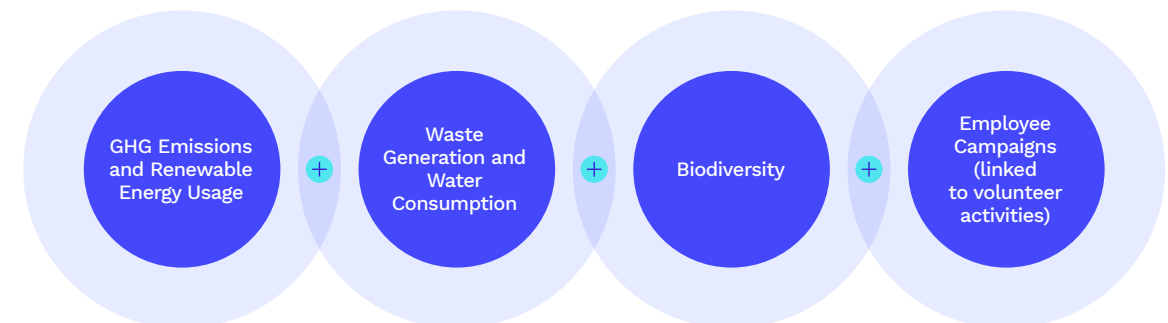
Environmental Management Issue Control

Under the leadership of the ESG Task Force, SK broadband continuously identifies all environmental management-related issues and proactively works to prevent potential negative impacts. Identified risks are categorized and referred to relevant departments, which then formulate and implement response measures. After execution, feedback is collected to monitor progress and drive improvements. Improved cases are shared in key decision-making forums, and the progress of environmental activities conducted by each department is compiled in internal ESG reports to raise awareness among all employees and promote sustainable environmental management.

Environmental Risk Management Process



Key Environmental Risk Management Areas



Advancement of Environmental Management System

METRICS & TARGETS : Where We're Heading

Implementation Roadmap



Advancement of Environmental Management System

METRICS & TARGETS : Where We’re Heading

Metrics

Water¹⁾

Category			Unit	2022	2023	2024
Water Withdrawal	Water Withdrawal	Total ²⁾	ton(m ³)	420,915	497,674	567,505
		Municipal Water	ton(m ³)	420,915	497,674	567,505
		Groundwater	ton(m ³)	0	0	0
		Other (e.g., rainwater)	ton(m ³)	0	0	0
	Withdrawal Intensity		ton(m ³) / KRW 1 billion	101.1	116.23	128.5
	Withdrawal Volume in High Water Stress Areas ³⁾		ton(m ³)	270,895	2,880	4,008
Use	Total Water Use		ton(m ³)	420,915	497,674	567,505
Reuse	Reused Volume		ton(m ³)	0	0	0
	Reuse Rate		%	0	0	0

1) Aggregated data from 12 business sites subject to environmental information disclosure, applicable from 2023 onward
2) 2023 data revised due to aggregation errors
3) Areas classified as "High" or above in water stress according to the Water Risk Atlas (WRI)

Environmental Law Violations

Category	Unit	2022	2023	2024
Number of Violations	cases	0	0	0
Penalties	KRW million	0	0	0
Fines	KRW million	0	0	0

Social

SK broadband is reinforcing its technology-driven competitive advantage by internalizing AI strategy across the organization and advancing AI talent development and service quality. Through AI-based anomaly detection, we enhance service stability, while also developing personalized media offerings to drive a transformative customer experience. At the same time, we are fulfilling our social responsibilities as a trusted partner to employees, business partners, and local communities—pursuing a path where technological innovation and social value grow together.

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Safety and Health	67
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Network Stability and Quality Management	80
Strengthening Information Security System	86
Customer Experience and Service Innovation	95
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Talent Management

GOVERNANCE : Who Leads Our Sustainability

Talent Management

At SK broadband, the top management holds final decision-making authority over all aspects of talent management, regularly reviewing and approving key issues related to talent development as well as initiatives and outcomes that support work-life balance. To enhance strategic execution in talent management, we have established a dedicated organization led by the Chief Human Resources Officer (CHRO), who brings extensive practical experience to the role. Under the leadership of the CHRO, we operate two specialized divisions: the ER (Employee Relationship) team, responsible for corporate culture and labor relations, and the HR (Human Resources) team, in charge of establishing and executing company-wide HR policies.

By separating these functions, we enhance both expertise and operational execution in each area.

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed the key risks and opportunities related to talent management that may arise during business operations.

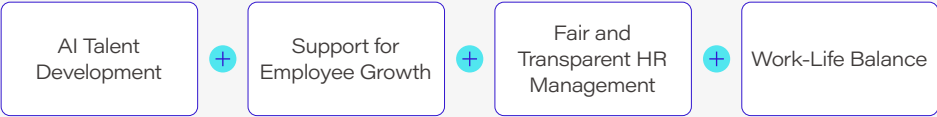
Risks

There is an inherent burden in offering both financial and non-financial incentives to retain and rehire skilled talent. With the acceleration of digital transformation and the expansion of new growth businesses, the importance of securing specialized talent continues to grow. As a result, intensified competition for recruitment, rising labor costs, and the increasing need for internal reskilling and upskilling initiatives are expected to drive up personnel-related expenses. Additionally, labor-management conflicts or disputes may damage corporate reputation and lead to response-related costs. Such issues could also weaken internal trust, thereby impacting organizational stability.

Opportunities

By implementing organizational culture diagnostics, feedback systems, and improved evaluation frameworks, we can reduce employee turnover—leading to savings in recruitment and training costs. By establishing a strategic workforce management plan, we are able to retain key talent and ensure business continuity.

Key Strategies



Talent Management

STRATEGY : What Drives Our Pursuit

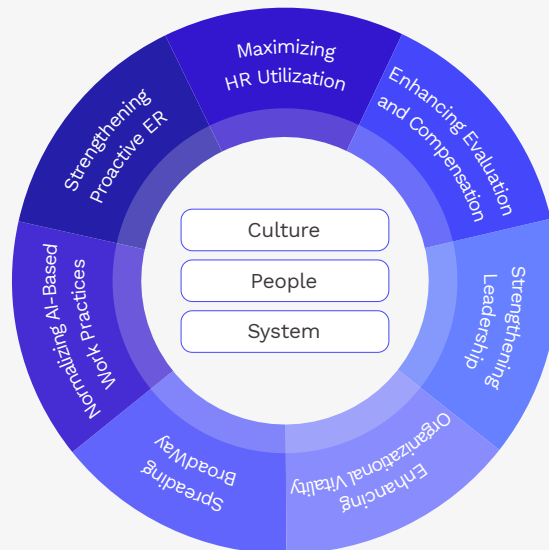
AI Talent Development

To internalize AI strategy execution capabilities across the organization, SK broadband has established seven key implementation tasks encompassing people, systems, and culture, and is systematically carrying them out. In 2025, we established a company-wide AI talent development framework and defined a competency development direction under the theme "AI @ WORK" to strengthen practical application. Based on this, we are enhancing a phased development system comprising "competency assessment – application support – cultural diffusion" through AI competency diagnostics for employees, job-based AI utilization support, and raising AI awareness at the organizational culture level.

Development System

AI @ WORK: Developing AI capabilities linked to work

Seven Key Implementation Tasks



Phased Implementation

Competency Assessment



Introduction of AI Certification System

- Introduced a three-tier certification system for objectively assessing AI competency
- Built an integrated competency management system linked with the myCareer platform¹⁾



Established systematic development plans and provided personalized competency development opportunities

Application Support



Operation of AI Competency Enhancement Programs

- Offered tailored education programs by job and organizational characteristics, as well as level-specific specialized courses
- Fostered AI experts through project and work-centered development



Strengthened the effectiveness of AI utilization through practical, hands-on learning

Cultural Diffusion



Establishment of AI Community

- Built a knowledge-sharing platform to support the formation of a voluntary learning network among employees



Enhanced experiential learning by sharing practical know-how and success cases

¹⁾ myCareer Platform: A platform for managing employee competencies

Talent Management

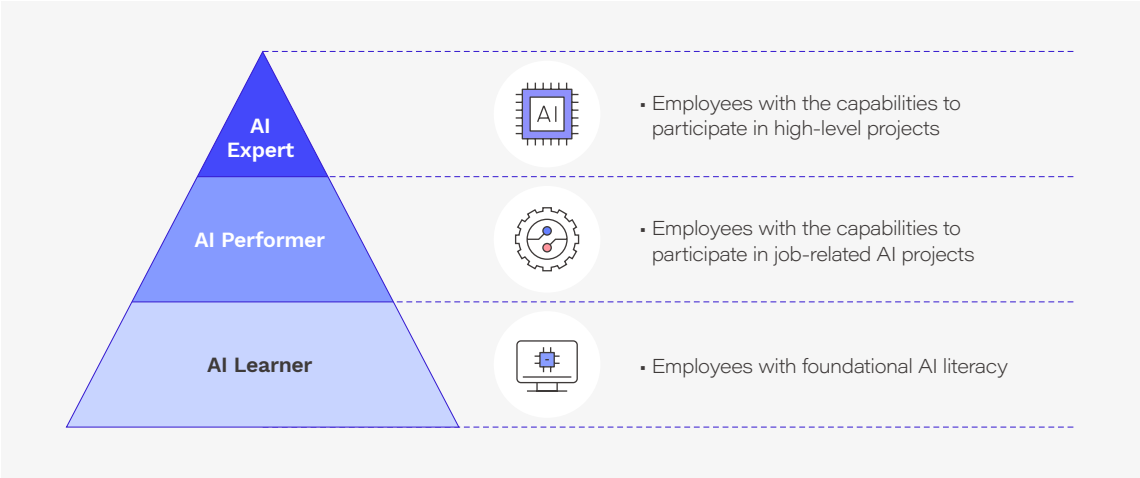
STRATEGY : What Drives Our Pursuit

AI Talent Development

Competency Assessment

To systematically assess and manage employees' AI capabilities, SK broadband introduced the AI Certification System in 2025. This system provides an objective standard for evaluating employees' AI skills and their ability to apply those skills in practice. It classifies employees into three levels based on their AI competency: AI Expert, AI Performer, and AI Learner. The AI Certification System is integrated with the myCareer competency management platform, allowing employees to easily view their AI skills, competency levels, and current status at a glance. Customized development opportunities will also be provided according to each level. We are striving to build a foundation that enables employees to independently design their own AI capability development journey.

AI Certification System



Application Support

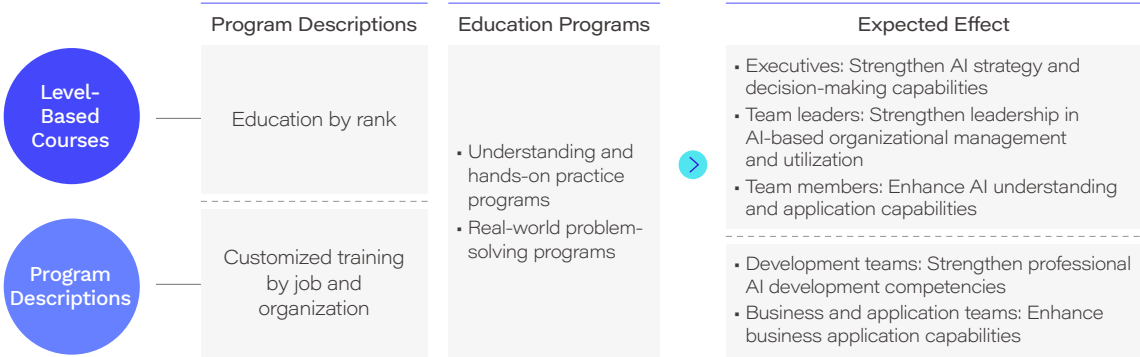
To strengthen the AI competency foundation across the organization, SK broadband operates an AI Literacy education program. This program is designed to help employees systematically build the fundamental skills needed to carry out AI-related tasks.

In 2024, we operated a comprehensive training program consisting of 15 courses held over 103 sessions, effectively helping employees build understanding and basic skills in generative AI. In 2025, we plan to advance the training system so that AI learning leads to practical, work-based competency beyond basic comprehension. To achieve this, we will offer tailored AI training based on employees' roles and organizational characteristics, as well as level-specific courses for executives, team leaders, and team members. We also plan to operate "AI Innovation School," a practical, job-oriented AI expert development program, and implement a project-based learning (PBL) program built around real-world tasks.

Cultural Diffusion

In 2025, we established an "AI Community" to foster a culture of active AI utilization in the workplace and to create an environment that supports shared learning and knowledge exchange. The AI Community enables employees to freely share role-specific use cases and practical knowhow, facilitating the accumulation of AI knowledge within the organization and converting it into real capabilities. In parallel, we launched a voluntary peer learning initiative called "AI Study Mate," where employees form self-directed learning groups. This not only supports mutual skill transfer but also fosters an environment where various ideas for applying AI to work can emerge.

AI Competency Enhancement Training Program



Talent Management

STRATEGY

: What Drives Our Pursuit

Support for Employee Growth

Strengthening Leadership Competency

We are designing programs that enable consistent development of leadership competencies tailored to each leadership stage. For executives, we offer an onboarding course for newly appointed executives to support a swift transition into their roles as organizational leaders. We also provide education on strategic approaches to AI Transformation (AIX) from a leadership perspective. In addition to online learning content based on evaluation data, we provide 1-on-1 customized education consulting based on interviews, supporting both self-reflection and performance generation.

For team leaders, we regularly conduct company-wide team leader workshops to timely share core information such as the roles of leaders, business status, and employee evaluation criteria. These workshops help enhance practical organizational management capabilities while motivating leaders. We also operate customized coaching programs based on performance and leadership evaluation results. In addition, we have launched an anonymous community where team leaders can voluntarily share leadership challenges and experiences, fostering mutual learning and emotional support.

Beginning in 2025, we will identify and develop key talent by categorizing them into three groups: executive candidates, team leader candidates, and junior key talent. To help them prepare for future roles, we offer differentiated development programs according to their growth stages, including company-wide perspective-building, competency enhancement, and leadership development.

Reinforcing SKMS Practice

To strengthen employees' understanding and implementation of SK Group's management philosophy, SK broadband established and executed an action plan in 2024 to raise awareness of SKMS and to restore its core spirit. We operated company-wide Can Meetings and provided SKMS-related lectures. For executives, we created opportunities for exemplary leadership and open discussion on key business issues. We also visualized SKMS practice cases in posters and digital content to share with employees, and expanded communication channels by continuously providing relevant materials through an online platform. As a result of these efforts to deepen empathy for the management philosophy and commitment to practice among employees, the score for the "Understanding of SKMS" item in the 2024 Culture Survey improved compared to the previous year. In 2025, we aim to create an environment in which SKMS is naturally practiced and utilized in everyday business operations.

Education and Support Programs

To foster an environment where employees can learn and grow independently, SK broadband actively utilizes "mySUNI," SK Group's online education platform. Through mySUNI, we are not only establishing a culture of voluntary learning but also offering a wide range of education programs to enhance business expertise. In particular, we are strengthening our company-wide R&D capabilities by providing education on the latest technology trends in parallel with professional job-specific education. This enables us to proactively respond to the changing industrial environment. For the data center business, where specific certifications are required for operations, we offer customized education programs based on the certification requirements of each employee. In addition, we support self-directed growth and career development through programs such as special degree support and professional certification support. We are also revitalizing the job rotation system. For employees who have remained in the same role for more than five years, we actively recommend rotation assignments to provide growth opportunities. In key growth business areas, we strategically allocate talent to enhance the efficiency and flexibility of workforce operations. Furthermore, we provide practical career transition support for retirees, including startup programs and outplacement education offered from six months prior to mandatory retirement.

Major Education Programs

Category	Description	Outcomes
Special Degree Support	• Degree support for leaders and future leader pool	• Master's program at Yonsei University Graduate School of Information (1 graduate and 1 current student as of 2024)
Professional Certification Support	• Support for certification-related education	• External education expenses: KRW 175 million • Number of employees supported: 367
mySUNI	• SK Group online education program	• Average learning time per employee: 83.5 hours

Talent Management

STRATEGY : What Drives Our Pursuit

Fair and Transparent HR Management

Recruitment

At the end of each year, we analyze workforce demand based on our business plans and determine whether to fill positions internally or conduct external recruitment accordingly. We comply with the Fair Hiring Procedure Act throughout the recruitment process and provide fair and equal opportunities to applicants who meet the qualifications listed in each job posting. Our recruitment processes for each employment type are transparently disclosed on the SK broadband website, thereby strengthening trust with applicants. In 2024, we actively promoted internal transfers to reinforce professional capabilities in growth business areas such as Tech and IDC, with a particular focus on reallocating qualified talent to the IDC sector.

Evaluation and Compensation

We implement various systems to ensure a fair and acceptable performance evaluation and compensation structure. All employees undergo 360-degree evaluations twice a year, receiving feedback from both leaders and peers. We continually review the fairness of the evaluation process and the appropriateness of distribution and compensation gaps, and are improving the performance-based compensation system. To increase acceptance of the evaluations, we operate a petition process that allows employees to raise objections to their evaluation results. These results are linked to team-level performance evaluations and are used as the basis for salary increases and management performance bonuses under a “Evaluation → Compensation Matrix” structure. In addition, ESG indicators have been incorporated into the performance evaluations of key executives, embedding a commitment to ESG management throughout the performance management system.

Work–Life Balance

Welfare Programs

SK broadband operates a variety of welfare programs to improve employees’ quality of life and promote work-life balance, including lifecycle-based customized benefits, a flexible working environment, and leisure and lifestyle support.

We provide customized welfare programs that reflect the employee lifecycle, such as family health care, housing stability, and support for family events. For employees who are pregnant or raising children, we support balancing work and caregiving through family care and family relationship enhancement programs.

To ensure employees can rest and recharge adequately, we encourage the use of two recommended leave days each month through the “We-fresh Day” system, and promote vacation use around holidays to foster a flexible vacation culture. To establish self-directed work methods, SK broadband has prepared office spaces, personal Focus Rooms, and Project Rooms so employees can freely choose spaces based on collaborative nature or work concentration level. We also support flexible work hour management through staggered commuting hours and monthly selective work hours systems. We also operate “Life On (PC Off),” a system designed to enhance employee work engagement.

Furthermore, we provide support for in-house club activities and leisure and hobby activities, and operate a work vehicle sharing service for commuting and weekend leisure use, striving to enhance satisfaction in both employees' daily lives and work.

Key Welfare Programs



Talent Management

STRATEGY : What Drives Our Pursuit

Work-Life Balance

Fostering a Flexible Organizational Culture

We have established a shared vision for workplace culture to strengthen the practice of VWBE (Voluntarily, Willingly, Brain Engagement) among employees. Through the introduction of the "Broad Way" concept, we promote creativity, innovation, and fearless challenges, while encouraging a culture of autonomous communication through the "Speak Out" initiative. We also foster engagement and collaboration through team-building programs planned and participated in by employees themselves, as well as idea contests such as "We-Help Day."

Satisfaction and Engagement Management

SK broadband regularly evaluates employee satisfaction with work-life balance and work engagement. Feedback collected through these assessments is reflected in the improvement of various systems and programs. Our engagement survey comprehensively measures employees' sense of belonging and pride in the organization, as well as their sense of achievement and perceived value in their work. The results serve as a foundation for building a healthy work culture and are followed by phased and systematic improvement activities. To establish a corporate culture where employees can consistently feel satisfied and engaged, we continue to enhance and organically integrate various systems and programs.

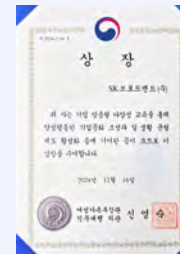
Sound Labor-Management Relations

SK broadband regularly operates the Labor-Management Council to build a trust-based relationship and activate communication between labor and management. Through this council, we continuously strive to improve practical relations by sharing the company's vision and addressing employee grievances. We guarantee workers' rights at all business sites. In cases where changes to employment status or working conditions arise due to managerial reasons, we ensure proactive communication through prior consultation with labor representatives. Labor and management work together to build a stable relationship based on mutual trust, and we are expanding both formal and informal communication channels to ensure ongoing dialogue.

Recognized for Excellence in DEI and Best Family Friendly Management

SK broadband promotes a fair hiring culture by incorporating diversity and inclusion into the evaluation criteria during recruitment, while concealing bias-inducing factors such as gender and academic background. As a result of these improvements, the proportion of women hired has increased, and the turnover rate has decreased. In recognition, we were selected as an excellent company in DEI (Diversity, Equity, and Inclusion) by the Ministry of Gender Equality and Family.

In addition, we received the Best Family Friendly Management Certification from the same ministry in 2024, in recognition of our exemplary operation of family-friendly programs such as childbirth and childcare support, flexible work arrangements, and family care assistance. This certification evaluates both the effectiveness of program implementation and the level of organizational integration, and SK broadband continues to demonstrate strong performance in creating a work culture that values work-life balance.



Talent Management

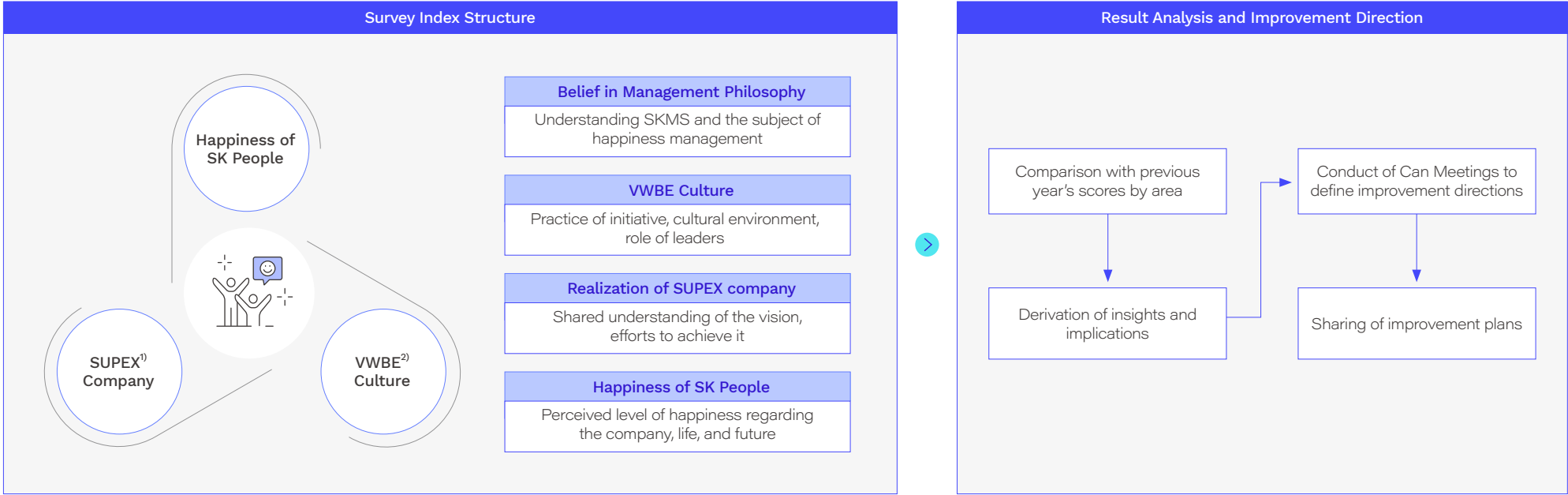
RISK MANAGEMENT : How We Manage Challenges

Organizational Culture Risk Assessment

SK broadband regularly conducts the Culture Survey to assess employees’ understanding, empathy, and practice of SKMS and to identify areas for improvement. The survey consists of four key areas: belief in the management philosophy, perception of the VWBE culture, level of SUPEX pursuit, and Happiness of SK People. It is designed to systematically measure the maturity level of our company-wide organizational culture.

The survey results are shared transparently with all employees. Along with the scores for each area, we provide explanations and implications, helping employees better understand and relate to the company's direction and culture. Based on the findings, we continue to strengthen internal communication and strive to build an environment where a happy corporate culture can flourish together.

Culture Survey



1) SUPEX: Super Excellent
2) VWBE: Voluntarily, Willingly, Brain Engagement

Talent Management

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



Talent Management

METRICS & TARGETS : Where We’re Heading

Metrics

Education¹⁾

Category		Unit	2022	2023	2024
Education Expenses	Total Education Expenses	KRW million	7,518	7,568	6,602
	Education Expenses per Employee	KRW million	2.9	2.9	2.5
Education Satisfaction	Satisfaction Score of Participating Employees	points	4.73	4.74	4.84

1) Data collection standards revised starting in 2024

Category		Unit	2024	Category		Unit	Education Hours per Employee ¹⁾
Curriculum	Number of Education Programs Operated	programs	3,365	By Gender	Male	hours	103
					Female	hours	84
	Number of Program Participants	persons	196,222	By Age Group	Under 30	hours	105
					30 to Under 50	hours	81
	Education Hours per Employee	hours	100		50 and Over	hours	118
				By Position	Executives	hours	62
					Team Leaders	hours	106
					Non-Managerial Employees	hours	100

1) Based on 2024 data

Recruitment

Category		Unit	2022	2023	2024
Total Number of New Hires		persons	364	162	104
By Gender	Male	persons	151	51	34
	Female	persons	213	111	70
By Age Group	Under 30	persons	182	99	55
	30 to Under 50	persons	162	59	42
	50 and Over	persons	20	4	7
Internal Recruitment	Percentage of Open Positions Filled by Internal Candidates	%	95.2	59.3	72.5

Turnover (Resignation)

Category		Unit	2022	2023	2024
Turnover Status (Permanent Employees)	Total Turnover (Permanent Employees) ¹⁾	persons	46	33	41
	By Gender	Male	persons	39	28
		Female	persons	7	5
	By Age Group	Under 30	persons	6	2
		30 to Under 50	persons	22	15
		50 and Over	persons	18	16
Reasons for Turnover	Voluntary Turnover (Permanent Employees)		persons	29	12
	Voluntary Turnover Rate		%	1.1	0.5
Length of Service	Average Length of Service		years	14.5	15.3
	By Gender	Male	years	16.0	17.0
		Female	years	7.0	7.4

1) Turnover data is based on permanent employees

Performance Evaluation

Category		Unit	2022	2023	2024
Overall Performance Evaluation Coverage		%	100	100	100
Performance Evaluation Method	360-Degree Evaluation Coverage		%	100	100
	Management by Objectives (MBO) Coverage		%	100	100
	Ranking Within Same Job Level		%	100	100

Talent Management

METRICS & TARGETS : Where We’re Heading

Metrics

Remuneration

Category			Unit	2022	2023	2024
Average Salary	All Employees ¹⁾		KRW thousand	114,302	116,229	124,568
	By Gender	Male	KRW thousand	121,363	124,777	133,656
		Female	KRW thousand	77,334	76,154	83,724
Highest Salary	Ratio of Highest Salary to Median Salary of Employees (Excluding Highest Paid Employee) ²⁾		times	11	3	10

1) Based on the business report
2) Highest salary / Median salary of all employees excluding the highest paid employee

Category		Unit	2022	2023	2024
Gender Pay Ratio ¹⁾	Base Salary	%	76	93	79
	Base Salary + Incentives	%	63	91	76

1) Based on permanent employees in 2024. Gender pay ratio = Average salary of female employees / Average salary of male employees
(Excludes temporary employees and those who left mid-year. Differences may be attributed to varying average tenure by gender.)

Employee Welfare

Category		Unit	2022	2023	2024
Family Life Support	Family Medical Expense Support	persons	2,245	2,282	2,355
	Family Cancer Coverage Support	persons	10	18	29
	Child Education Expense Support	persons	2,518	2,435	2,412
	Support for Children With Disabilities	persons	22	21	19
	Childcare Center Support	persons	23	21	23
	Family Event Support	persons	639	706	781
	Family Care ¹⁾	persons	963	1,091	968
Flexible Work System Participation Rate ²⁾		%	100	100	100
Long-Term Re-Fresh Leave Recipients		persons	220	577	423
B- Happy Car		persons	1,455	2,345	3,349

1) Includes invitations for children, Children's Day gifts, elementary school entrance gifts, and support gifts for college entrance exam takers
2) Includes all flexible work arrangements, such as selective work hours system and flexible working hours system

Childbirth and Childcare

Category			Unit	2022	2023	2024
Maternity Leave	Users	Total ¹⁾	persons	21	35	40
		Male	persons	14	25	25
		Female	persons	7	10	15
	Return-To-Work Rate After Maternity Leave		%	95	100	97
Parental Leave Users	Users	Total ²⁾	persons	31	38	38
		Male	persons	17	19	20
		Female	persons	14	19	18
Return From Parental Leave ³⁾	Return-To-Work Rate After Parental Leave ⁴⁾		%	88	73	87
	12-Month Retention Rate After Returning From Parental Leave ⁵⁾		%	85	91	91

1) Includes temporary employees from 2023 onward
2) Number of employees who started parental leave in the given year (includes permanent and temporary employees)
3) Data for 2022–2023 revised due to re-aggregation
4) (Number of returnees from parental leave / Expected number of returnees) × 100
5) (Number of employees who remained employed for 12 months after return / Expected number of such employees) × 100

Employee Satisfaction and Engagement

Category		Unit	2022	2023	2024
Satisfaction With Work-Life Balance	All Employees	points	85.7	83.8	85.3
Engagement	All Employees	points	72.3	73.6	74.4
Participation Rate in Satisfaction and Engagement Survey ¹⁾		%	73.0	77.0	74.0

1) Formula: (Number of respondents / Eligible participants) × 100
Eligible participants: permanent employees (excluding dispatched workers, employees on leave, etc.)

Labor-Management Relations

Category		Unit	2022	2023	2024
Labor Union	Union Membership Rate	%	90.1	90.9	92.0
	Eligible Employees	persons	2,033	2,027	2,040
	Union Members	persons	1,832	1,843	1,877
Coverage Rate of Collective Bargaining Agreements		%	100	100	100

Human Rights Management

GOVERNANCE : Who Leads Our Sustainability

Roles and Responsibilities

SK broadband's top management is responsible for overseeing the implementation and performance of our human rights management strategy and activities. The dedicated human rights management team conducts annual human rights impact assessments in accordance with our Human Rights Management Guidelines, and reports the results to top management, enabling regular monitoring and feedback. In addition, the Human Rights Management Council serves as a consultative body to review key human rights-related tasks and issues and to discuss improvement measures. This decision-making structure, along with individual roles and responsibilities, is clearly defined in our Human Rights Policy Statement and Human Rights Management Guidelines, establishing a systematic operational foundation for human rights management across the organization.

Management System

SK broadband's human rights policy is established based on key international human rights guidelines such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. Through the CEO's Human Rights Statement, we have declared leadership in human rights with a commitment to realizing the corporate management value of “maximizing the happiness of employees and stakeholders,” and are promoting human rights management company-wide. The Human Rights Management Guidelines detail the fundamental principles for each area of human rights that must be recognized by all employees—including those in our subsidiaries and temporary positions—as well as stakeholders in business relationships. The guidelines also cover the human rights management system, grievance mechanisms, and human rights impact assessment processes, serving as a practical standard for embedding a culture of respect for human rights.



→ Human Rights Policy Statement



→ Human Rights Management Guidelines

| Core Principles of the Human Rights Management Declaration

- ❶

Prohibition of Discrimination in Employment and Work; Compliance with Working Conditions
- ❷

Guarantee of Freedom of Association and Collective Bargaining
- ❸

Prohibition of Forced Labor
- ❹

Prohibition of Child Labor and Protection of Juvenile Workers
- ❺

Establishment of a Safe Working Environment
- ❻

Responsible Supply Chain Management
- ❼

Protection of Information
- ❽

Protection of Local Community Human Rights
- ❾

Guarantee of Environmental Rights
- ❿

Protection of Consumer Rights
- ⓫

Humane Treatment
- ⓬

Efforts Toward Remedial Action

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed key human rights risks and opportunity factors that may arise during business operations.

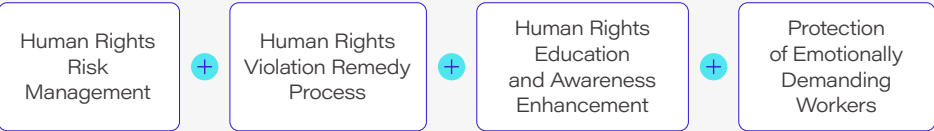
Risks

If human rights violations such as workplace harassment, sexual harassment, or discrimination occur within the organization, and such cases are exposed externally, they may lead to reputational risks, including loss of public trust and potential withdrawal of investment. In particular, violations of labor or human rights laws, or human rights infringements within our partners or supply chains, may result in non-compliance with global supply chain standards, leading to the loss of business opportunities and a decline in corporate competitiveness.

Opportunities

By systematically diagnosing and proactively addressing human rights risks within the organization, we can effectively mitigate legal and reputational risks. Establishing a healthy organizational culture free from harassment and discrimination can reduce employee stress and conflict, while positively impacting engagement and productivity.

Key Strategies



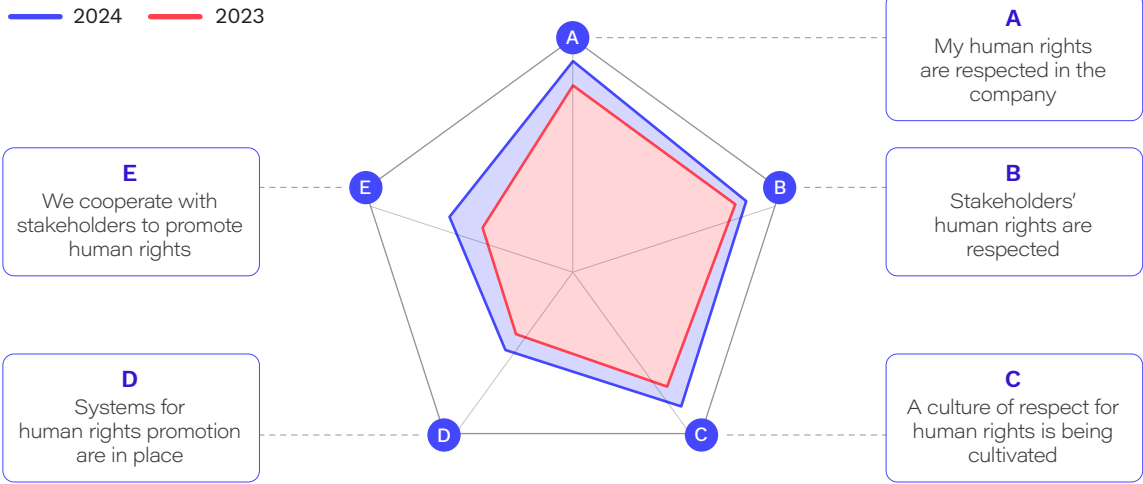
Human Rights Management

STRATEGY : What Drives Our Pursuit

Human Rights Risk Management

SK broadband conducts an annual human rights impact assessment for all employees. Based on the results, we identify areas requiring improvement and derive and review improvement tasks. In 2024, we assessed 32 issues through an employee survey, with a total of 575 employees participating. Based on the results of the previous year's human rights impact assessment, we implemented improvement tasks and conducted Focus Group Interviews (FGIs) with vulnerable groups, which showed a general improvement in awareness of human rights management. We will continue to foster an organizational culture that practices the values of respect and consideration, while expanding our human rights management culture throughout the company.

Key Findings of the 2024 Human Rights Impact Assessment



Human Rights Risk Assessment Items

HR Management Process Recruitment, job/department transfer, performance evaluation and compensation, promotion, and work assignment upon return from maternity and parental leave	Discrimination and Inclusion Gender, age, university background, place of origin, disability, permanent and temporary employee status	Types of Harassment Sexual harassment in the workplace (verbal, physical, etc.), workplace harassment (verbal abuse or profanity, insults, ridicule/defamation, unreasonable work instructions, etc.)	Safe Working Environment Employee working hours management, reduced working hours for pregnant women, employee health management, employee safety and industrial accident management, stress and mental health management
Personal Data Collection/use/disposal of employee and customer personal data and consent procedures at each stage, lawful analysis and utilization when using personal data, stability of company security program operation and personal data breach risk monitoring, personal data breach case management and improvement	Business Partners Abuse of superior bargaining power over partners, working conditions of business partners' employees	Local Communities Deteriorating factors that directly affect local communities and workers, communication with local community stakeholders	Fundamental Labor Rights Forced labor, human trafficking/labor exploitation, child labor, guarantee of freedom of association, equal remuneration

Key Initiatives in 2024

Employee Awareness Improvement	- Distributed the Leader's Guide for Human Rights Protection - Distributed guidance for reporting human rights-related issues
Protection of Stakeholder Human Rights	- Delivered practical letters and video education to employees on workplace harassment and abuse of power - Conducted offline practice workshops
Monitoring and Assessment	Conducted human rights impact assessment and actual condition surveys for vulnerable groups

Human Rights Management

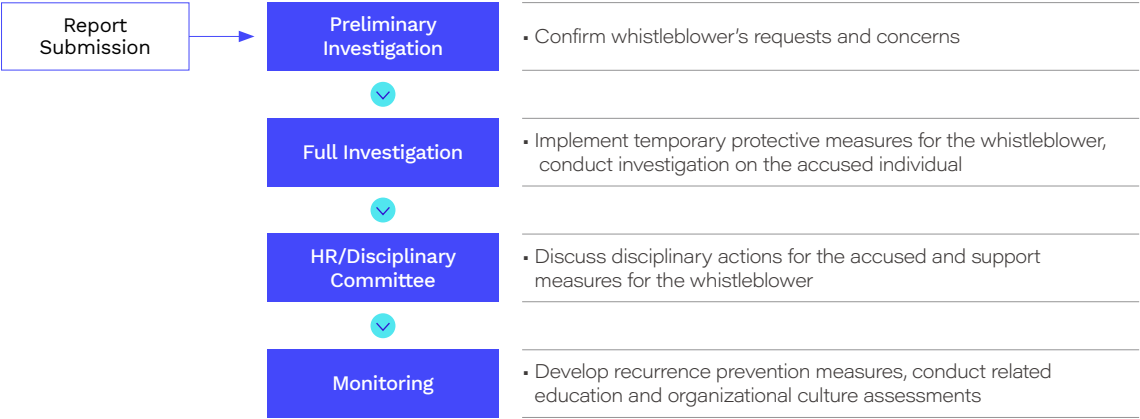
STRATEGY : What Drives Our Pursuit

Human Rights Violation Remedy Process

To respond swiftly and fairly to potential human rights violations that may occur during business operations, SK broadband operates a human rights grievance mechanism. Employees can report incidents such as verbal abuse, physical assault, sexual harassment, bullying, work exclusion, or inappropriate personal requests through both online and offline channels. We ensure the anonymity and confidentiality of whistleblowers to prevent any disadvantage or discrimination.

Once a report is received, an investigation is initiated within three business days and completed within seven business days, following our principle of prompt grievance handling. Based on the investigation results, we implement necessary follow-up measures such as HR actions or system improvements and establish preventive measures to avoid recurrence of similar cases

Human Rights Violation Reporting Process



Human Rights Education and Awareness Enhancement

In 2024, SK broadband prioritized raising awareness of the human rights grievance procedure and implemented initiatives accordingly. We also regularly provide mandatory human rights education to all employees, including sexual harassment prevention training and disability awareness education. In 2025, based on the findings from the 2024 human rights assessment, we designated workplace bullying and sexual harassment—the top two issues identified as “high priority human rights concerns the company should actively manage”—as key focus areas. Accordingly, we will develop and distribute response guides addressing these issues.



Protection of Emotionally Demanding Workers

Due to the nature of their work, customer service agents are frequently exposed to human rights risks. In accordance with the Act on the Prevention of Emotional Labor Abuse, SK broadband protects customer-facing employees from verbal abuse, sexual harassment, threats, and insults by customers or other third parties.

Our protection policies and manuals define unacceptable behaviors and outline appropriate response measures, which are actively communicated through education. In problematic situations, counselors are permitted to end the call first, and are guaranteed break time for mental and physical recovery. Additionally, we operate ongoing mental health support programs, including psychological counseling and regular mental health assessments, to help counselors manage stress and emotional well-being. We also regularly conduct satisfaction surveys related to organizational culture and leadership, using the results to improve working conditions and promote mutual respect campaigns across the workplace.

Human Rights Management

RISK MANAGEMENT : How We Manage Challenges

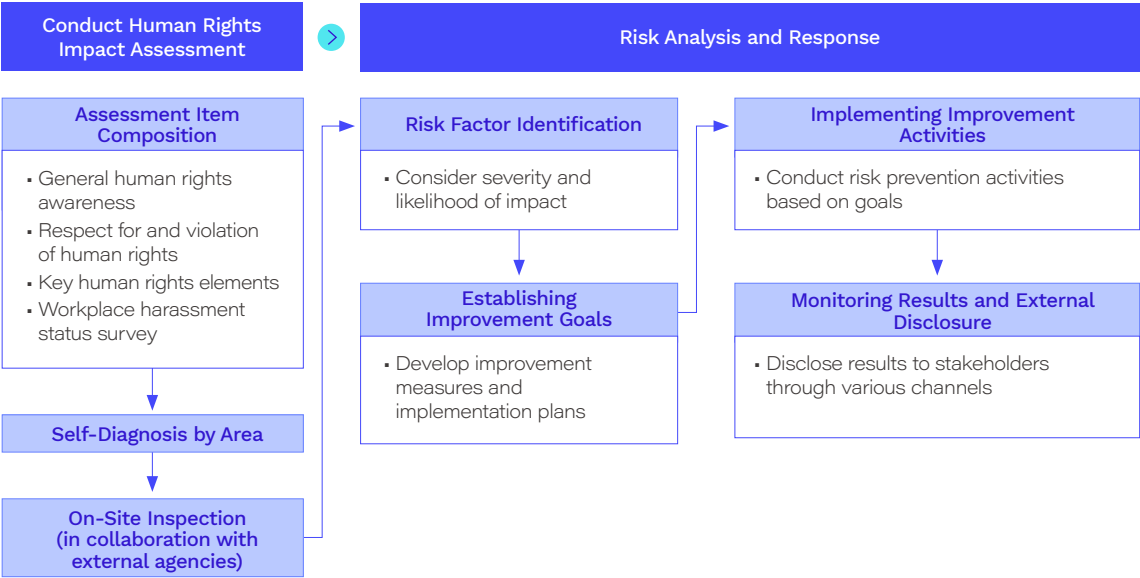
Human Rights Impact Assessment

To assess employees’ awareness of human rights and proactively identify organizational human rights risks, SK broadband conducts an annual human rights impact assessment. The results of this assessment are reflected in our human rights management strategy and action plans.

The purpose of the assessment is to broadly evaluate potential human rights impacts on internal and external stakeholders in areas such as human rights management systems, employment, labor rights, occupational safety, supply chains, and local communities—ultimately aiming to prevent potential human rights violation risks. Based on the assessment results, we derive key improvement tasks and establish and implement detailed action plans accordingly. The implementation status is monitored on a regular basis.

In addition, we conduct supplementary human rights impact assessments for vulnerable groups who are at relatively higher risk of human rights violations. This enables us to preemptively identify and strengthen preventive measures against potential violations.

Human Rights Impact Assessment Process



Subsidiary Human Rights Impact Assessment

To expand the scope of human rights risk management, SK broadband conducted human rights risk assessments for its subsidiaries, Home&Service and Media S. Each company performed self-assessments based on a checklist of key human rights issues. Items identified as insufficient were defined as improvement tasks, and we are actively supporting the necessary conditions to ensure that appropriate actions are taken. SK broadband will continue to identify and address human rights risks across the entire value chain—including not only our directly operated business sites but also our subsidiaries and business partners—in order to minimize any negative human rights impacts.

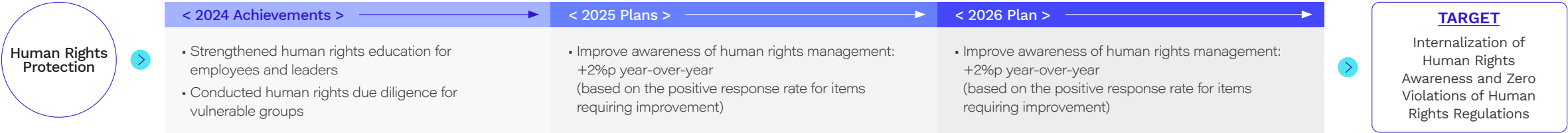
Key Human Rights Risk Assessment Items

Category	Description
Human Rights	- Establishment of human rights policies (e.g., prohibition of discrimination and harassment, guarantee of freedom of association) - Employment of women and persons with disabilities
Safety and Health	- Establishment of occupational safety and health policies - Safe working environment (safety equipment, accident prevention facilities, etc.) - Management of industrial accident rate
Employment	Compliance with labor-related laws and regulations
Working Environment	- Creation of a favorable working environment - Employee grievance handling

Human Rights Management

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



Safety and Health

GOVERNANCE

: Who Leads Our Sustainability

Roles and Responsibilities

The Board of Directors and top management review and approve our occupational safety and health (OSH) policies and plans, playing a key role in establishing a safety and health management system to prevent serious accidents. To strengthen company-wide execution, we operate the Occupational Safety and Health Department under the Chief Serious Accident Prevention Officer (CSPO), which serves as a control tower for systematic management and support. We appoint safety and health managers and supervisors at each business site to strengthen field-based safety and health management. In particular, we have established a redundant management system to separately oversee subcontracted work with a high likelihood of serious accidents, ensuring close supervision. We also link key quantitative safety and health performance indicators to executive performance evaluations and compensation, thereby reinforcing executive accountability in safety and health management.

Committees

We regularly hold meetings of the Occupational Safety and Health Committee and the TBOH Safety and Health Inspection Meeting¹⁾ to discuss major safety and health issues and identify improvement measures. The Occupational Safety and Health Committee is a labor-management consultative body convened quarterly to discuss key safety and health topics and improvement directions. The TBOH Safety and Health Inspection Meeting is held monthly and focuses on sharing safety inspection results from field sites and identifying practical response actions.

1) TBOH Safety and Health Inspection Meeting: A joint meeting involving four affiliates—SK Telecom, SK broadband, SK O&S, and Home&Service

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Key Agenda Items of the Committees

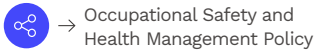
Occupational Safety and Health Committee	TBOH Safety and Health Inspection Meeting
- Reviewed and approved the 2024 safety and health plan - Launched a campaign promoting alcohol abstinence and moderation for employee health - Introduced and implemented the Job Suitability Evaluation System - Strengthened participation in health checkups	- Strengthened safety management for subcontractors - Eliminated gray zones in office building safety management - Shared accident cases and analyzed key takeaways

Management System

Based on our occupational safety and health management policy, SK broadband places the highest priority on the safety and health of our customers, employees, and workers. Through active participation and consistent practice, we aim to achieve our goal of “Zero Serious Accidents.” To this end, we continuously promote our OSH policy and goals by posting them on the company portal and safety and health bulletin boards across all office buildings.

|

Occupational Safety and Health Management Policy



- 1

Company management recognizes safety and health activities as the highest core value in all business operations.
- 2

The company and its members establish and implement systematic plans to eliminate risks and prevent accidents.
- 3

The company and its members abide by and practice the fundamentals and principles to create a safe and healthy workplace as a part of everyday life.
- 4

The company and its members pursue a safety culture that prioritizes and puts safety and health into practice.

Safety and Health

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	Low	Moderate	High
Data Centers	Low	Moderate	Moderate

Low Moderate High

Risks and Opportunities

SK broadband has analyzed key occupational safety and health (OSH) risks and opportunities that may arise during business operations.

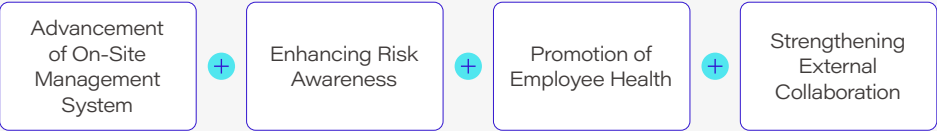
Risks

In the media and fixed-line communication business, there is a risk of falls if proper safety gear is not worn or standard procedures are not followed during elevated work operations. The likelihood of accidents further increases if critical safety rules—such as the two-person team rule during high risk tasks—are not observed. In the data center business, handling mechanical, electrical, and piping systems increases the likelihood of fire. In the event of an incident, the impact could go beyond equipment damage and lead to operational disruptions or even casualties, resulting in largescale losses.

Opportunities

Systematic safety and health management helps reduce the rate of accidents and injuries, which in turn lowers employee absenteeism. In addition, it enhances the company's organizational culture and credibility.

Key Strategies



Advancement of On-Site Management System

Reinforcement of High-Risk Work Processes and System Integration

To ensure the safety of high-risk tasks, SK broadband operates a safety work permit system and pre-task safety briefing meetings. To further strengthen procedural rigor, we made it mandatory to review risk assessment results at the task approval stage. We also established a phase-by-phase inspection system to ensure the effectiveness of safety procedures throughout the task lifecycle. We have improved the process to ensure continuous inspections before, during, and after work, and reinforced implementation to enhance site-level execution.

Since 2023, SK broadband has actively introduced the use of aerial work platforms (AWPs) for high-elevation tasks and developed a scheduling system to manage them more efficiently. The system automatically determines the need for AWP dispatch based on site requirements and matches the request with field personnel. It also minimizes unnecessary deployments and optimizes vehicle operations and site-specific needs. Through this system, we have improved the efficiency of on-site operations while reducing time and cost waste from unnecessary travel, thereby further strengthening the safety of elevated work.

Reinforcement of Safety Work Permit System

Before Work	During Work	After Work
- Task planning and education - Work environment inspection	- Compliance with safety rules - Work environment monitoring	- Accident occurrence check - Worksite cleanup

Safety and Health

STRATEGY : What Drives Our Pursuit

Advancement of On-Site Management System

Identification and Improvement of Field-Based Risk Factors

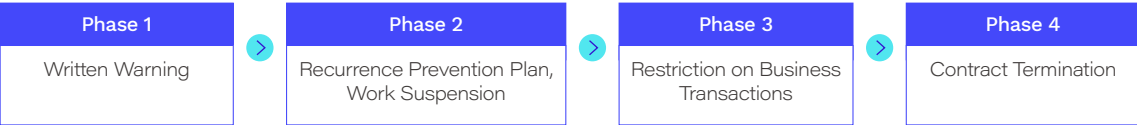
SK broadband continues to strengthen execution to enhance field-oriented safety management and effectively identify and mitigate hazardous risk factors.

In 2024, we increased the number of on-site inspections by 121% compared to the previous year, conducting more systematic checks. We published a casebook of identified risk factors and completed corresponding safety improvements. Through these efforts, we focused on identifying potential risks in advance and applying practical improvement measures to ensure worker safety.

Starting in 2025, we will further tighten compliance with safety rules by enhancing the enforcement criteria for the S.G.R (Safety Golden Rules)¹⁾ to create safer working environments for our business partners' employees.

1) S.G.R (Safety Golden Rules): A set of nine mandatory safety rules established by SK Group that suppliers must comply with to prevent industrial accidents during operations.

S.G.R Enforcement Measures



SK broadband

Unannounced Inspection: ‘Safety Patrol’

Unannounced inspections are conducted without prior notice to verify actual compliance with safety rules in the field. These inspections help detect and correct violations proactively.

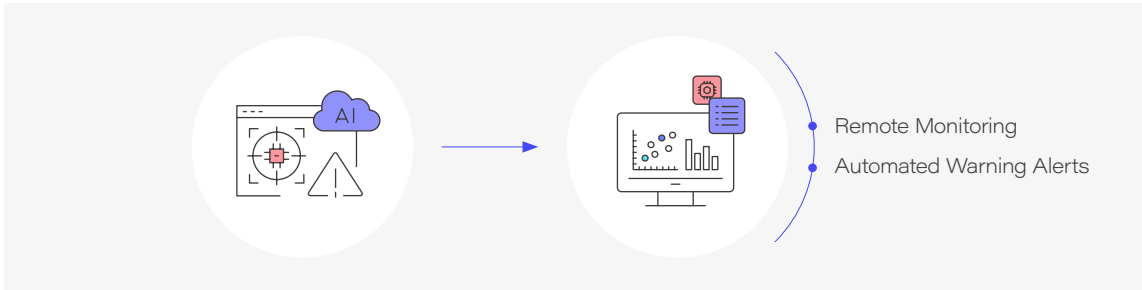
In 2025, we plan to expand the operation of the Safety Patrol to enhance the effectiveness of onsite inspections. We also plan to increase inspections of remote sites to focus more intensively on identifying and improving hazardous conditions at previously under-managed business locations and work areas. Through these initiatives, we aim to raise the overall level of safety management across the company and establish a comprehensive inspection system with no blind spots.

Expansion of Smart Safety Equipment Deployment

To enhance monitoring of night shift workers' health, we distributed smartwatches. This enabled the establishment of a 24-hour monitoring system that activates emergency contact protocols immediately in the event of an emergency during solo night shifts. We also conduct regular emergency response drills to verify that the smartwatch-based monitoring system functions properly.

Additionally, we established an IoT-based confined space monitoring system to monitor worker safety in real time and strengthen prevention of asphyxiation accidents. This system continuously measures oxygen levels and harmful gas concentrations in confined spaces—such as septic tanks and oil storage facilities—and issues instant alerts when abnormalities are detected.

In 2025, we plan to further advance our safety management system by introducing AI-based solutions. As part of this, we are reviewing the adoption of AI CCTV and smart safety harnesses in high-risk areas. The AI CCTV system uses artificial intelligence to detect and issue real-time alerts for abnormal situations such as failure to wear protective gear, forklift collisions, fires, and worker collapses. Smart safety harnesses monitor whether the harness is properly secured in real time and issue immediate alerts if unfastened, helping prevent fall accidents and reinforcing worker compliance with safety protocols.



Safety and Health

STRATEGY : What Drives Our Pursuit

Enhancing Risk Awareness

Employee Safety Education and Campaigns

To strengthen employees' safety competencies, SK broadband provides occupational safety and health education to all employees across the company. We also operate hands-on education programs designed to instill a strong awareness of safety rule compliance, including first aid training, impact simulations involving personal protective equipment (PPE), and virtual reality (VR)-based experiences. In addition to education, we run various campaigns and systems that enable employees to directly participate in and practice safety and health activities.

Safety and Health Campaigns

Safety and Health Poster Production	Posters created directly by employees
Safety and Health Mileage Program	Mileage awarded and prizes given for activities such as certification acquisition, health consultations, and campaign participation
Safety and Health QR System	Platform for employees to report experienced risk factors and share suggestions

T-B Safety Experience Centers



▶ Safe T Center (Daejeon)



▶ SKB Safety Experience Center (Anseong)

Safety and Health Management for Business Partners

In 2024, SK broadband operated a variety of programs to strengthen business partners' safety and health capabilities. We participated in the government-led Large Enterprise–SME Co-Prosperity Program to strengthen collaboration with our business partners and expanded the business partner consulting program we had been operating in-house. We also provided education for the management and safety officers of our business partners to deepen their understanding of safety and health management systems.

In 2025, we plan to further strengthen our business partners' safety and health competencies by adding industry-specific and hands-on training programs.

Business Partner Safety and Health Education

Program Title	Target	Content
Executive Level-Up Education for Business Partners	Executives of business partners with fewer than 50 employees	Discussion on how to respond to the Serious Accidents Punishment Act, methods for establishing a safety and health system, and enhancing executive leadership in safety and health
Large Enterprise–SME Co-Prosperity Consulting	10 business partners including LK TechNet	Consulting and education provided jointly by the government (Ministry of Employment and Labor / KOSHA) and large enterprises to enhance SMEs' safety and health capabilities and strengthen the prevention of serious accidents
KOSHA Seoul Regional Headquarters Advanced Safety Training	T-B-O-H partner site supervisors, safety managers, and operations directors	Advanced safety education conducted in collaboration with SK Telecom and KOSHA Seoul Regional Headquarters (focused on building safety and health management systems and risk assessment techniques)

Safety and Health

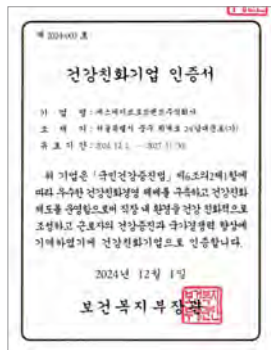
STRATEGY : What Drives Our Pursuit

Promotion of Employee Health

Health Promotion Programs

We operate physical and mental health programs tailored to the nature of different roles—such as office-based and field-based positions—to prevent occupational diseases. Regardless of employment type, we offer various health promotion programs to all employees, including smoking cessation programs, cardiopulmonary resuscitation (CPR) training, mobile health counseling services, and delivery of health checkup reminders. We also conduct musculoskeletal risk factor assessments and implement preventive and mitigation measures. Additionally, we offer job stress assessments and psychological counseling to help employees manage stress and mental health challenges. Beginning in 2024, we started offering personalized health challenge programs—including exercise, diet, and stretching—based on data collected from health checkups, surveys, and counseling outcomes. In 2025, we plan to further enhance our approach by providing individually tailored health reports with lifestyle recommendations by disease type, along with specialized programs for smoking cessation, obesity management, and metabolic syndrome management.

As a result of these efforts, SK broadband was certified as a Health Friendly Workplace in 2024 by the Ministry of Health and Welfare. The Health Friendly Workplace Certification Program recognizes companies that create a health-promoting workplace environment and support employees in managing their health independently. SK broadband continues to operate a wide range of programs aimed at promoting health and is committed to fostering a strong culture of wellness in the workplace.



▶ Health-Friendly Workplace Certificate

Strengthening External Collaboration

Promoting a Culture of Safety

To help spread a culture of safety across industries and the public, SK broadband signed a Memorandum of Understanding (MOU) with the Ministry of Employment and Labor. Through this agreement, we plan to publicly share safety culture promotion content—such as serious accident prevention, risk assessment, and workplace safety management systems—produced by the regional labor offices and the Korea Occupational Safety and Health Agency (KOSHA), using channels like B tv and billing notices.

We are also expanding safety and health operations in collaboration with the nation's four major telecom companies. This includes sharing and co-developing educational materials and holding discussions to jointly establish safety infrastructure for broadcasting relay equipment. Through these collaborative efforts, we aim to raise the overall level of safety management across the industry and create a more effective safety and health education environment.

Safety and Health

RISK MANAGEMENT : How We Manage Challenges

Accident Prevention and Response Process

Occupational Safety and Health Compliance Inspections at Business Sites

To ensure full compliance with occupational safety and health laws and to prevent risks, SK broadband conducts regular compliance inspections at all business sites. We carry out legal compliance inspections twice a year (once each in the first and second halves) across all sites, thoroughly reviewing adherence to key safety and health regulations, including the Serious Accidents Punishment Act. Inspection results are shared through safety and health bulletin boards and internal committees. Based on these findings, we identify improvement areas and implement practical measures to enhance occupational safety and health. As of 2024, we conducted inspections of the safety and health management systems at 10 business sites, reviewing 323 items from relevant regulations. We continue to monitor legal compliance on an ongoing basis. In addition, we carried out special inspections across all business sites to prepare for natural disasters, and conducted a separate safety inspection of data center facilities to reassess our fire response systems—reinforcing our preventive inspection activities.

Risk Assessment

SK broadband conducts regular risk assessments across all business sites to proactively identify hazardous and risk factors and prevent safety incidents. Based on the results of these assessments, we establish and implement improvement measures, and report implementation status to the relevant departments and personnel. We also prioritize identified risk factors and implement corresponding corrective actions, along with recurrence prevention measures to avoid repeated exposure to the same type of risk.

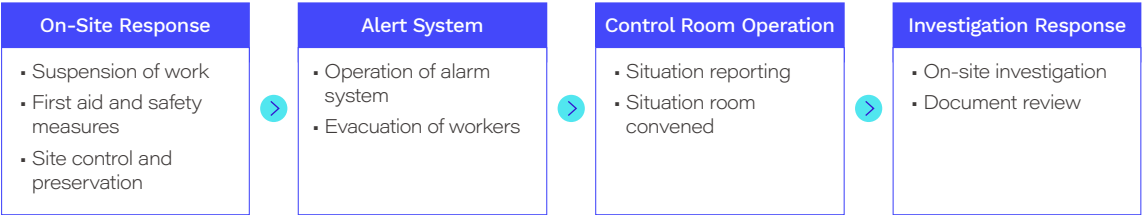
Risk Assessment Process



Emergency Response Drills

To ensure prompt response in the event of a serious accident, we operate an emergency response process and conduct regular drills based on realistic scenarios. Emergency drills are composed of four stages—on-site response, alert system operation, control room activation, and investigation response—aimed at strengthening on-site response capabilities.

Scope of Emergency Response Drills



Accident Response

SK broadband has established a Serious Accident Response Manual outlining procedures for onsite measures, communication, control room operations, and post-incident investigation, reporting, and resolution. In the event of a serious accident, we prioritize immediate response and proceed with investigations and recovery. We then establish recurrence prevention measures to ensure that similar incidents do not happen again.

Safety and Health

METRICS & TARGETS : Where We're Heading

Implementation Roadmap

Safety Management

➤

Health Management

➤

< 2024 Achievements > ➤	< 2025 Plans > ➤	< 2026 Plans > ➤	➤
Relocated facilities and established systems to prevent accidents involving employees and business partners	Internalize autonomous safety management (Achieve zero deficiencies in safety and health management system compliance inspections)	Advance AI-based safety management system	TARGET Zero Serious Accidents
- Advance data-driven employee health management - Achieve 390% participation rate in employee health programs	Operate personalized health management programs	Promote employee-led health culture for routine wellness management	TARGET Zero Occupational Illness Frequency Rate

Metrics

Industrial Accidents

Category			Unit	2022	2023	2024
Lost Time Injuries ¹⁾ (LTI)	Number of LTIs	Employees + Business Partners	cases	53	65	62
		Employees	cases	0	0	0
		Business Partners	cases	53	65	62
	Lost Time Injury Rate ²⁾ (LTIR)	Employees + Business Partners	Per 200,000 hours	0.33	0.41	0.39
		Employees	Per 200,000 hours	0.00	0.00	0.00
		Business Partners	Per 200,000 hours	0.40	0.49	0.47
Fatalities	Number of Fatalities	Employees	cases	0	0	0
	Fatality Rate	Employees	%	0	0	0

1) Corrected due to data aggregation errors in 2022 for business partners
2) Lost Time Injury Rate (LTIR): (Number of incidents with at least one day of lost work / Total hours worked) × 200,000

Category			Unit	2022	2023	2024
Industrial Accidents	Number of Serious Accidents ¹⁾	Employees	cases	0	0	0
		Business Partners	cases	0	0	0
	Number of Industrial Accidents	Employees	cases	0	0	0
		Employees	%	0	0	0
Work-Related Illness	Number of Work-Related Illnesses	Employees	cases	0	0	0
	Occupational Illness Frequency Rate ²⁾ (OIFR)	Employees	Per 200,000 hours	0	0	0

1) A major industrial accident is defined as an accident that results in one or more fatalities, an accident that simultaneously causes injuries to two or more people requiring treatment for three months or more, or an accident that simultaneously causes injuries or occupational diseases to 10 or more people
2) Occupational Illness Frequency Rate (OIFR): (Number of work-related illness cases / Total hours worked) × 200,000

Safety and Health

METRICS & TARGETS : Where We’re Heading

Metrics

Safety and Health Education

Category		Unit	2022	2023	2024
Education Participation	Participants	persons	2,425	2,401	2,119
	Completion Rate	%	100	100	100
Education Hours	Education Hours	hours	58,200	57,624	25,428
	Education Hours per Person ¹⁾	hours	24	24	12

1) A 50% exemption on required training hours was applied in 2024 due to no recorded industrial accidents in 2023 (pursuant to Article 27 (1) of the Enforcement Rule of the Occupational Safety and Health Act)

Violations of Safety and Health Laws

Category		Unit	2022	2023	2024
Number of Violations		cases	0	0	0
Penalties		KRW million	0	0	0
Fines		KRW million	0	0	0
Non-monetary Sanctions		cases	0	0	0

Health Support

Category		Unit	2022	2023	2024
Health Checkup		persons	2,460	2,552	2,574
Medical Expense Support ¹⁾		persons	2,084	1,747	2,269
Vaccination Support		persons	623	966	947
Smoking Cessation Clinic Support		persons	12	18	15
Spring Wellness Walk Program		persons	350	1,090	1,550
Club Activity Support		persons	1,112	1,219	1,293
Health Challenge Program		persons	1,374	932	935
Health Counseling Services		persons	-	570	634

1) Data recalculated for 2022–2023 based on refined estimation criteria

Hazardous and Risk Factors

Category			Unit	2022	2023	2024
Identified Cases			cases	183	187	187
Corrective Actions ¹⁾	Total		cases	183	187	187
	Category	Elimination	cases	79	81	81
		Substitution	cases	39	39	39
		Control	cases	65	67	67

1) Since 2020, SK broadband has conducted risk assessments across all business sites, classifying hazards into three risk levels: Critical, Major, and Minor.

- Elimination: When the risk level of a Critical or Major hazard is downgraded to Minor through mitigation.
- Substitution: When the risk level of a Major hazard remains Major after substitution.
- Control: When the risk level of a Critical hazard is downgraded to Major through control measures.

Sustainable Supply Chain

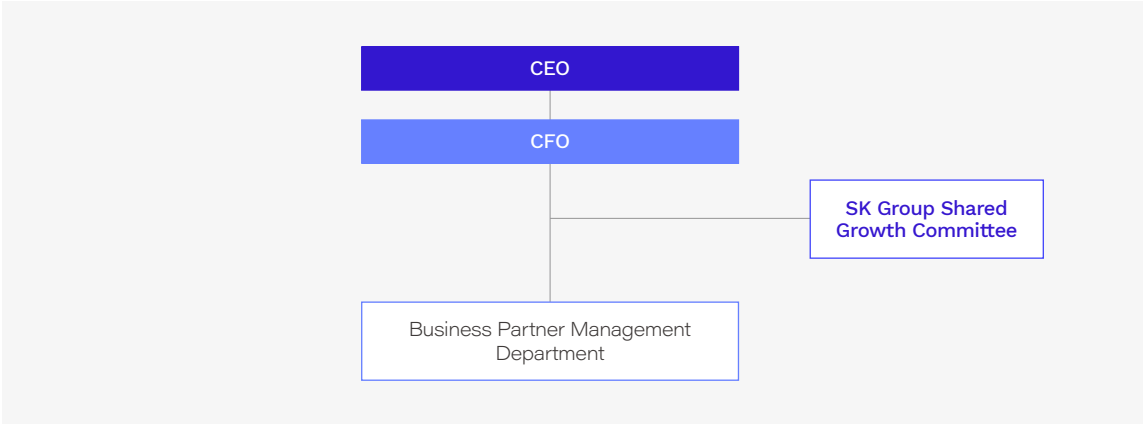
GOVERNANCE

: Who Leads Our Sustainability

Roles and Responsibilities

Our top management reviews and approves the strategic plans for shared growth initiatives implemented with our business partners. We have designated the Chief Financial Officer (CFO) as the chief officer responsible, given their extensive expertise and experience in the relevant field. The CFO manages and oversees all matters related to shared growth and business partner support. The dedicated department is responsible for conducting ESG diagnostic assessments, monitoring the results, and developing and operating shared growth programs. Key performance outcomes related to these efforts are linked to executive performance evaluations to strengthen management accountability for sustainable business partner practices.

Organizational Chart



Management System

To enhance our industry competitiveness through mutual growth with our business partners, we have established the “Business Partner ESG Code of Conduct” applicable to all business partners. This Code covers key areas such as environment, safety and health, labor and human rights, and ethical management. All business partners are required to agree to comply with the Code of Conduct by signing a pledge at the time of contract execution. We also operate a management system that allows us to request corrective actions if a business partner fails to comply with the Code.

Business Partner ESG Code of Conduct

📄

→ Pledge to Comply with the Business Partner ESG Code of Conduct

Environmental Management	Safety and Health Management	Labor and Human Rights Management	Ethical Management
▪ Establishing environmental management goals ▪ Eco-friendly products/ services ▪ Climate change response ▪ Pollution prevention and waste management ▪ Protection of natural capital	▪ Occupational safety ▪ Prevention of industrial accidents and diseases ▪ Hygiene ▪ Food and housing ▪ Safety and health communication	▪ Prohibition of forced labor ▪ Prohibition of child labor ▪ Compliance with working hours ▪ Wages and benefits ▪ Humane treatment ▪ Prohibition of discrimination and harassment ▪ Freedom of association	▪ Integrity ▪ Fair trade ▪ Information security ▪ Information disclosure ▪ Protection of intellectual property ▪ Whistleblower protection ▪ Prohibition of conflict minerals and responsible sourcing of minerals

Sustainable Supply Chain

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed the key supply chain risks and opportunities that may arise in the course of our business operations.

Risks

SK broadband recognizes that supply chain risks can directly and indirectly affect our profitability. If a business partner experiences issues with service quality, it may lead to customer dissatisfaction and attrition, which could negatively impact the credibility of our brand.

Opportunities

By securing sustainable business partners and promoting shared growth, we have the opportunity to enhance our market competitiveness and expand our market share. Entering into strategic partnerships to secure supply chain stability and maintaining financial soundness through long-term collaboration with our business partners can also serve as important opportunity factors.

Key Strategies



Strategic ESG Risk Management

In 2024, we conducted ESG assessments on 50 key business partners. As a result, the proportion of low-risk business partners increased from 60% in 2023 to 94% in 2024. We encouraged participation by expanding practical support such as giving priority access to our shared growth programs and recommending assessed business partners as candidates for the Shared Growth Fund. Additionally, business partners with excellent assessment results are awarded additional points in non-price evaluation criteria during competitive bidding processes, thereby encouraging ongoing ESG improvement efforts. In 2025, we plan to conduct ESG consulting for business partners classified as high-risk or near high-risk to implement proactive risk management. We will also expand the incentives offered to high-performing partners.

Comprehensive Improvement Consulting Support

To support the sustainable management and competitiveness of business partners with high ESG risks—including those assessed as high-risk or medium-risk nearing high—we provide comprehensive improvement consulting. This consulting includes explanation of ESG assessment results and provision of guidance for implementing improvement tasks. We also continuously monitor and review our business partners' progress in implementing improvement tasks to verify completion. In 2024, we supported comprehensive improvement consulting for a total of 13 business partners. As a result, all 13 companies are expected to improve their level of ESG management.



Sustainable Supply Chain

STRATEGY : What Drives Our Pursuit

Strengthening Co-Prosperity Systems and Competitiveness

SK broadband provides customized support across a range of areas—including finance, technology, education, and communication—to build long-term, sustainable partnerships with our business partners. In 2024, we hosted the Shared Growth CEO Seminar to enhance communication with executives of our business partners and operated the Shared Growth Team Leader School, a program aimed at strengthening the managerial capabilities of mid-level managers. To support the financial stability of our business partners, we strengthened our coprosperity system by forming alliances with financial institutions to ease funding burdens and help build a foundation for sustainable growth.

Shared Growth Programs

Category			Description
Strengthening Co-Prosperity System	Finance	Shared Growth Fund	• We deposit funds with financial institutions to create a fund that offers low-interest loans to small and mediumsized business partners for facility purchases and operational expenses (KRW 500 million contributed).
		Interest Support Program	• We provide interest support programs in collaboration with KB Kookmin Bank, Shinhan Bank, and others.
		Immediate Payment System	• To support the cash liquidity of small and medium-sized business partners, we provide early payment for transactions (100% cash payment in advance before major holidays such as Lunar New Year and Chuseok).
	Technology	Technology Escrow System	• This system allows small enterprises to deposit their developed technologies with the Foundation for Large & Small Business, Co-prosperity and Farming & Fishing Cooperation to reduce the risk of technology leakage. In the event of the small enterprise's bankruptcy or closure, the deposited technologies may be used securely by the large enterprise.
	Communication	Management Consulting	• Hosting ESG assessment result briefings.
Competitiveness Enhancement	Education	CEO Seminar	• Breakfast seminars aimed at enhancing insight for business partner executives. • Lectures by experts in management/economy, AI, and leadership, along with networking opportunities. • Held four times in 2024 with participation from three companies.
		Shared Growth Team Leader School	• A comprehensive leadership development program for middle managers at business partners. • Training across three areas: selfmanagement, task management, and team member management; delivered both online and offline. • One session held in 2024 (two months), with participation from three companies.
		Online Education Platform	• Providing educational content via mySUNl. • About 350 online courses in six areas, including ESG and management. • Open to all interested business partners.
	Biz.	Business Recruitment Fairs	• Conducted offline in collaboration with KB Kookmin Bank (seven companies participated in 2024).

Enhancing Communication with Business Partners

 → Ethical Management Site

Through our Ethical Management site, SK broadband enables business partners to freely report issues related to misconduct and unfair business practices. We ensure thorough investigations and follow-up measures for reports involving misconduct, abuse of power, bribery or entertainment, personal demands, equity investments, unjust instructions, verbal abuse, and physical assault. We give top priority to protecting the identity of whistleblowers and operate a whistleblower protection system to ensure that no disadvantage is suffered as a result of making a legitimate report.

Online Education Platform

Experience New Growth with mySUNl

Future-Oriented Thinking

Digital & Data

Problem Solving

Business

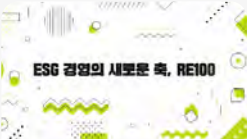
Leadership



테슬라의 사이버캡



[챗GPT] 챗GPT 활용 노하우



[깨끗한 지구] 기후변화와 에너지산업의 운명



ESG 우수 기업, 무엇이 다른가

Sustainable Supply Chain

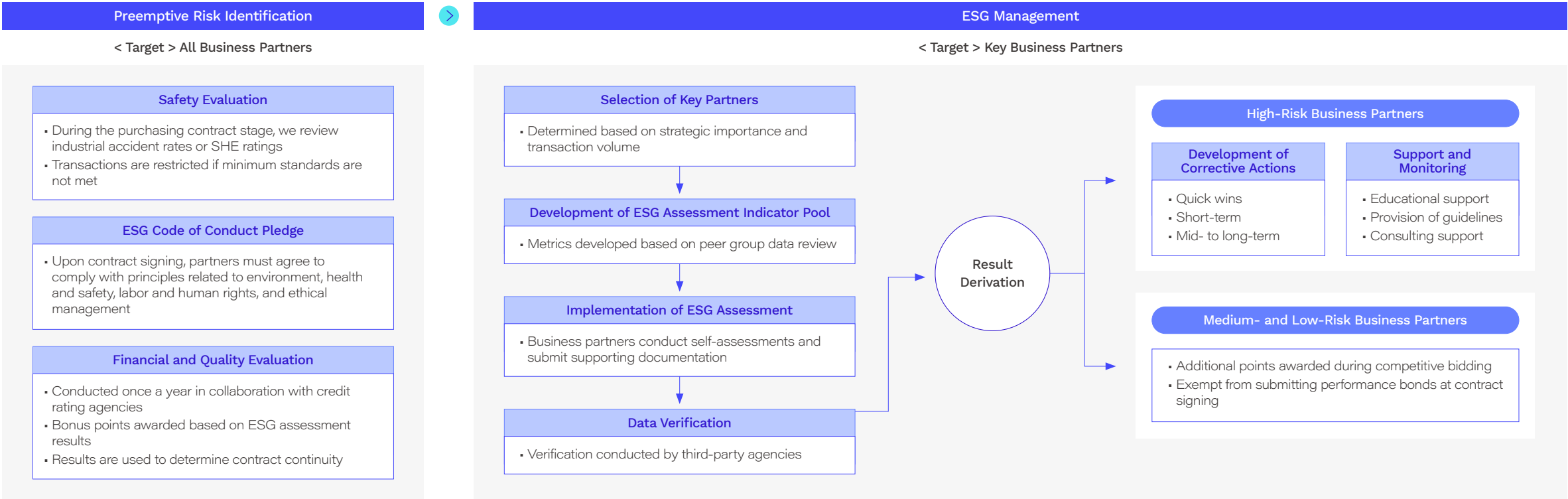
RISK MANAGEMENT

: How We Manage Challenges

Business Partner Management

SK broadband operates a system for preemptive risk identification and ESG assessments to systematically manage ESG risks within the supply chain. At the purchasing contract stage, we conduct safety evaluations of business partners to verify whether they meet basic safety standards. Partners that fail to meet the minimum criteria are restricted from entering into transactions. In addition, all business partners signing contracts with SK broadband must submit a signed ESG Code of Conduct Pledge, committing to uphold principles related to the environment, health and safety, labor and human rights, and ethical management. Even after a contract is signed, business partners undergo annual financial and quality assessments to evaluate their management status, which helps us maintain sustainable business relationships. We select key partners for focused management by comprehensively considering factors such as strategic importance and transaction volume. ESG assessments are then conducted in collaboration with third-party institutions. Based on assessment results, we require high-risk partners to implement corrective action plans, while also providing support and monitoring their progress. For medium- and low-risk partners, we offer incentives such as awarding additional points in competitive bidding processes and exempting them from submitting performance bonds at the time of contract execution.

Management Process



Sustainable Supply Chain

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



Network Stability and Quality Management

GOVERNANCE

: Who Leads Our Sustainability

Roles and Responsibilities

We manage, supervise, and monitor network quality in a systematic manner through the Service Quality Improvement Meetings led by the Head of the Network Infra Center and the Stable Operation Council joined by key executives. The Service Quality Improvement Meetings provide regular updates on network quality status and major issues, and incorporate related risks and opportunities into the establishment of management plans and strategic direction.

The Head of the Network Infra Center, a seasoned expert with over 30 years of experience in network quality management, oversees the maintenance and improvement of network quality. The core performance indicator (KPI) “Zero Major Failures” is set and linked to performancebased compensation. Additionally, the responsible departments for each area and dedicated departments at regional central offices systematically manage network service levels and play a critical role in ensuring stable service delivery.

STRATEGY

: What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed key quality-related risks and opportunities that may arise during business operations.

Risks

In the media and wired telecommunications business, a decline in service quality may erode consumer trust and lead to customer attrition. There is also a risk of increased compensation costs in the event of service outages. In the data center business, uninterrupted power supply is essential. Inadequate maintenance of facilities and equipment may pose a risk to service stability. Such issues may impact not only our corporate credibility but also our customers' operational environments.

Opportunities

Stable infrastructure operations and continuous quality improvement can enhance our competitiveness and build greater customer trust. Securing the stability of our network and data center infrastructure can help improve customer retention and attract new customers. Additionally, optimizing the infrastructure life cycle may help minimize financial losses.

Key Strategies



Network Stability and Quality Management

STRATEGY : What Drives Our Pursuit

Strengthening AI-based Early Sensing of Anomalies

Real-Time Integrated Monitoring

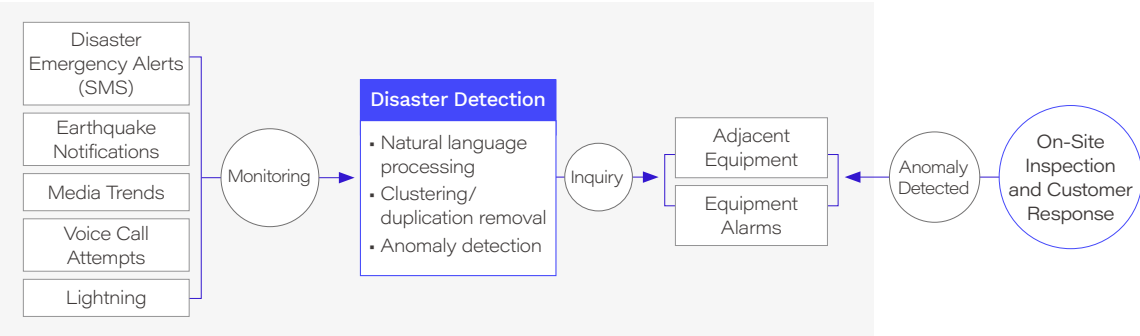
SK broadband has established a real-time integrated monitoring system to continuously enhance our fault response capabilities and the precision of network operations. Through a centralized system overseeing the Network Management System (NMS), we link various data sources—including VoC¹⁾, Syslog²⁾, and CEI³⁾—via an integrated database to predict failures in advance and, in the long term, to lay the foundation for developing value-added features. This system enables us to provide integrated connection information across the entire network—from the subscriber network to transmission and IP networks—enhancing real-time performance visibility and the monitoring environment, while also improving our response speed in the event of a failure. Furthermore, by integrating company-wide data, we have improved interdepartmental operational support as well as the reliability and consistency of network status information.

1) VoC: Voice of Customer
2) Syslog: System Logging Protocol
3) CEI: Customer Experience Index

AI-Based Disaster Detection Automation

We have strengthened our ability to respond quickly and accurately to disaster and emergency situations by leveraging an AI-based automatic detection system. The system senses issues in real time by collecting external data such as emergency alerts, earthquake notifications, lightning strikes, and media reports. It then automatically determines the status and fault conditions of nearby communication infrastructure, enabling swift on-site response.

AI-Based Disaster Detection System



Establishment of International Circuit Management System

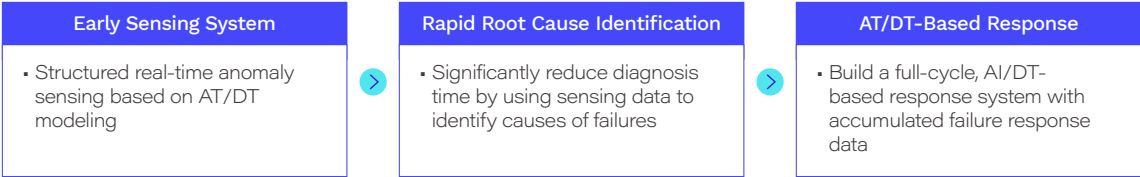
SK broadband manages international circuits through an integrated system based on submarine cable route information. By automating traffic forecasting and route design, we expand circuits in a timely manner, unify the management of circuit status, operations, and failures, and improve operational efficiency while minimizing failure risks through the distribution of submarine cable traffic. We are also improving the efficiency of international IX⁴⁾ design by configuring optimal routes by country.

4) IX: Internet eXchange

AI-Assisted Advancement of Customer Experience Index (CEI)

To identify key insights from a comprehensive customer perspective, SK broadband has developed and implemented the Customer Experience Index (CEI), which reflects customers' actual perceived service quality. The CEI includes indicators such as internet usage stability, access speed, page loading speed, and upload/download speed. It is designed to detect and resolve potential quality degradation before the customer perceives any issues. In 2025, we plan to enhance early sensing capabilities based on AT/DT modeling and establish a process that leverages AI to enable rapid root cause analysis and response.

AI/DT-Based Early Sensing and Response Process for Anomalies



Network Stability and Quality Management

STRATEGY : What Drives Our Pursuit

Securing Stability Through Infrastructure Advancement

Enhancing Line Stability

To improve network stability, SK broadband is advancing its line quality and management systems. In areas with high concentrations of subscribers or facilities, multiple cables may be installed along the same route, or services may not be diversified. To fundamentally address these potential failure factors, we are continuously implementing measures such as line dispersion in densely cabled sections, network redundancy focused on multi-dwelling units, and redundancy of central office feeder lines. We are also preemptively detecting and preventing failures caused by external factors through multiple initiatives: installing IoT vibration detection sensors in critical manholes, piloting functional CCTVs with AI Vision (image pattern analysis), and establishing collaborative frameworks with public institutions and private companies. Additionally, we are applying on-site solutions and conducting training to shorten restoration times in the event of major failures. These include the deployment of overhead line installation kits and fiber core misalignment prevention kits—reinforcing our emergency restoration system.

Strengthening Submarine Cable Network Stability and Security

To enhance the stability and security of our network, we have expanded our submarine cable monitoring system. In addition to the existing 100km monitoring coverage in the Busan and South Gyeongsang coastal regions, we have added the 180km coastal waters of Jeju, bringing total monitoring coverage to 280km. This extended system allows us to detect intrusions by vessels in real time and identify detailed information, reinforcing our overall response framework.

Building the Next-Generation IP Backbone Network

To prepare for the surge in high-volume traffic from AI, cloud services, and other technologies, SK broadband has introduced a next-generation IP backbone network—the core infrastructure of our network. We have transitioned from the traditional IP/transport hybrid network to a Routed Optical Network (RoN)-based single IP network, significantly improving network management efficiency. This technology allows us to process traffic at 400Gbps intervals, up from the previous 100Gbps, and integrates the core transport technology—Wavelength Division Multiplexing (WDM)—directly into the network router. As a result, long-distance data transmission becomes possible without the need for separate transport equipment. This not only dramatically improves traffic processing speed but also reduces infrastructure investment costs. We have completed testing on the Seoul-to-Busan backbone network segment and plan to expand implementation across all national backbone network routes.

Advancing Next-Generation Internet Technologies

We are implementing network redundancy using virtualization technologies, enabling uninterrupted service delivery without changing the existing access network configuration. This ensures rapid restoration even in the event of network failures. In addition, we are developing high-resolution 3D conversion and generative AI-based media services using AI-powered media technologies. These technologies enable more efficient automated production of large-scale video content, reducing both production time and costs, while continuously advancing our capabilities to deliver ultra-high-definition (UHD) and immersive media experiences.

Next-Generation Internet

Application of Advanced Technologies and Testing/ Verification	• Equipment and terminal feature and environmental security testing • Certification from standard and reliability authorities • Commercialization following Benchmarking Test (BMT)-level validation
Development and Application of Differentiated Services	• Development of AI-based high-resolution 3D services • Application in social media (e.g, metaverse), healthcare (e.g, therapeutic playback of family videos), and other industries
Activation Support and Promotion	• Formation of consortium (telecom operators, equipment vendors, research institutes) • Media promotion and exhibitions • Patents, academic papers, and seminars

Network Stability and Quality Management

STRATEGY : What Drives Our Pursuit

Enhancing Failure Prevention Activities

Telecommunication Disaster Recovery (DR) Process

To minimize social and national losses caused by telecommunication disasters and to enable swift restoration in the event of such disasters, we operate a dedicated Disaster Recovery (DR) Task Force. The Task Force is composed of executives responsible for infrastructure and services across SK broadband Family companies. It oversees all domains—including wired and media infrastructure, data centers, internal IT, and customer service—to ensure rapid and effective restoration in the event of disasters such as fires or war.

We also manage critical assets using a tiered importance system (S, A, B) as part of a structured disaster response approach. Tiers are determined by comprehensively considering financial impact, service characteristics, and user scale. These designations serve as the foundation for establishing our network inspection and investment strategies. We have developed and are implementing a phased detailed safety inspection plan for central offices, and we plan to continue conducting regular safety checks and diagnostics of key telecommunication facilities to ensure thorough preparedness against telecommunication disasters.

Establishment of Centralized Work Management Control System

To minimize the likelihood of failures during network operations—such as software upgrades or routing changes—we operate a simulation testing system that verifies all changes in a testbed environment prior to commercial deployment. A centralized work management system reinforces control by requiring all network work to be registered and categorized into four levels based on potential impact. Each level requires approval by the relevant department head or executive. In 2024, we completed the development of API integration to connect information across different work systems, and pilot operation is scheduled for 2025.

Emergency Restoration Drills by Scenario

Company-wide disaster management personnel undergo annual training in telecommunication disaster management (57 employees completed training in 2024) to strengthen crisis response capabilities. We also prepare emergency restoration scenarios by disaster type and conduct regular training sessions (65 sessions held in 2024) to prevent prolonged failures. Each training includes detailed processes for failure handling, situation reporting, and recovery execution based on predefined scenarios. Any issues identified during training are addressed through ongoing improvements.

Advancing Rapid Response and Restoration Capabilities

Operation of Stable Operation Situation Room and Establishment of Telecommunication Disaster Recovery System

We strengthen our response framework during periods of elevated risk—such as typhoon season, heavy rainfall, major sports events with high traffic demand, and holidays involving mass population movement. By operating the Stable Operation Situation Room, we conduct prechecks of restoration materials and activate an emergency duty system for 24/7 monitoring of services.

In addition, we regularly update and manage the telecommunication disaster crisis response manual and have established a formal reporting system to the Ministry of Science and ICT (MSIT) to enable rapid response during disaster events. When service disruptions meet or exceed the reporting threshold, or in the case of a telecommunication disaster, we report the situation to MSIT in accordance with regulatory procedures. We also carry out public communications, such as press releases, to ensure that the public and subscribers receive accurate and timely information during telecommunication disasters.

Quality Improvement Through AAR (After Action Review)

We conduct AARs monthly through the Stable Operation Council to analyze root causes of service failures and identify weaknesses in the response process, then establish preventive measures to avoid recurrence. This process helps us minimize the likelihood of similar failures and continuously enhance service quality.

Ongoing Investment

In 2024, we invested approximately KRW 716.4 billion¹⁾ in enhancing network service stability and quality and expanding coverage.

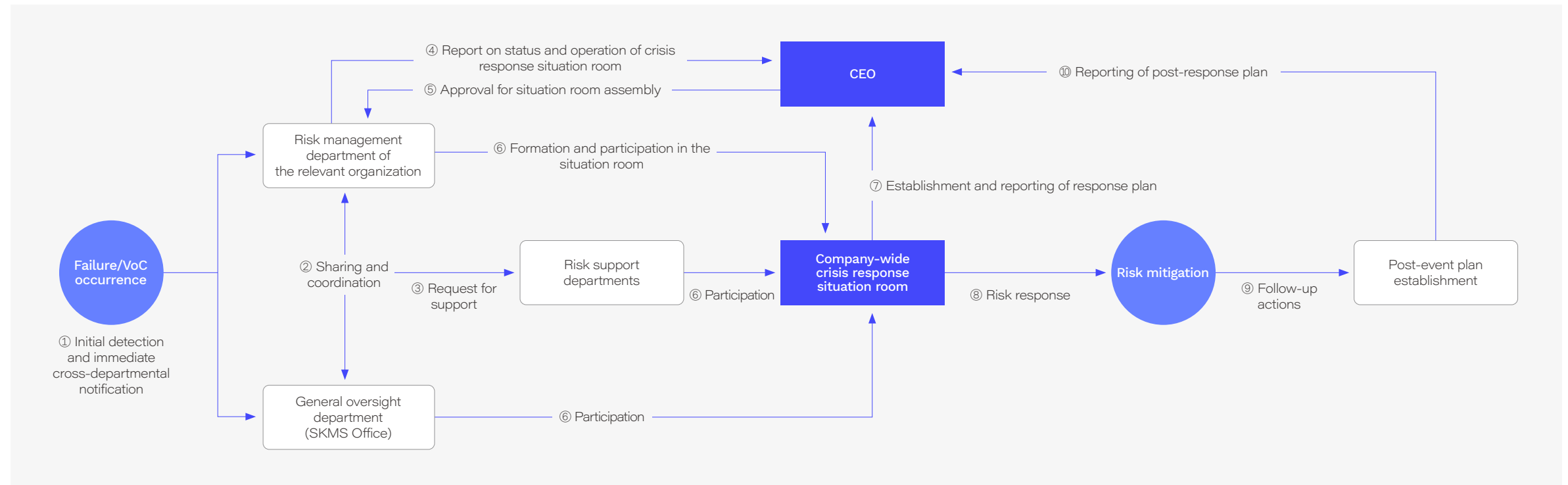
1) This amount excludes investments in data centers and submarine cables. Including those, SK broadband's total investment amounts to KRW 850.2 billion.

Network Stability and Quality Management

RISK MANAGEMENT : How We Manage Challenges

Crisis Management Process

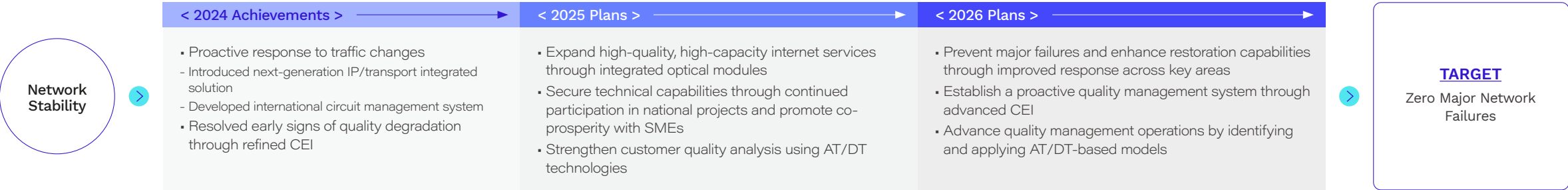
SK broadband operates a crisis management process that categorizes service failures into three levels, based on the scale of damage and the scope of impact. This tiered management system enables rapid and systematic response in the event of a service disruption and contributes to improved service reliability and customer satisfaction.



Network Stability and Quality Management

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



Metrics

Network Failures

Category		Unit	2022	2023	2024
Number of Major Network Failures ¹⁾		cases	0	0	0
Regulations ²⁾	Violations	cases	0	0	0
	Monetary Sanctions	KRW thousand	0	0	0
	Non-monetary Sanctions	cases	0	0	0
Voluntary Code Violations		cases	0	0	0

1) Data for 2022–2023 has been revised based on the updated criteria (disruptions at or above the “Alert” level of telecommunication disasters as defined by the Ministry of Science and ICT, or disruptions of equivalent severity). SK broadband recognizes network stability and quality management as top priorities and classifies and manages disruptions based on their scale in a systematic manner. Under these internal standards, the number of major network failures reported to the CEO in 2024 was two.

2) Refers to compliance with laws and regulations related to telecommunications service safety, including the Framework Act on Broadcasting and Communications Development, the Telecommunications Business Act, and the Framework Act on the Management of Disasters and Safety.

Subscribers and Traffic

Category		Unit	2022	2023	2024
Subscribers	Wireless Subscribers ¹⁾	-	-	-	-
	Wired Subscribers (Fixed Line Telephone)	persons	3,558,514	3,464,124	3,363,748
	Broadband Subscribers ²⁾	persons	6,703,811	6,925,798	7,156,402
Traffic	Network Traffic ³⁾	petabytes/day	67.7	71.8	85.3

1) SK broadband does not operate a wireless telecommunications business

2) Includes resale services

3) Based on average daily internet usage

Strengthening Information Security System

GOVERNANCE : Who Leads Our Sustainability

Roles and Responsibilities

SK broadband has established its governance structure for information security under the direct oversight of the CEO, with designated roles for both a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO), thereby implementing a redundant governance structure that separates information security and privacy protection. The CISO and CPO are responsible for reviewing, approving, and making decisions on major issues based on their respective expertise and accountability.

Each of these roles is supported by dedicated departments and working-level councils that carry out 24-hour information security and privacy protection activities. The roles and responsibilities of these dedicated departments and working groups are clearly defined in our internal security management guidelines and privacy protection policies. These teams consist of certified professionals—such as ISMS-P auditors, personal data impact assessment specialists, and Certified Privacy Protection Professionals (CPPG)—as well as staff with extensive hands-on experience.

Information security and privacy protection activities are regularly reported to senior management, including findings from personal data checks, implementation plans, and results. In addition, when setting annual management plans and detailed execution strategies, we consider information security-related risks and opportunities, which the dedicated information security department incorporates into its activities. Senior management sets information security goals, reviews implementation status periodically, and reflects the performance of each department's privacy protection efforts in key performance indicators (KPIs) used in management evaluations.

Management System



SK broadband has established and implemented company-wide information security policies. We regularly review amendments to relevant laws such as the Act on Promotion of Information and Communications Network Utilization and the Privacy Protection Act and promptly reflect changes in our internal rules and guidelines. We operate a privacy policy that outlines the basic principles for collecting, using, and providing customer personal data; the safe handling of such data; protection of data subjects' rights; and the company's accountability for managing and overseeing personal data. This policy is publicly available on the SK broadband website, ensuring easy access for all. It is periodically updated to reflect the latest status of data processing activities. A simplified version is also provided to help customers better understand the contents. To further advance our information security management system, we have acquired and continue to maintain a range of domestic and international information security certifications.

Information Security Certifications

Certification	Business Scope	Certification	Certified Sites
ISMS	ISP, IDC, CATV	ISO 27001	Bundang and Gasan IDC
ISMS-P	IPTV	SOC 1	All IDC
		SOC 2	Gasan IDC
		PCI-DSS	Gasan IDC

Plain Language Privacy Policy

SK broadband has created and published a separate “Plain Language Privacy Policy” on its website to guarantee customers' right to know and enhance trust in privacy protection. This policy explains the entire personal data processing procedures through visual composition and concise language so that customers can clearly understand the procedures. To enable prompt responses to customer inquiries and requests regarding personal data, the company also publishes contact information for the privacy protection officer and the responsible department.



Strengthening Information Security System

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	⬇	⬇	⬇
Data Centers	⬇	⬇	⬇

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed the key risks and opportunities related to information security that may arise in the course of business operations.

Risks

In the event of a personal data or corporate information breach, there is a risk of decreased customer trust, damage to brand reputation, and significant operational losses. In particular, within the media and wired telecommunications business, server paralysis caused by DDoS attacks or other security incidents may lead to customer dissatisfaction and service cancellations—and may even escalate into a nationwide outage.

Opportunities

Robust security capabilities serve as a differentiating factor that can help attract security-conscious individual and enterprise customers, forming a foundation for expanding market share. By developing security technology-based solutions and services, we can create new revenue streams and secure opportunities for business diversification.

Key Strategies



Strengthening Information Security Risk Assessment System

Information Security Maturity Assessment

SK broadband conducts annual security vulnerability assessments and ad-hoc penetration tests to proactively identify security issues. When issues are detected, we immediately formulate and implement corrective measures. We manage 101 certification items across information security and privacy protection based on the ISMS-P standard. These include ongoing management system operations and audits, security measures, incident prevention, disaster recovery, and protective measures throughout the personal data lifecycle. Based on assessment results, we verify whether our information security system meets the criteria for each area and promptly address any deficiencies identified.

Key Assessment Areas of Information Security Maturity

Establishment and Operation of Management System	Protection Measures Requirements	Personal Data Processing Stage Requirements
- Establishing a management system foundation - Risk management - Management system operation - Monitoring and improvement of management system	- Policy, organization, and asset management - Human resource, third-party, and physical security - Authentication and authorization management - Access control - Encryption application - Security in system acquisition, development, and maintenance - System and service operation/ security management - Incident prevention and response / disaster restoration	- Protective measures during personal data collection - Protective measures during personal data retention and use - Protective measures during personal data provision - Protective measures during personal data destruction - Protection of data subject rights

Strengthening Information Security System

STRATEGY : What Drives Our Pursuit

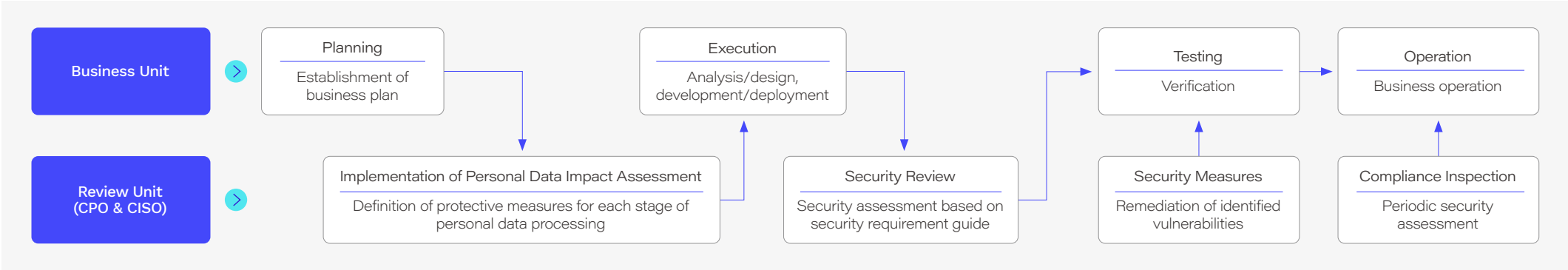
Strengthening Information Security Risk Assessment System

Personal Data Impact Assessment

SK broadband complies with all personal data-related regulatory requirements and operates multiple personal data risk review procedures from the business planning stage through to service operation to provide safe products and services to customers. After a business plan is established, we conduct a personal data impact assessment to identify potential privacy risks. This assessment primarily reviews and improves areas such as the appropriateness of data collection, clarity of processing purposes, safety and management of stored personal data, lawfulness of third-party sharing and outsourcing, and adequacy of data destruction procedures.

Following service and system development, we perform a security assessment based on our security requirements guide to evaluate security robustness. Upon completion of this assessment, the business proceeds to the testing phase. During the testing period, we continuously check whether the required security measures have been properly implemented. Security assessments and compliance inspections cover a wide range of domains, including personal data, administrative and technical controls, infrastructure, applications, cloud environments, and devices. Even after product and service launch, we continue to manage personal data risks through periodic reviews.

| Service Development and Launch Process



Strengthening Information Security System

STRATEGY : What Drives Our Pursuit

Managing Personal Data Risks Across the Entire Value Chain

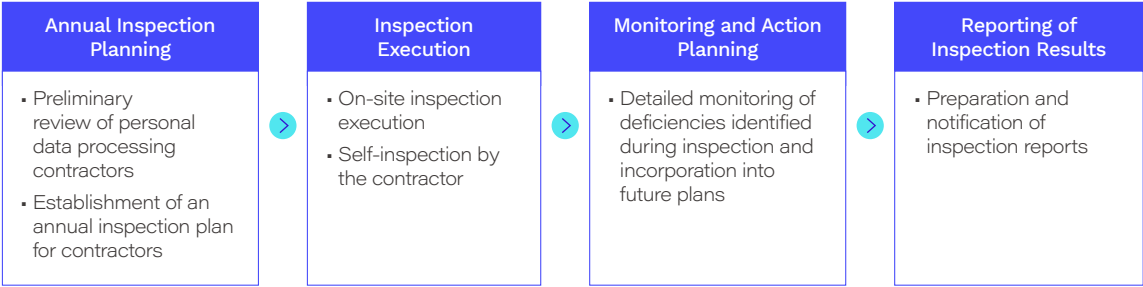
Enhancing On-Site Inspection System

As a telecommunications company, SK broadband recognizes that mitigating and preventing personal data risks across the value chain is one of our core responsibilities. To fulfill this responsibility, we operate a company-wide inspection and management system in a systematic manner.

We conduct regular training and self-inspections for personal data processors based on an onsite management system. Using a checklist that spans administrative, technical, and physical domains, we carry out inspections at least once a year. Any deficiencies identified during the inspections are immediately addressed on site. Where necessary, we incorporate the results of these inspections into performance evaluations to clarify contractual responsibilities and enhance our processors' awareness of their information security obligations. In 2025, we plan to enhance the effectiveness of processor management by revising the criteria for selecting inspection targets and refining the management process. We are expanding the scope of processor inspections and identifying blind spots based on factors such as task types and the scope of personal data processing for each processor. Inspection results are categorized by risk level, and where necessary, we proactively manage risks by providing training support and requesting corrective actions.

To reduce information security risks at retail agencies, we also conduct tailored on-site assessments. In 2024, we completed inspections of 819 agencies and implemented the necessary corrective measures.

Processor Security Inspection Process



Information Security Support for Subsidiaries

To enhance information security levels within our subsidiaries, SK broadband conducts an annual security inspection. If areas requiring improvement are identified, we request corrective actions and continuously monitor implementation. We also support subsidiaries in establishing dedicated privacy departments so they can manage privacy protection independently.

Business Partner Education and Awareness

We also carry out various training and communication activities to enhance awareness of privacy protection among our business partners.

For marketers within the distribution network, we produce and distribute privacy protection guides and provide practical training on key data processing stages, including handling, use, and storage of personal data.

At retail agency locations, we provide tailored training and coaching programs to strengthen practical risk response capabilities.



▶ Business partner education

Strengthening Information Security System

STRATEGY : What Drives Our Pursuit

Preventing Cybersecurity Breaches

Strengthening Response to DDoS Attacks

Since DDoS attacks and abnormal traffic inflows can cause network disruptions and degrade customer service quality, SK broadband continues to enhance its response capabilities. We have established a terabit-scale DDoS defense system in connection with overseas scrubbing centers, and we have developed a system that collects and analyzes scan-type abnormal traffic—known to cause service terminal failures—in preparation for nationwide service disruption scenarios. To prevent data breaches, we use PC security solution logs to detect abnormal behaviors and conduct log analysis and explanation procedures for suspicious activities. We are also reviewing methods to detect new malware infections at an early stage—particularly those that cannot be identified by antivirus software.

Always-On Penetration Testing for Public Web Services

To proactively address increasingly sophisticated cyber threat environments and evolving attack methods, we have expanded our penetration testing of public web services from a semiannual schedule to an always-on system. Because public web services are exposed externally, they are more vulnerable to breaches and directly impact customer data and service stability. Accordingly, we have enhanced our response system to immediately identify vulnerabilities and implement corrective actions through simulations based on real-world attack scenarios.

Cyberattack Emergency Response Drills

SK broadband regularly conducts simulation-based training to protect customers and services from cyber threats such as DDoS attacks and malicious email infections. We conduct DDoS simulation drills three times annually, focusing on evaluating the impact on key systems and networks, and verifying the effectiveness of abnormal traffic detection and mitigation processes. These drills help maintain a swift and effective response capability in the event of actual DDoS attacks. In addition, we conduct quarterly simulation training for employees to respond to malicious email infections. These exercises replicate realistic phishing scenarios to test response capabilities and reinforce procedures for incident reporting and post-incident actions. Through this training, we aim to raise overall security awareness across the organization and strengthen internal cybersecurity readiness.

Expanding Automation for Threat Detection and Response

To effectively counter the increasing volume and sophistication of cyber threats, SK broadband is expanding automation in threat detection and response. We have upgraded our existing security monitoring system to a SOAR¹⁾ (Security Orchestration, Automation and Response)-based framework, enabling automated detection and response to cyber threats such as DDoS attacks. This enhancement minimizes the need for manual intervention and enables real-time response capabilities. We have also implemented continuous monitoring and automated response mechanisms for attacks targeting DNS (Domain Name System), a critical infrastructure that translates internet addresses into IP addresses. If compromised, DNS attacks can cause severe damage—including service outages and interruptions.

To proactively identify and eliminate risks from externally exposed assets, we have adopted an ASM (Attack Surface Management) system that enables real-time monitoring of potential vulnerabilities. We will continue to improve the speed and accuracy of our cybersecurity responses while maximizing the efficiency and reliability of our internal security infrastructure.

1) SOAR (Security Orchestration, Automation and Response): A system that automates basic analysis tasks and links detection results with response actions across security equipment.

Strengthening Information Security System

STRATEGY : What Drives Our Pursuit

Promoting a Culture of Information Security and Enhancing Employee Competency

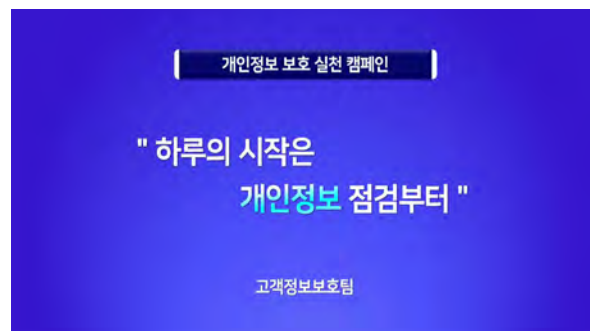
Information Security Training and Campaigns

SK broadband conducts a variety of online and offline training programs to raise company-wide awareness of information security. We provide all employees with privacy protection training and regular online security training through the Security Operations Center (SOC). As part of our security training, we also conduct malicious email simulation drills three times a year.

In addition, we regularly share privacy-protection-related promotional content through our intranet. To encourage everyday security practices, we also run the "Start Your Day with a Personal Data Check" campaign. This campaign promotes voluntary security checks, such as deleting personal data files using a detection solution installed on employees' PCs, and preemptively reviewing privacy risks during new service planning. Campaign messages are broadcast via signage across office locations nationwide.

"Start Your Day with a Personal Data Check" Campaign

- Privacy protection campaign messages displayed on employee PC login screens, digital signage TVs across all office locations, and internal broadcasts



Privacy Protection Portal and Personal Data AI Chatbot

To raise awareness and strengthen the practice of privacy protection, SK broadband operates a dedicated privacy protection page on the company intranet. This page provides employees with access to relevant laws and internal guidelines, work manuals and guides for operational use, training materials, and key case studies—enabling self-learning and practical application.

In 2024, we launched a Personal Data AI Chatbot to help employees identify and prevent privacy risks in advance. The chatbot answers questions about SK broadband's personal data management policies and provides a related self-checklist, helping employees conduct effective risk checks and self-diagnosis.

Enhancing the Expertise of Dedicated Information Security Personnel

We operate various training programs to strengthen the capabilities of dedicated information security departments and security professionals. This includes job-specific training for information security roles, ISMS certification training, and secure web application development training. In addition, to increase accountability for personal data and promote a culture of privacy protection throughout the organization, we include privacy protection criteria in the performance evaluations of departments that handle personal data.



▶ Privacy Protection Portal and AI Chatbot

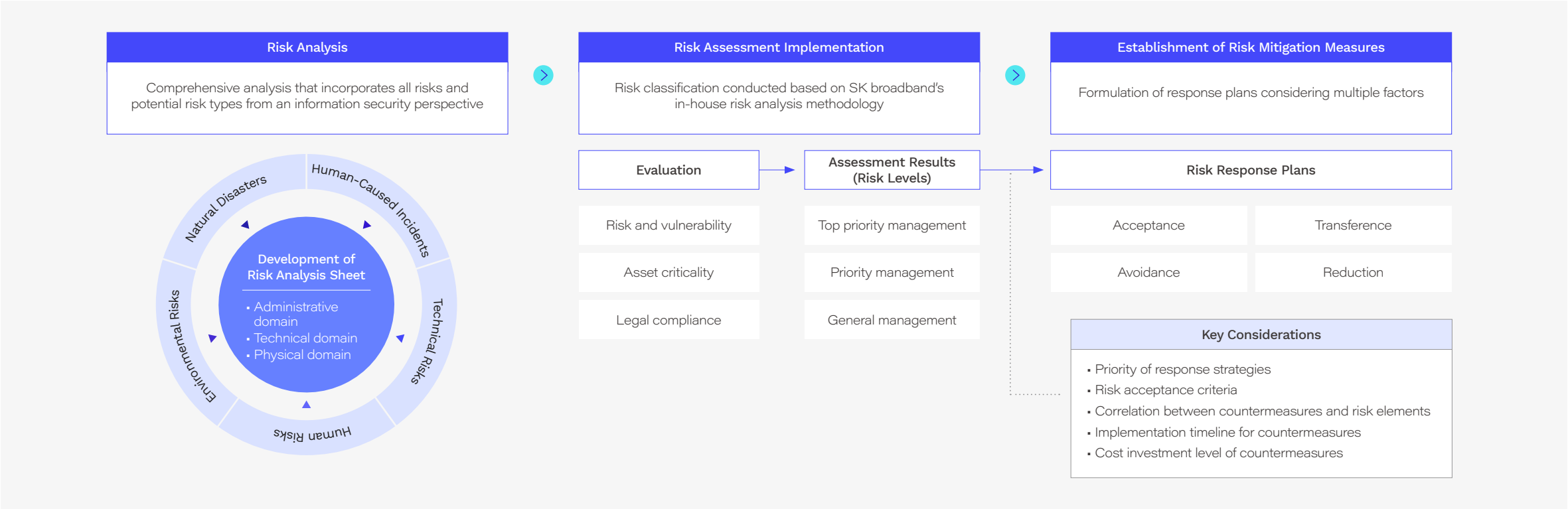
Strengthening Information Security System

RISK MANAGEMENT : How We Manage Challenges

Information Security Risk Assessment

SK broadband conducts regular information security risk assessments based on our in-house risk analysis methodology. The key assessment elements include risk and vulnerability levels, asset criticality, and legal compliance. Risk and vulnerability levels are evaluated using SK broadband's internal risk inventory and assessment criteria. Based on the combined assessment score, risks are categorized into three levels: Top Priority Management, Priority Management, and General Management. We also set threshold criteria to identify items requiring close management. For any item exceeding this threshold, a dedicated mitigation plan is developed and implemented systematically.

Risk Assessment Process



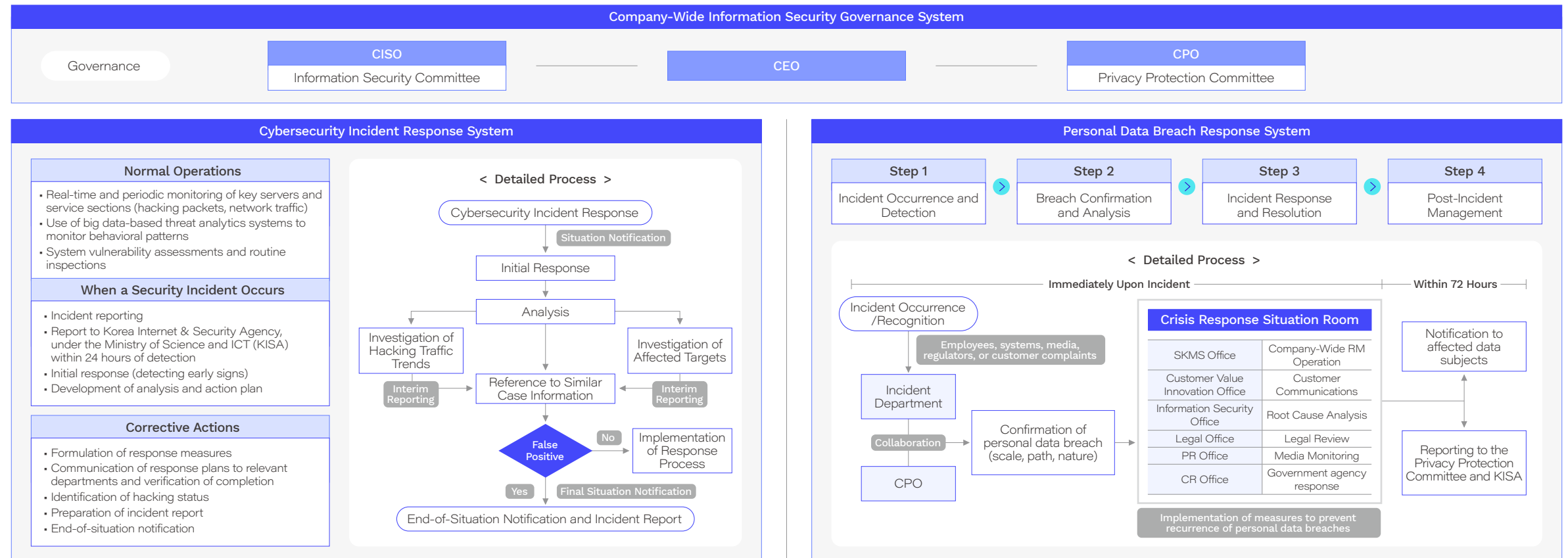
Strengthening Information Security System

RISK MANAGEMENT : How We Manage Challenges

Security Incident Response System

SK broadband has established a response protocol and company-wide crisis management system to minimize customer impact in the event of a critical enterprise-wide risk such as a customer personal data breach. We continuously monitor for security incident signs through our Integrated Security Monitoring Center and maintain a cooperative response framework with relevant internal departments and external agencies in case of incidents.

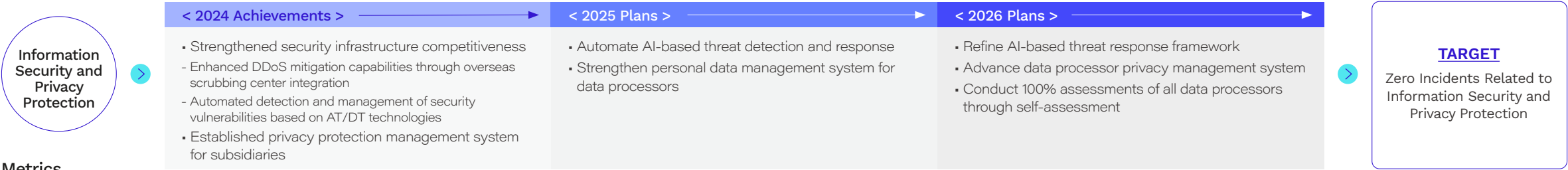
Company-Wide Security Incident Response System



Strengthening Information Security System

METRICS & TARGETS : Where We're Heading

Implementation Roadmap



Customer Experience and Service Innovation

GOVERNANCE : Who Leads Our Sustainability

Roles and Responsibilities

SK broadband continuously advances customer experience innovation based on a company-wide integrated management system to deliver experiences that exceed customer expectations. To this end, we operate the “Customer Value Innovation Council” and the “Service Innovation Council,” in which the CEO and key executives directly participate, proactively identifying pain points from the customer’s perspective and deriving fundamental improvement tasks to enhance execution capabilities.

These innovation initiatives are carried out through collaboration between dedicated organizations, including the Customer Value Innovation Office, and relevant departments such as service, marketing, and technology. We systematically analyze customer pain points using a wide range of quantitative and qualitative indicators, such as Voice of the Customer (VoC), Net Promoter Score (NPS), and usage data, and swiftly implement improvements to prioritized tasks through the responsible departments. Customer experience insights are also reflected in the formulation of business strategies, embedding customer-centric innovation across the company.

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	⬇	⬇	⬇
Data Centers	⬇	⬇	⬇

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed key risks and opportunities related to customer experience and service innovation that may arise in the course of business operations.

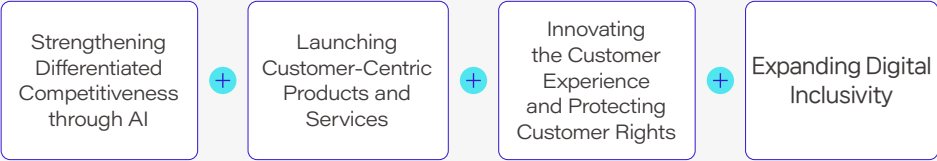
Risks

Inadequate quality control at customer touchpoints may lead to customer dissatisfaction, resulting in decreased customer satisfaction and diminished brand reputation. In particular, recurring negative experiences can trigger customer churn, directly leading to revenue loss. If customers are misled during marketing and sales activities, there is a possibility that it could escalate into legal risks such as fair trade disputes or lawsuits.

Opportunities

Efforts to improve services from the customer's perspective and enhance satisfaction present opportunities to attract new customers and strengthen the loyalty of existing customers. Moreover, services that improve digital accessibility and user convenience can expand usage among various demographic groups such as seniors and persons with disabilities, ultimately contributing to customer base expansion and the creation of social value.

Key Strategies



Customer Experience and Service Innovation

STRATEGY : What Drives Our Pursuit

Strengthening Differentiated Competitiveness through AI

My Personal AI Assistant, B tv with A.

AI agent dedicated to media services "B tv with A" enables customers to have natural language conversations with the generative AI agent "A." to address their questions about content. It offers personalized search features such as information about not only B tv content but also various OTT and YouTube content, AI-generated review summaries, and content recommendations tailored to the user's mood or situation. The B tv with A. service is available on the AI 4 vision set-top box, Smart 3 set-top box, and AI 2 set-top box, and we plan to gradually expand its availability going forward. In particular, the AI 4 vision set-top box incorporates an on-device AI format equipped with a Neural Processing Unit (NPU)¹⁾, laying the foundation for AI B tv's ondevice AI services.

1) NPU (Neural Processing Unit): A processor specialized in artificial intelligence (AI) computation, designed to efficiently and rapidly perform inference and training tasks for deep learning models.

A New TV Experience Facing AI: AI 4 vision

To transform customers' content consumption experiences and bring AI-powered media services into everyday life, we launched the next-generation set-top box, AI 4 vision. This smart set-top box combines AI technology with a 4K camera and offers a variety of features ranging from content recommendations to interactive services.

It provides a sophisticated and personalized viewing experience through natural conversations with B tv's AI assistant, "A." In addition, the camera-based interactive functions include a pet monitoring service that supports video calls with household pets, a fitness app that assists with home training through motion analysis, and motion games powered by gesture recognition solutions—enabling diverse daily-life applications. Designed with a simple yet refined appearance that blends seamlessly into TV and living room interiors, AI 4 vision was awarded the Winner prize in the Product Design category at the 2025 Red Dot Design Award, one of the world's top three design awards.

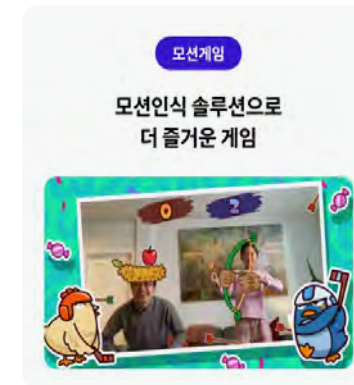
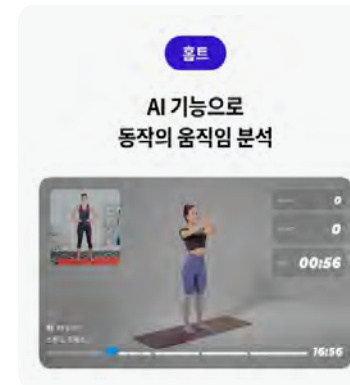
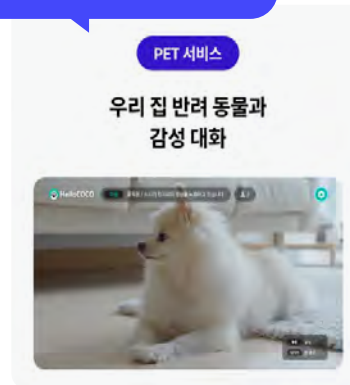


B tv with A. & AI 4 vision

AI service enabling natural conversation about content



Camera-Enabled Services



Customer Experience and Service Innovation

STRATEGY : What Drives Our Pursuit

Strengthening Differentiated Competitiveness through AI

AI-Based Video Quality Enhancement

SK broadband enhances the quality of its media services using AI technology, offering customers a more immersive viewing experience. In 2024, we applied AI-based upscaling video processing technology to VOD content to remove noise and improve sharpness, thereby enhancing overall image quality. This initiative simultaneously improved customer satisfaction and business performance, with image quality upgrades completed for a total of 455 titles. Among them, 233 titles were upscaled from SD to HD, 142 titles from HD to UHD, and an additional 80 HD titles were enhanced for improved sharpness.

In 2025, we became the first in Korea's pay TV industry to apply AI-based upscaling to live broadcasts. Notably, we introduced an AI-powered image enhancement solution to the sports channel SPOTV, delivering live broadcasts in UHD ultra-high definition that were previously aired in Full HD. UHD is a digital format that offers four times the resolution of Full HD, and applying AI-based UHD upscaling to live broadcasting marked the first such case in the domestic IPTV industry. The technology was developed by combining SK Telecom's deep learning-based image enhancement solution, SUPERNOVA, with SK broadband's video processing technology. By utilizing high-performance AI Neural Processing Unit (NPU) servers, the system optimizes color and sharpness in real time, delivering an ultra-high-definition viewing experience that surpasses the capabilities of built-in AI functions on standard smart TVs.

Through this technological advancement, SK broadband aims to strengthen its technological leadership in the IPTV industry while offering customers a differentiated content viewing experience.

Expansion of AI-Based Korean Subtitles

In Korea, Korean subtitle services have become a familiar feature for general viewers and are increasingly recognized as essential for improving content accessibility for the digitally underserved, including people with visual and hearing impairments. To address this, SK broadband developed a proprietary subtitle generation system based on speech recognition AI technology and began applying the system to B tv content in 2023. This significantly reduced the time required to provide subtitles and improved subtitle accuracy, effectively lowering the time and costs associated with subtitle production and quality assurance. As a result, the range of content with available Korean subtitles has expanded, allowing more viewers to access reliable subtitle services.

In 2024, we enhanced our subtitle generation and editing technologies to improve production efficiency and expanded the system's application to a growing number of content titles, achieving stable subtitle quality.

AI-Powered Digital Platform: B world

SK broadband launched "B world," an AI-powered digital platform that offers a customer-centric, contactless self-service environment. B world is accessible via PC website and mobile web/app and provides 24/7 self-service consultation powered by an AI chatbot. Customers can enter keywords to request various services—including product subscription, changes, complaints, self-diagnosis tests, and appointment bookings—and receive immediate guidance without needing to speak with an agent. For example, when customers input keywords such as "malfunction" or "error," the set-top box and network status are automatically linked to the network control system, allowing for real-time remote diagnostics and the provision of optimal solutions. In addition, automated services such as name changes and online one-stop appointment bookings have significantly enhanced customer convenience. In 2025, we will further improve the customer-centric digital experience of B world by enhancing its UI/UX design. In particular, we plan to fully revamp the Global Navigation Bar (GNB) menu to significantly improve usability and accessibility.

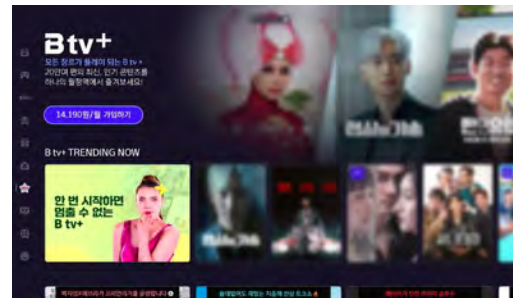
Customer Experience and Service Innovation

STRATEGY : What Drives Our Pursuit

Launching Customer-Centric Products and Services

Beyond More to Watch: B tv+

B tv + is a monthly IPTV subscription service designed to transform the content consumption experience in the age of OTT. Customers can watch approximately 200,000 pieces of diverse content without any additional payment, reducing the burden of content costs while enhancing enjoyment. In addition, AI-powered curation services recommend content tailored to each customer's preferences, delivering a richer and more personalized media experience. Through the B tv application, customers can easily enjoy content not only on their TVs but also on various devices such as mobile phones, anytime and anywhere.



AI-Based Advertising Production Solution for Small Businesses: GenAd

To support the digital transformation of small businesses and contribute to revitalizing local economies, we introduced the AI-based video advertising production solution GenAd to the B tv Town Ad. B tv Town Ad is a customized advertising platform for small businesses, broadcasting produced advertisements to local B tv subscribers, thereby providing regionally targeted promotional effects.

GenAd is a generative AI-based solution jointly developed by SK broadband and SK Telecom. When advertisers upload store photos and videos to the Local Business Ads website and enter simple keywords and requirements, the AI automatically generates and proposes three advertising scenarios. This innovation has reduced the average advertisement production time from over three days to approximately ten minutes. Additionally, SK Telecom's AI-based image enhancement technology, SUPERNOVA, is applied to enable the production of high-quality advertisement videos.

In conjunction with the rollout of GenAd, SK broadband fully revamped the Local Business Ads website to enhance user convenience. We will continue to advance our AI-based advertising production services to help small businesses utilize TV advertising more easily and effectively, thereby contributing to the creation of a sustainable local economic ecosystem that realizes the value of co-prosperity.

Customized Total Solution for Small Businesses: The Dream Success Package

SK broadband launched The Dream Success Package, a customized bundled solution combining telecommunications and digital services to provide practical support for small business operations. This package offers discounts when essential telecommunications products—such as internet, fixed line telephone, and TV—are bundled with at least one store solution product, such as a POS set (card payment), Payment Assurance, kiosk, or table order system.

Our store solution lineup includes a wide range of services from order processing to customer management. In addition to basic solutions such as POS sets and table ordering, we provide "Payment Assurance" to ensure uninterrupted payments, 'Barrier-Free Kiosks' that anyone can use without discrimination, and 'IP Sharing Service' that enables simultaneous use of multiple PCs/laptops, allowing customers to select and subscribe to the solutions they need. Moreover, customers who already use B tv at home are eligible for a 50% discount on the subscription fee for B tv for business use.

SK broadband supports small businesses by offering packages tailored to their needs, helping them enhance operational efficiency and reduce costs to address real business challenges.

Customer Experience and Service Innovation

STRATEGY : What Drives Our Pursuit

Innovating the Customer Experience and Protecting Customer Rights

Strengthening the Service Innovation System

To deliver positive experiences that meet customer expectations, we hold the company-wide transformation initiative, the “Service Innovation Council,” on a monthly basis. This meeting, which includes participation from key executives, utilizes various quantitative and qualitative data such as Voice of the Customer (VoC), Net Promoter Score (NPS), and usage data to identify and proactively address factors that hinder customer satisfaction.

We also measure customer satisfaction and customer recommendation scores to quantitatively assess the level of customer experience improvement and systematically manage implementation progress. We identified service innovation items across eight areas—including quality, content, UI/UX, pricing, and customer touchpoint services—and carried out improvements through collaboration among marketing, infrastructure, and technology departments.

As a result, service quality and customer convenience were significantly improved in 2024, with noticeable enhancements in customer satisfaction for our monthly subscription services.

Thanks to these customer-centric innovation efforts, SK broadband continues to maintain the top ranking in external evaluations such as the National Customer Satisfaction Index (NCSI) and the Korean Standard Service Quality Index (KS-SQI).

External Evaluation Results



Ranked
No.1 for
consecutive years
(as of 2025)



Ranked
No.1 for
consecutive years in the
Broadband internet category
(as of 2024)

Protection of Customer Rights

SK broadband places the highest priority on protecting customer rights and incorporates related issues into our company-wide risk management system.

We provide training for our employees and partners on user protection to communicate updates to user protection policies and methods to enhance the Customer Experience (CE).

Additionally, we have established a user protection operations manual that pre-defines compensation processes, standards, and responsible departments, enabling swift responses to customer complaints or damages.

Expanding Digital Inclusivity

Support for Senior Citizens

We are creating a user-friendly environment to ensure that senior customers can easily and comfortably enjoy digital media. “B tv Happy Senior” provides senior-friendly interface design with large text and intuitive menu design. It also offers curated films and dramas tailored to senior preferences, as well as practical, daily life content such as job information, horoscopes, and digital literacy education. Furthermore, we offer additional services such as transportation updates, sleep health content, and real-time life information. Other features include a virtual channel service for easier VOD access tailored to real-time viewing habits, and a customizable Happy Senior home screen.

Assistive Services for People with Visual or Hearing Impairments

To improve media accessibility for people with visual or hearing impairments, SK broadband continues to expand specialized features such as smart subtitles, voice guidance, and audio description broadcasting. These services help lower the physical barriers in content consumption and contribute to ensuring equal access to information.

Support for Economically Vulnerable Groups

We also operate a telecommunications discount program for economically vulnerable groups. As of 2024, the total amount of discounts provided for Broadband internet, pay TV, and fixed line telephone services reached approximately KRW 8.1 billion. This includes KRW 3.0 billion for multi-child and senior households, KRW 3.8 billion for persons with disabilities, KRW 1.1 billion for low-income households, and KRW 300 million for national merit recipients and patriots.

Customer Experience and Service Innovation

RISK MANAGEMENT : How We Manage Challenges

Risk Identification and Prevention

Customer Satisfaction Survey (CSI)

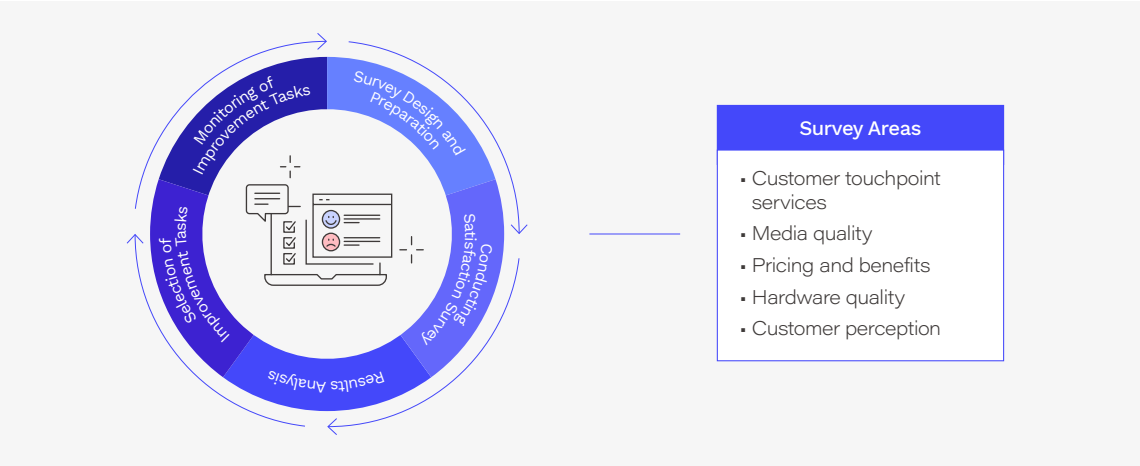
To regularly evaluate service quality and corporate competitiveness from the customer’s perspective and to link these evaluations to systematic improvement activities, we operate a multi-layered customer satisfaction survey system.

Twice a year, in collaboration with external professional research firms, we conduct regular user satisfaction surveys that include not only our customers but also those of our competitors. Through this, SK broadband objectively compares its service level within the industry, identifies relative strengths and weaknesses, and comprehensively diagnoses perceived customer inconveniences and improvement needs.

We also conduct our own weekly CSI (Customer Satisfaction Index) survey to quickly detect shifts in customer perception and use it as a tool to assess the outcomes of our service innovation initiatives.

This survey system serves as both the starting point for customer experience innovation and a core instrument for quantitatively validating the execution of customer-centric management, contributing to ongoing value creation.

Customer Satisfaction Analysis Process



Targeted Surveys

In addition to company-wide regular customer surveys, we conduct targeted surveys to gain a more precise understanding of the context and needs behind the customer experience. These surveys selectively engage specific customer groups—such as new service users, digital channel users, and AI service users—and allow for in-depth analysis of detailed pain points and unmet needs that general satisfaction metrics may not capture.

Targeted surveys focus on understanding both actual customer behavior and emotional responses, and are designed and conducted through various methods such as interviews, focus group interviews (FGI), and online questionnaires. Through this approach, we are able to respond more quickly to evolving customer and technology environments and strengthen our service competitiveness.

VoC Analysis and Monitoring

Customer dissatisfaction is monitored not only through post-complaint consultations but also by analyzing system data—such as network quality logs and set-top box errors—before customers even voice complaints. This enables early detection of anomalies and immediate response.

We operate a VoC monitoring system not only to address recurring customer issues but also to identify root causes and resolve them structurally. If repeated patterns are detected in specific channels, product categories, or devices, we identify the fundamental causes and execute sustainable improvement actions—such as policy revisions, system enhancements, and process redesigns—rather than relying on one-off fixes. These efforts are continuously monitored through our company-wide “Service Innovation Council.”

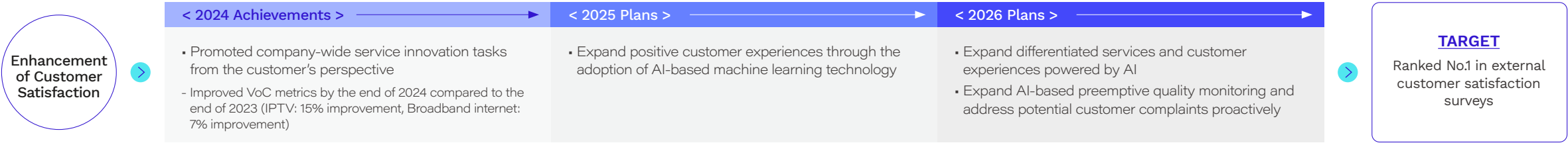
PLM Process

We operate a PLM (Product Lifecycle Management) process to review the entire customer experience prior to launching new products or services. From planning to phase-out, we proactively identify potential customer inconvenience throughout the full lifecycle of a product or service and propose customer care solutions in advance. Each stage is supported by established procedures and manuals to prevent foreseeable negative experiences. Company-wide departments and customer service centers actively participate in this process to prevent customer complaints before they occur.

Customer Experience and Service Innovation

METRICS & TARGETS : Where We're Heading

Implementation Roadmap



Metrics

Customer Satisfaction

Category		Unit	2022	2023	2024
NCSI ¹⁾	Broadband internet	Rank	1	1	1
	IPTV	Rank	1	1	1
KS-SQI ²⁾	Broadband internet	Rank	1	1	1
	IPTV	Rank	1	1	1

1) Ranked No.1 in the NCSI (National Customer Satisfaction Index) in both the IPTV and highspeed internet categories for 15 consecutive years (as of 2025)

2) Ranked No.1 in the KS-SQI (Korean Standard Service Quality Index) for 10 consecutive years in the Broadband internet category and for 6 consecutive years in the IPTV category (as of 2024)

Category	Unit	2022	2023	2024
User Protection Evaluation ¹⁾	Grade	Very Excellent	Very Excellent	Very Excellent
SK broadband Regular CSI Results ²⁾	points	80.1	80.7	80.0

1) Evaluation of user protection performance conducted annually by the Korea Communications Commission for telecommunications service providers

2) Annual average score from SK broadband's semiannual (first and second half) internal CSI evaluations

Local Communities

GOVERNANCE : Who Leads Our Sustainability

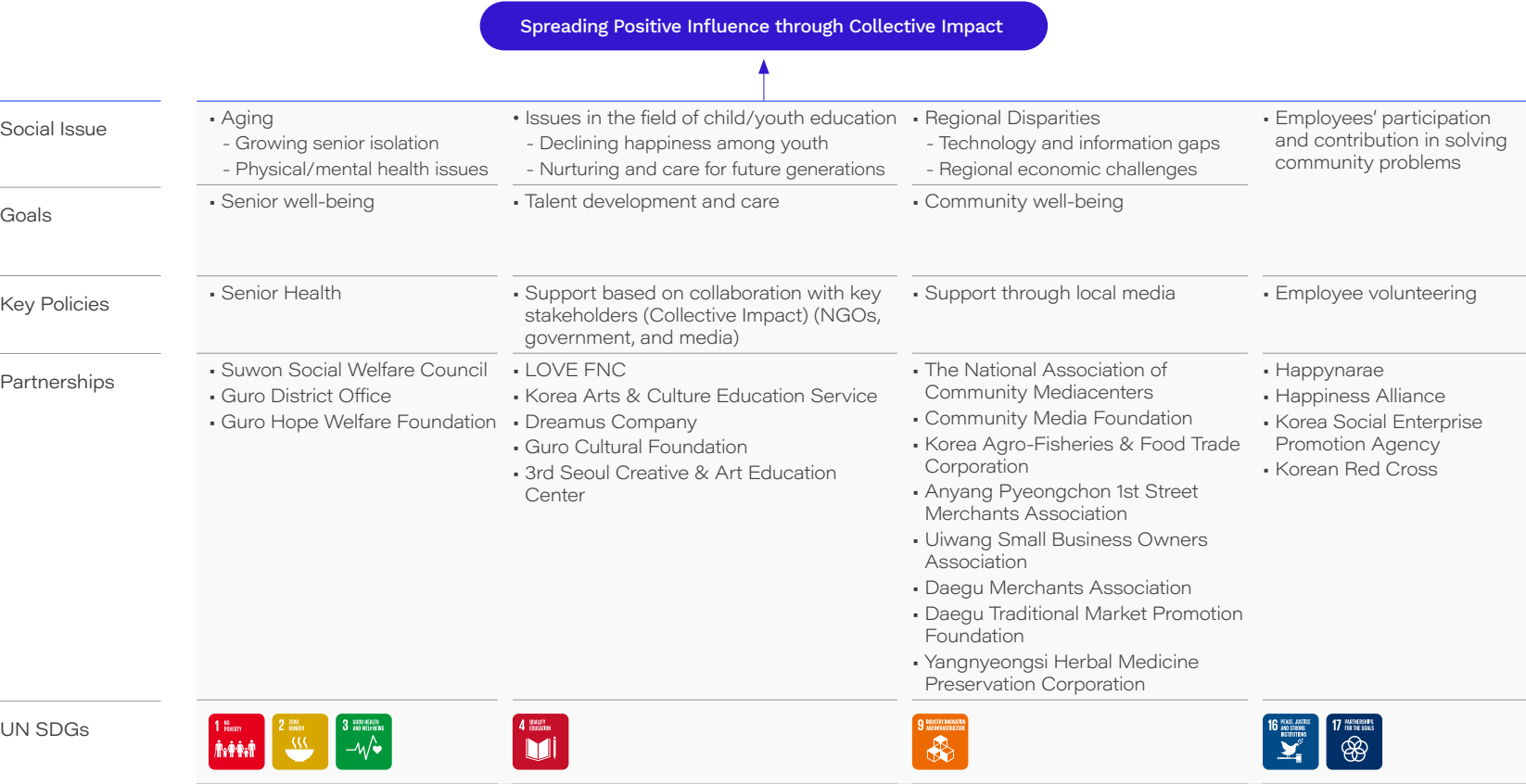
Roles and Responsibilities

To fulfill our responsibilities and roles in the local community, SK broadband designs and operates a variety of community programs tailored to the beneficiaries and measures their social impact. The CEO and the Chief Financial Officer (CFO) are responsible for overseeing the activities and performance of these programs. The CFO serves as the general manager of community program operations, granting final approval for execution plans and conducting regular monitoring.

Execution plans and performance results for social enterprise support programs are also subject to final approval and monitoring by both the CEO and CFO. The responsible department plans and operates social enterprise support programs and measures the environmental and social impact of these initiatives.

Management System

SK broadband has established a community engagement framework based on collaboration with various stakeholders to achieve the goal of “spreading positive influence through Collective Impact.” To this end, we collaborate with NGOs, government agencies, and media organizations to address three major societal challenges: aging, education for children and youth, and regional disparities. Our approach goes beyond simply playing the role of a supporter, emphasizing inducing social interest in major issues of our society and creating sustainable social problem-solving models through SK broadband's proactive participation.



Local Communities

STRATEGY : What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed key community-related risks and opportunities that may arise during business operations.

Risks

In the media and fixed-line telecommunications business, implementing community programs that lack business relevance can lead to increased operating costs and result in inefficient financial management. Additionally, expenses related to the approval and investment plans for regional channel mergers, as well as performance management, may also become a financial burden. In the data center business, community complaints or conflicts arising during the construction process may delay or halt projects, potentially resulting in financial losses.

Opportunities

Collaborating with social enterprises to develop innovative solutions presents a valuable opportunity to discover new markets and customers. Rising demand for corporate social responsibility may also attract new customers and investors. Ongoing efforts to solve societal problems and expand social investment can lead to greater public support and competitive advantage, laying the foundation for long-term growth.

Key Strategies



Building Social Safety Nets (Seniors)

Heartfelt Meal Delivery: Safety Net

For the past four years, SK broadband has operated the Safety Net Program to address the issue of senior hunger. This initiative provides free meals to vulnerable senior citizens who have difficulty securing food on their own. In 2024, we expanded the program from Suwon City's Happy Meal Sharing initiative to Guro District in Seoul. We signed an agreement with the Guro District Office and Guro Hope Welfare Foundation to implement the Warm Companionship, Meals That Deliver Happiness program, which provides lunchboxes and wellness check-ins to seniors in welfare blind spots. Through a donation of KRW 100 million over three years, we aim to provide 4,000 lunchboxes annually for five months to 100 vulnerable seniors in Guro District. In 2024, we successfully delivered the full goal of 4,000 meals in Guro District and 6,000 meals through the Happy Meal Sharing program in Suwon. Through this initiative, we are delivering nutrition and emotional support to underserved seniors while contributing to the establishment of a social safety net in the community.

Senior Digital Literacy Education

In May 2022, SK Broadband signed a memorandum of understanding with the Seoul Digital Foundation to bridge the digital divide for seniors and expand the distribution of senior-oriented digital content. In 2024, we extended this agreement and committed to expanding the distribution of senior education content provided through the B tv Happy Senior channel. New content covers topics such as digital transportation, digital consumption, digital health, and kiosk usage—enabling seniors to easily learn digital skills at home. Additionally, customers who apply for smart education through B tv Happy Senior are connected to a nearby learning center and receive a 90-minute personalized session led by a professional instructor. As a result, approximately 200 seniors completed the training in 2024.

Through these efforts, SK broadband is helping improve digital literacy for seniors who may be marginalized in the era of digital transformation, ultimately working toward resolving digital exclusion.

Local Communities

STRATEGY : What Drives Our Pursuit

Nurturing Future Generations (Children and Youth)

Youth Blossom Music Festival

Since 2018, SK broadband has hosted the Youth Blossom Music Festival each year to enhance youth happiness and help address social issues. In 2024, under the slogan “With: The Many Joys Found in Togetherness,” a total of 103 teams of young participants composed or arranged their own music centered around the theme of happiness and shared their personal stories through song. Finalists were given the opportunity to receive mentoring and training from renowned artists, while the grand prize and top award winners were offered digital music release opportunities through the music streaming platform FLO, as well as stage experience at various youth cultural events. Even after the festival, we provide opportunities for winners to continue sharing their voices through mini concerts and talent-sharing events where they participate as mentors, encouraging ongoing storytelling and connection among youth.

SKB After-School Class

To nurture future generations, SK broadband will launch the SKB After-School Class in 2025 in collaboration with the Guro Cultural Foundation and LOVE FNC, targeting elementary school students within the Seoul Southern District Office of Education. Leveraging FNC's cultural and artistic expertise, the program will include K-POP dance classes and instrumental training in guitar, keyboard, and drums, along with the provision of musical instruments to ensure a highquality curriculum. We will continue to create social value by offering safe childcare environments and diverse cultural program opportunities to foster the growth of future talent.



Local Communities

STRATEGY : What Drives Our Pursuit

Nurturing Future Generations (Children and Youth)

SK broadband

Career Exploration and Broadcasting Production Practice with B tv News

SK broadband is a member of Happiness Alliance, a social contribution network where companies, local governments, citizens, and communities collaborate. The aim of Happiness Alliance is to establish a happiness safety net for children by supporting the daily lives of those at risk of food insecurity.

In 2024, SK broadband participated in the Happiness Alliance School to offer underserved children a range of educational programs and to help bridge the education gap. This program focuses on offering children meaningful learning opportunities by linking the professional resources and educational programs of member companies. SK broadband leveraged equipment at its regional broadcasting center, the Jeonju News Bureau, where B tv News is produced, to offer a hands-on career exploration program. Children were able to experience various roles in the broadcasting field, including news anchors, reporters, news producers, and technical directors. Through this initiative, participants gained a better understanding of broadcasting-related careers and had the opportunity to engage in practical broadcast production activities. More than 30 children participated in the program, with overwhelmingly positive feedback.

Employees of SK broadband who planned and operated the program also reported a strong sense of pride in their work and felt rewarded by the opportunity to create meaningful social value.



On-the-Job Interview

Interview

"Studio, standby! Cue the anchor!" As soon as the "ON AIR" light came on after the rehearsal, the cheerful children immediately focused on their assigned roles as if transformed. Visiting a real studio and producing a news broadcast is a rare experience. Although busy with daily duties, I signed up to participate in the Happiness Alliance program without hesitation, knowing it was a contribution to children through social engagement.

Among these children—our local future—perhaps one will grow up to protect and revitalize a region facing decline.

It was also a meaningful experience in that it aligned with practicing SKMS, our management system that pursues the happiness of both employees and stakeholders while contributing to the community.



Chul Mi Yu, Reporter / B tv News Jeonju

Local Communities

STRATEGY : What Drives Our Pursuit

Co-Prosperity and Local Economic Revitalization (Local Communities)

Spreading Positive Influence through Regional Channel Programming

We contribute to community safety and local problem-solving by identifying and reporting key local issues through our regional channel programs. Our news reports adopt an in-depth, story-driven approach, and we provide urgent, high-impact information that affects residents' lives and property in real time. Disaster alerts are also delivered via subtitles at the top of the B tv screen to ensure critical information reaches a wide audience. We play a vital role in localized social monitoring through news reports that highlight and drive solutions to community issues, thereby spreading positive influence. For example, in September 2024, we reported on a traffic issue in Busan, where a temporary one-lane expansion by Korea Expressway Corporation at the southern end of the Namhae Expressway more than doubled congestion for riverside road users and led to a surge in complaints. Following the report, the Buk-gu District Office in Busan requested action from the corporation, resulting in full restoration and closure of the added lane.

We also launched the original program “Care for Hometowns” to promote the Hometown Love Donation Program. This program highlights solutions in financially under-resourced cities and encourages viewer participation by allowing donations through an on-screen QR code, successfully drawing public interest and engagement. SK broadband will continue producing programs that help address regional issues and revitalize local economies, thereby expanding our positive influence in the community.

Regional Channel Commerce: Happy Market

Through the B tv cable channel, we operate Happy Market, a regional channel commerce program that supports the sales and distribution of local specialties and products. We help regional merchants—who offer high-quality goods but face difficulties securing distribution channels—by providing stable direct sales opportunities, thereby increasing revenue and reducing logistics costs. By expanding market access for small-scale producers, we are driving local economic growth. In 2024, Happy Market achieved cumulative sales of approximately KRW 800 million.

We also collaborate with local governments, including Uiwang City (Gyeonggi-do), Muju County (Jeonbuk-do), Ongjin County (Incheon), and Anseong City (Gyeonggi-do), to promote and sell local specialty products. For instance, to support the promotion of specialty products and tourism in Muju, we signed a business agreement with MUJU County in Jeonbuk-do. Through this partnership, Happy Market now introduces not only Muju's regional specialties but also a variety of tourism offerings. SK broadband will continue building co-prosperity models with local governments to contribute to balanced and sustainable regional development.

Free Advertising Support for Small Businesses

B tv Town Ad is an advertising platform that allows small business owners to create TV ads targeting only their neighborhood, at affordable prices. The service primarily supports local small shops, small business owners, young entrepreneurs, and others for whom production costs may be a burden. Anyone can easily create TV ads by uploading photos and text to the website. To assist small businesses and traditional markets struggling with promotion, SK broadband airs free ads in local regions during major holidays. In 2024, for Chuseok, we produced and broadcast free advertisements for 59 traditional markets across Korea, including 33 cultural tourism markets designated by the Small Enterprise and Market Service, contributing to local economic revitalization.

Co-Prosperity through Support for Social Enterprises

Since 2011, SK broadband has maintained a collaborative relationship with Foundation HappyGreenRecycling, a social enterprise that refurbishes SK broadband's terminal equipment.¹⁾ Foundation HappyGreenRecycling contributes to vocational training and employment for people with disabilities. To support the well-being of Foundation HappyGreenRecycling employees, we sponsored a healing program held in Jincheon, North Chungcheong Province, for long-term staff members. We will continue developing co-prosperity programs in collaboration with the foundation to promote inclusive growth.

1) Refurbish: A process that restores used equipment—collected from customers—by inspecting, repairing, and reconditioning it for reuse.



▶ Foundation HappyGreenRecycling Healing Program

Local Communities

STRATEGY : What Drives Our Pursuit

Employee Volunteer Participation

Employee Volunteer Participation

Since 2006, SK broadband has carried out monthly volunteer activities in Busan through the Bridge of Love volunteer group, preparing and serving lunch for elderly individuals living alone at Gongchang Social Welfare Center. We have continued these efforts for 19 consecutive years, including Lunar New Year and Chuseok holiday events, senior appreciation festivals, and kimchimaking events, along with regular sponsorships for children and youth heads of households.

In Daejeon, we operate the Happiness Precinct volunteer group, which regularly serves at local welfare centers. We also participate annually in community programs organized by Daejeon City, including tree planting events on Arbor Day, grave site maintenance at the Daejeon National Cemetery, and placing national flags at memorial sites—demonstrating our commitment to community co-prosperity. Additionally, SK broadband has collaborated with the Korean Red Cross since 2005 to conduct ongoing employee blood donation campaigns, contributing to life-saving efforts.

On the occasion of our company's anniversary, over 60 executives and employees, including the CEO, participated in an environmental cleanup volunteer activity at Ichon Hangang Park. During this event, we removed non-native and invasive plant species that disrupt the local ecosystem and helped preserve native species, contributing to the ecological health and cleanliness of the park. SK broadband will continue to encourage voluntary employee participation and maintain diverse, ongoing volunteer initiatives.

Participation in SK Pro Bono

SK Pro Bono is a professional volunteer program in which SK Group members offer free management consulting to social enterprises, leveraging their expertise and work experience. Employees at SK broadband participate in this initiative, primarily advising social enterprises on proposal writing—a common challenge for such organizations. We have expanded beyond traditional 1:1 consulting to offer educational-style advisory sessions that support multiple social enterprises at once, thereby broadening the program's reach. In addition to proposal consulting, our support also includes app/web planning, promotion, and marketing strategy. SK broadband will continue to encourage employees to actively engage in SK Pro Bono activities.

Community Support in Disaster Situations

SK broadband actively supports communities during disasters by promptly providing telecommunications infrastructure. In March 2025, a wildfire—the most severe in the Yeongnam region's history—broke out. To support residents affected by the disaster, we installed IPTV and large-screen TVs at the Uiseong Sports Complex in Gyeongsangbuk-do and at two schools in Sancheong-gun, Gyeongsangnam-do to ensure real-time access to disaster-related information. We also set up Wi-Fi networks to improve communication and access to information for residents, helping promote emotional stability during the crisis.



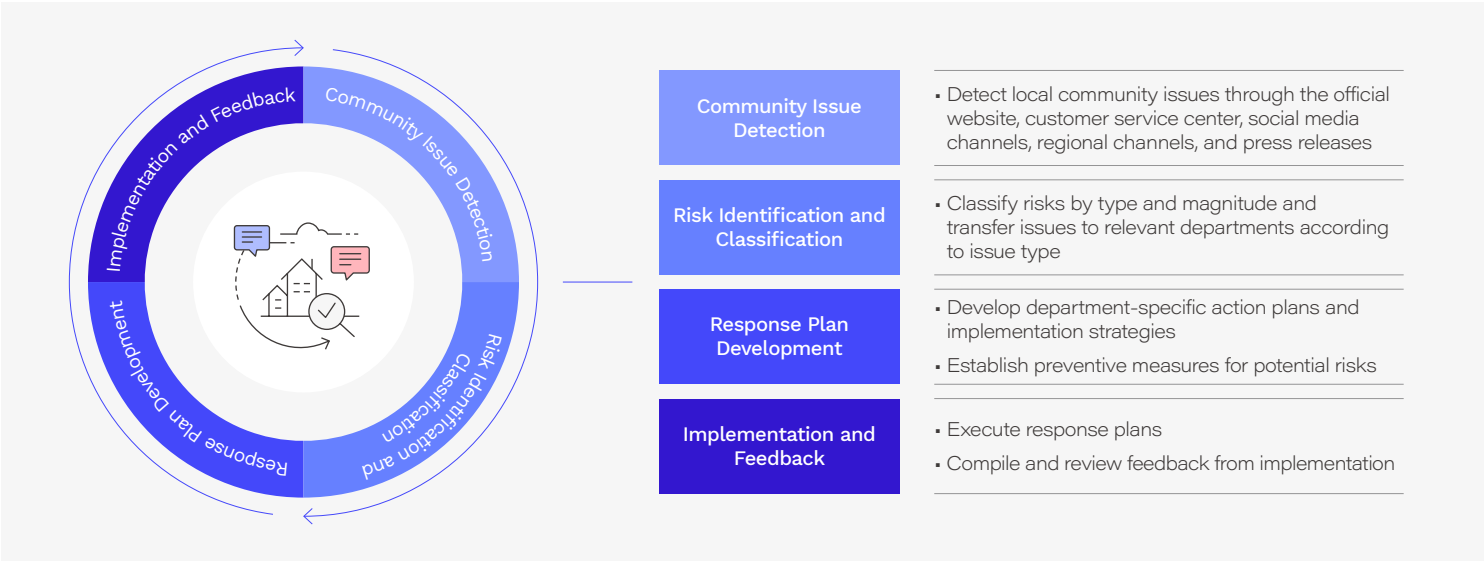
Local Communities

RISK MANAGEMENT : How We Manage Challenges

Community Engagement and Communication

We operate a variety of communication channels to maintain smooth engagement with local communities and protect the rights of local residents. In addition to our official website and customer service center, we continuously operate social media channels such as our blog, Instagram, and YouTube to gather community feedback. Any inconvenience or complaint raised through these platforms is promptly transferred to the relevant department for response. We have also strengthened media monitoring efforts. We collect news coverage related to SK broadband on a daily basis to detect emerging social issues connected to the company early on. This monitoring system enables us to maintain trust with local communities and establish a foundation for preemptive responses when issues arise.

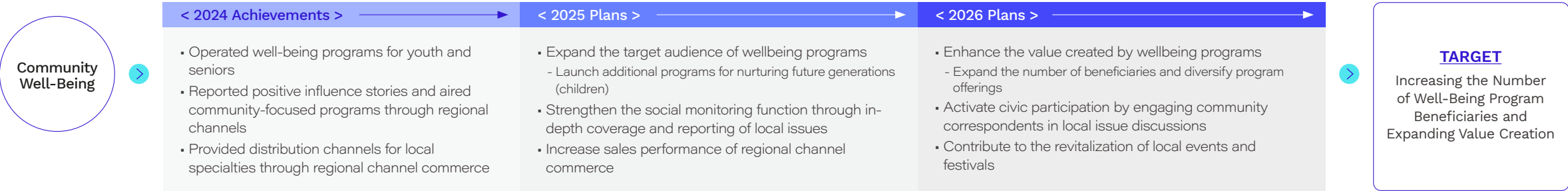
Community Issue Detection and Response Process



Local Communities

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



Metrics

Social Investment

Category		Unit	2022	2023	2024
Social Investment Amount	Cash	KRW million	1,357	530	534
	Indirect	KRW million	165	0	0
Policy-based Donations	Political Contributions ¹⁾	KRW million	0	0	0

1) In accordance with Article 31 of the Political Funds Act of Korea and our Ethical Standards, SK broadband does not provide political contributions or other lobbying funds.

Volunteer Activities

Category		Unit	2022	2023	2024
Volunteer Participation	Participation Rate ¹⁾	%	3.8	16.5	21.4
	Number of Participating Employees	persons	100	433	556
	Ratio of Skilled Volunteers	%	0.8	0.6	0.8
Volunteer Hours	Total Volunteer Hours	hours	456	1,124	1,656
	Volunteer Hours per Employee	hours	0.2	0.4	0.6
	Calculated Amount Based on Volunteer Hours	KRW million	54	266	323

1) Calculated as: (Number of Participating Employees / Total Employees) × 100

Governance

SK broadband operates a transparent and efficient decision-making system based on the independence and expertise of the Board of Directors, and fosters a sound corporate culture through the practice of ethical and compliance management. By strengthening internal controls and continuously promoting ethical awareness, we are laying the foundation for all members of the organization to implement responsible management principles in their daily work. We will continue to uphold a trusted corporate governance through fair business practices and strict regulatory compliance.

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Ethics and Compliance	115

Transparent Governance

GOVERNANCE

: Who Leads Our Sustainability

Board Composition

As of June 30, 2025, the Board of Directors—the highest decision-making organization of SK broadband—consists of five members. The Board deliberates and resolves major matters, considering the interests of stakeholders, with the goal of realizing SK broadband’s values and driving sustainable growth.

|

Board Composition

Title	Name	Gender	Appointment Date	Career Highlights
Other Non-Executive Director (Chair)	Young Sang Ryu	Male	2023.08.31	(Current) CEO & President, SK Telecom (Former) CEO & President, SK broadband
Executive Director (CEO)	Jin Hyo Park	Male	2023.08.31	(Current) CEO & President, SK broadband (Former) CEO & President, SK Shieldus
Executive Director	Jong Seok Park	Male	2023.01.12	(Current) Head of Corporate Center, SK broadband (Former) Head of Corporate Strategy Group, SK Telecom
Executive Director	Jin Soo Seong	Male	2025.03.31	(Current) CSPO & Head of Network Infra Center, SK broadband, Head of Wired Infra Division, SK Telecom (Former) Head of Infra Services CT, SK Telecom
Other Non-Executive Director	Kyung Sang Yu	Male	2024.03.28	(Current) Head of Corporate Strategy Center, SK Telecom (Former) Head of Digital Investment Center, SK

STRATEGY

: What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed the key governance-related risks and opportunities that may arise in the course of its business operations.

Risks

A unilateral or unqualified approach to management may lead to serious decision-making errors, threatening the stability of corporate operations. If oversight and checks on management are not effectively in place, there is a risk of overemphasis on short-term performance at the expense of long-term development. Failure to effectively manage such risks can diminish corporate value and investor trust.

Opportunities

Establishing transparent governance serves as an opportunity to enhance corporate reputation and build investor trust. Companies with reliable decision-making systems are more likely to receive favorable evaluations for bank loans or credit ratings, thereby improving access to capital.

Key Strategies



Transparent Governance

STRATEGY : What Drives Our Pursuit

Board Transparency and Expertise

Director Appointment Process

SK broadband appoints directors fairly and transparently in accordance with relevant laws, including Article 382 of the Commercial Act, and the company's Articles of Incorporation. The Board of Directors recommends candidates after a comprehensive review of their expertise, capabilities, potential to contribute to corporate growth, and possible conflicts of interest. Final appointments are made through a resolution at the General Meeting of Shareholders.

Board Principles

Diversity	No discrimination based on gender, race, ethnicity, religion, or nationality in the appointment of directors
Expertise	- Director candidates must have extensive knowledge or experience in areas such as management, finance, the Global Industry Classification Standard (GICS Level), and ESG - Directors are provided with ongoing information necessary for understanding the business and making informed decisions
Independence	- Separation of roles between the CEO and the Chair of the Board - Directors with an interest in a given Board resolution are prohibited from exercising voting rights on that matter

Board Competency

SK broadband's Board of Directors is composed of individuals with specialized knowledge and extensive hands-on experience across various fields, including management, finance, the Global Industry Classification Standard (GICS), and ESG.

Board Competency

Title		Young Sang Ryu	Jin Hyo Park	Jong Seok Park	Jin Soo Seong	Kyung Sang Yu
Leadership	Expertise in operating large-scale organizations	●	●	●	●	●
Core Industry Expertise	Expertise in related industries	●	●	●	●	●
Finance & Accounting	Financial and accounting expertise for company management and supervision	●		●		
M&A / Capital Markets	Expertise in investment activities such as M&A	●				
Global Affairs	Expertise in international political dynamics and regional risks					●
ESG	Expertise in key ESG areas including safety and health, information security, customer satisfaction, and product and service quality		●		●	

Transparent Governance

STRATEGY

: What Drives Our Pursuit

Board operations

The Board of Directors convenes regular board meetings once every quarter and holds ad hoc meetings as needed. In 2024, the Board held a total of eight meetings, during which 23 agenda items were reviewed, resolved, or reported. We strive to maintain a minimum attendance rate of 75% for board members, and the average attendance rate in 2024 was 90%. To encourage participation, all directors are notified of the meeting schedule, venue, and agenda items at least three days prior to each meeting. Participation via remote communication is also permitted. Board resolutions are passed in accordance with the Articles of Incorporation, requiring the attendance of a majority of directors and the approval of a majority of those present. The Board also reviews and resolves agenda items related to ESG and economic growth to enhance sustainability, and monitors the performance and implementation of such activities on a regular basis.

|

2024 ESG-Related Board Resolutions

Agenda Item	Date	Type	Details
Safety and Health Plan (Draft)	2024.02.01.	Resolved	- Occupational safety and health management policy (core values and direction of implementation) - Organization, personnel, and roles related to safety and health - Budget and facility status for safety and health 2023 performance review and 2024 action plan
Sustainability Report Publication & Reporting	2024.07.05.	Reported	- Enhanced materiality assessment - Application of ISSB¹⁾ framework - Value chain and subsidiary management

1) ISSB: International Sustainability Standards Board

Evaluation and Remuneration of Directors and Management

Director remuneration is determined by the Board of Directors within the limits approved by the General Meeting of Shareholders and consists of base salary and performance-based incentives. Base salary is determined based on responsibilities, expertise, and contributions to the company. Performance incentives reflect both quantitative results—such as revenue and operating profit—and qualitative assessments including strategic goal achievement and leadership. If an individual receives compensation of KRW 500 million or more, the amount, calculation criteria, and method are transparently disclosed in the business report.

To strengthen ESG accountability for executive directors and key management personnel, ESG performance indicators—such as ESG management improvement, net-zero implementation plans, and social value creation—are included in performance evaluations. Performance against these goals is assessed annually.

Shareholder-Oriented Management

SK broadband operates a shareholder return policy to protect shareholder rights and enhance long-term shareholder value. Shareholder returns are determined based on a comprehensive review of business performance, investment plans, and financial condition and outlook, and are provided in cash or stock in accordance with the Articles of Incorporation. We hold regular General Meetings of Shareholders each year and encourage active shareholder participation through the adoption of electronic voting and proxy voting systems. To ensure shareholders have sufficient information, we notify them of the date, venue, and purpose of the meeting at least two weeks in advance, either in writing or electronically. SK broadband does not grant multiple voting rights for any class of shares.

Transparent Governance

METRICS & TARGETS : Where We’re Heading

Metrics

Board Operations

Category		Unit	2022	2023	2024
Number of Board Meetings Held		sessions	9	10	8
Reports and Resolutions	Items Reported	cases	4	5	6
	Items Resolved	cases	21	24	17
Resolution Outcomes	Approved	cases	102	126	90
	Opposed	cases	0	0	0
	Abstained	cases	0	0	0
	Absent	cases	14	25	9

Shareholding Status

Category	Unit	Shares Held	Ownership Ratio (%)
SK Telecom Co., Ltd.	shares	398,595,779	99.14
Treasury Shares	shares	383,168	0.10
Others	shares	3,066,498	0.76
Total	shares	402,045,445	100.00

Ethics and Compliance

GOVERNANCE

: Who Leads Our Sustainability

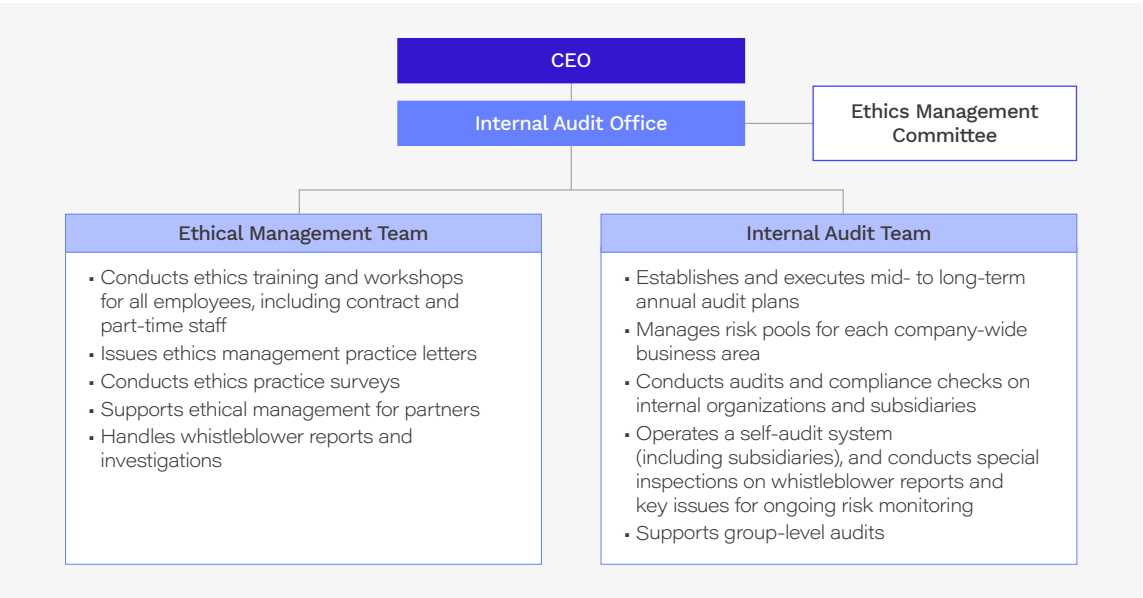
Roles and Responsibilities

Unethical or unlawful conduct by a company can severely damage brand value and result in financial losses due to legal disputes, public mistrust, and broader social harm such as increased crime. Recognizing the critical importance of ethical management, SK broadband operates based on SKMS (SK Management System), the Group's management philosophy and behavioral framework, and has established ethical standards and implementation guidelines accordingly.

These standards and guidelines outline policies and Codes of Conduct to identify, prevent, and improve risks related to anti-corruption across all business operations—including fair trade, safety, environment, improper solicitations, and corruption. The scope of ethical management encompasses all stakeholders associated with our business, including customers, employees, shareholders, and society at large.

To enhance the independence and autonomy of ethical management, SK broadband operates the Ethics Management function as a department reporting directly to the CEO. In addition, to further strengthen the independence, objectivity, and fairness of internal audits, we established the Ethics Management Committee in 2024. The CEO and the Committee play a central role in reviewing and approving key matters related to ethics and internal audits, serving as driving forces in spreading a culture of ethical management. We have also implemented the 3C Ethics Management System—Code, Compliance, and Consensus—to further strengthen our ethics framework.

→ Ethical Standards and Ethics Management Guidelines



|

3C Ethics Management System

Code	Defines corporate ethics standards and stakeholder responsibilities and provides formalized and concrete Codes of Conduct for employees (including Ethical Standards, Implementation Guidelines, and Practice Guides)
Compliance	Operates dedicated ethics organizations and systems to ensure implementation (e.g., ethics management team, whistleblower reporting and investigation process, audit procedures for unethical behavior, and self-inspections)
Consensus	Enhances employee commitment to ethical management through structured education and engagement programs (including CEO messages, training programs, Ethics Pledges, and campaign activities)

Ethics and Compliance

GOVERNANCE

: Who Leads Our Sustainability

Management System

The Ethics Management Committee is composed of three members, including at least one expert in accounting or finance to ensure professional integrity and reliability. The Committee is held regularly at least once per quarter and may be convened on an ad hoc basis when necessary. In particular, we established the Ethics Management Committee Operational Standards to formally define the Committee's structure, functions, and authority. This includes planning internal audits, conducting audit activities, reviewing and approving corrective actions based on audit findings, overseeing the establishment of an ethical management environment to prevent unethical risks, and specifying the Committee's composition, operations, functions, and powers. To ensure effective operation of the Committee, the ethics management team serves as its secretariat. The Committee also holds the authority to approve or consent to the appointment and dismissal of the head of the internal audit department, and to review and provide input on performance evaluations related to the role.

Composition and Operation of the Ethics Management Committee

Committee Name		Category	Details	
Ethics Management Committee	Members	External Auditor (non-executive), Legal Affairs Executive, HR Executive		
	Regulation Name	Ethics Management Committee Operational Standards		
	Defined Roles in Regulation	Review and approval of matters related to internal audits		
	Oversight Responsibilities	• Review and approval of internal audit plans • Review of appropriateness of internal audit team structure, staffing, and budget, and evaluation of activities • Confirmation of corrective actions on internal audit findings • Oversight and approval of ethics management systems, activities, and non-financial risk assessments • Review and approval of performance evaluations for the head of the internal audit department • Authority to approve appointments and dismissals of the head of the internal audit department		
	Frequency	At least once per quarter; additional meetings held as needed		
	2025 Committee Agenda Items	1Q (Completed)	• Review and approval of the 2025 audit plan • Report on the 2nd regular audit of 2024 and follow-up action plan • Report on wholesale agency issues in the Wired Media Business Division	
		2Q (Completed)	• Report on the 1st regular audit of 2025 • Report on 1H ethics management performance	
3Q (Upcoming)		• Report on self-inspections and implementation reviews • Report on effectiveness of ethics management activities and improvement plans		
4Q (Upcoming)		• Report on the 2nd regular audit of 2025 • Report on ethics management system evaluation results		
Dedicated Organization	Department Name	Internal Audit Office		
	Role	• Support operations of the Ethics Management Committee (independent audit function) • Conduct group-wide and internal audits • Report risk management activities to the Committee • Conduct investigations and improve related processes • Operate ethics management policies and systems • Provide ethics education and enhance the ethics management system		

Ethics and Compliance

STRATEGY

: What Drives Our Pursuit

Impacted Value Chain

	Upstream	Own Operation	Downstream
Media / Wired Communication	✓	✓	✓
Data Centers	✓	✓	✓

● Low ● Moderate ● High

Risks and Opportunities

SK broadband has analyzed key risks and opportunities related to ethics and compliance that may arise in the course of business operations.

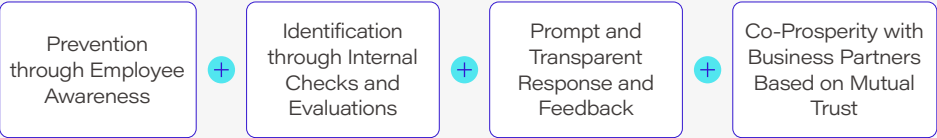
Risks

Unethical or unlawful conduct may significantly threaten the sustainability of the company, leading to decreased brand trust, customer attrition, and financial losses due to legal disputes. In particular, ethical issues such as unfair business practices, improper solicitations, and corruption can erode public trust, damage relationships with stakeholders, and, if not effectively addressed by an ethical management system, may weaken internal controls and blur behavioral standards— ultimately spreading risk throughout the organization.

Opportunities

By systematically practicing ethical management, we can strengthen internal controls, enhance employees’ sense of ethics and responsibility, and establish a culture of ethics throughout the organization. These efforts not only help prevent risks in advance but also build stakeholder trust and improve corporate transparency and sustainability. In the long term, they contribute to enhancing brand value, attracting top talent, and securing investor confidence—strengthening our non-financial competitiveness.

Key Strategies



Prevention through Employee Awareness

As part of our proactive approach to ethical management, SK broadband operates a range of structured programs to raise employee awareness and strengthen execution capabilities. Each year, we collect Ethics Pledges from all employees, including temporary employees, and continuously work to raise awareness of ethical management through online education, discussion-based ethics workshops by team, customized in-person education tailored to job functions, and the distribution of ethics practice letters. In 2024, we also conducted an ethics slogan contest during the ethics management workshops to further engage employees and boost interest in ethical culture. Additionally, we provide compliance training tailored to job levels—covering executives, managers, and general staff. Following each training, we conduct a regular Ethics Management Practice Survey to assess awareness and implementation levels. The survey results are used to supplement the ethical environment by incorporating unit-specific feedback. Insights from the survey are also linked to company-wide improvement initiatives, forming a foundation for preemptive responses to unethical behavior.

Key Activities

Education

- Online education focused on core ethical principles
- Customized in-person education reflecting the specific duties of each organization

Communication

- (Individual) Strengthening communication through Ethics Management Practice Letters
- (Organizational) Team-based ethics management workshops centered on discussion

Regular Evaluation

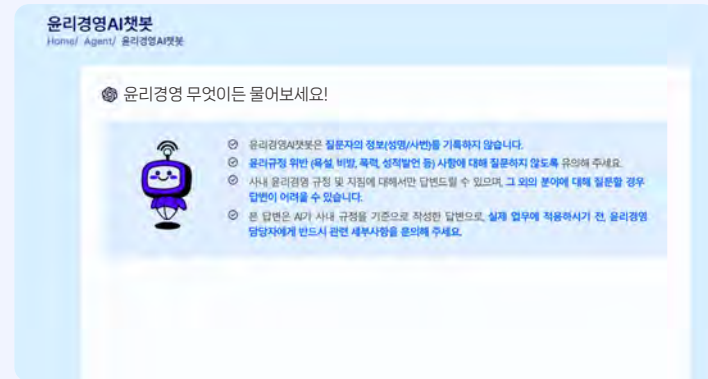
- Regular implementation of the Ethics Management Practice Survey

Ethics and Compliance

STRATEGY : What Drives Our Pursuit

Ethical Management AI Chatbot

To support employees in resolving ethical dilemmas and to promote the internalization of ethical management, we introduced an Ethical Management AI Chatbot developed based on our internal regulations. The AI chatbot is designed to enable 24/7 ethical inquiries and consultations from any location, helping employees easily and promptly understand and apply the company's ethical standards. Through this, we aim to establish a transparent and trusted organizational culture and enhance the effectiveness of our ethical management.



Identification through Internal Checks and Evaluations

Audit and Evaluation Framework for Risk Prevention

To enhance the effectiveness of ethical management, SK broadband systematically identifies and manages unethical risks in advance. Based on internal and external environmental analyses, we identify and assess key risks and establish a three-year mid-term audit plan covering all business areas, including subsidiaries. In addition, we reassess risks annually to update audit priorities and operate a continuous risk management system through the management of a business-area specific Risk Pool. In 2024, we conducted risk assessments targeting our wireline business, media, and cable TV operations to preemptively identify and respond to potential risks, thereby improving management efficiency. We also strengthened internal controls through comprehensive self-inspections across all business areas. Based on audit results, we issue recommendations for improvement and follow-up measures. We check the implementation status annually to improve management efficiency and strengthen our competitiveness. Furthermore, through our Ethics Counseling Center, we operate a reporting channel accessible not only to employees but also to partners and customers. Prompt corrective actions are taken for any received reports. We also conduct regular corruption risk assessments to identify high risk areas early in the business process. Serious risks identified during evaluations are tracked until fully resolved through recommended improvements and follow-up measures, with the goal of achieving zero compliance risk.

Key Activities and Response Measures

Internal Audits

- Implementation of first and second regular audits and issuance of improvement recommendations
- Compliance audits conducted under the group's supervision
- Diagnosis of internal control status through self-correcting system
- Special inspections for potential risks

Corruption Risk Assessment

- Employee education on fair trade laws and the Improper Solicitation and Graft Act
- Review of e-commerce, agency transactions, and subcontracting transactions
- Employee education on unfair collusion and the Subcontracting Act



Ethics and Compliance

STRATEGY : What Drives Our Pursuit

Identification through Internal Checks and Evaluations

Operation of Reporting Channels

SK broadband operates internal and external whistleblowing channels to monitor unethical conduct among employees. These channels are accessible not only to employees but also to business partners, customers, shareholders, and other stakeholders. Reports can be submitted anonymously or with identification and may include violations such as bribery, improper solicitations, entertainment offers, and fraudulent accounting practices. Upon receiving a report, we conduct an investigation, and if a violation is confirmed, we take appropriate follow-up action based on the findings. SK broadband has also established and operates a whistleblower protection policy to safeguard the identity of whistleblowers. The internal audit organization ensures the confidentiality of the whistleblower's identity, statements, and submitted materials. We strictly prohibit any form of retaliation or discrimination resulting from a legitimate report. In 2024, we revised our whistleblower reward system to encourage reporting of unethical conduct. We clearly defined the reward criteria and decision-making procedures and disclosed this information on our website to enhance transparency.



Whistleblower Protection Policy

We operate a whistleblower protection program to ensure that whistleblowers can report issues without fear of retaliation or disadvantage.

- 1

No one will be subject to any form of discrimination or disadvantage for making a legitimate report.
- 2

If a whistleblower suffers any disadvantage due to their report, they may request corrective measures and protection from the ethics management department, which will take all necessary actions to minimize such disadvantages.
- 3

The whistleblower's identity and the contents of the report will be kept strictly confidential and will not be disclosed without their consent.
- 4

The same level of protection applies to individuals who cooperate in the investigation through testimony or providing materials.
- 5

If someone involved in an unethical or illegal act voluntarily discloses their actions, sanctions may be mitigated.

Prompt and Transparent Response and Feedback

When a violation of the Code of Ethics occurs, SK broadband categorizes the case and responds swiftly and systematically. When necessary, we conduct additional investigations to determine the facts and respond in accordance with internal regulations using fair and consistent standards.

After the response, we share the case details and decision criteria with the relevant department or employee, providing feedback and guidance to prevent recurrence, thereby enhancing ethical awareness and promoting organizational learning. In addition, we plan to continue strengthening practical and preventive ethics management by conducting face-to-face education for business departments, linked with the results of regular audits.

Investigation Process

Report Submission	• Reports are received through various channels including the group-level and internally operated Ethics Counseling Center
Preliminary Investigation	• Assessment of the credibility and severity of the report
Main Investigation	• A professional investigation team is formed to verify facts and investigate violations of regulations
Result Reporting	• Reporting of investigation results and follow-up action plans
Follow-Up Measures	• Disciplinary action and HR decisions, business or process improvements based on the results

Ethics and Compliance

STRATEGY : What Drives Our Pursuit

Co-Prosperity with Business Partners Based on Mutual Trust

SK broadband is committed to fostering shared growth and building a trust-based cooperative relationship with business partners to create sustainable value. Beyond transactional relationships, we are promoting a shared culture of ethical management and fair trade while supporting partners in enhancing their capacity to autonomously prevent risks. We provide regular ethical management education materials, share fair trade guidelines, and operate a whistleblowing channel for partners, creating a transparent and responsible partnership environment. Through continuous communication and cooperation, we aim to build long-term co-prosperity. In 2024, we sent out an Ethical Management Practice Letter to business partners under contract with SK broadband, covering major anti-corruption topics including fair trade, improper solicitation, bribery, and privacy protection. To enhance accessibility and efficiency, we also provided online video training, encouraging our business partners to engage in self-directed learning and helping to spread an ethical culture across the entire value chain.

Online Ethical Management Education for Business Partners



▶ Letter to Business Partners Sent



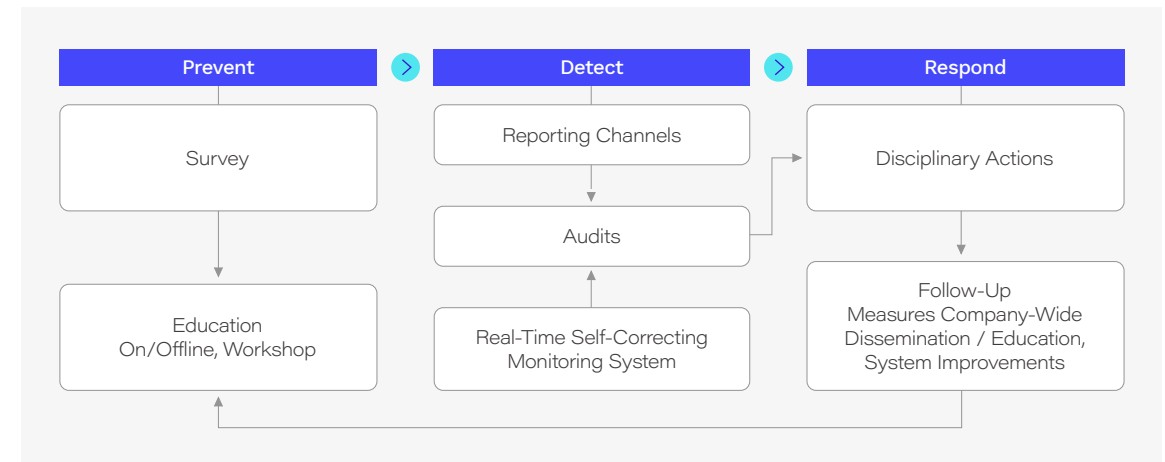
▶ Online Training Video for Business Partners

RISK MANAGEMENT : How We Manage Challenges

Ethical Management Framework

SK broadband has established an ethical management framework grounded in our Code of Ethics and operates it based on a three-stage process: Prevent – Detect – Respond. Employees raise awareness of unethical behavior and build preventive capabilities through ethics education and ethics workshops by department. The company continuously monitors unethical practices via the SK Reporting System and Ethics Management Portal, identifies risks early through internal audits and evaluations, and responds swiftly and transparently to violations. Outcomes are communicated company-wide and reflected in future training and policy improvements to continually advance our level of ethical management.

SK Ethical Management Framework



Ethics and Compliance

METRICS & TARGETS : Where We’re Heading

Implementation Roadmap



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Financial Information

Summary of Consolidated Financial Information

28th Fiscal Year: December 31, 2024 Present
27th Fiscal Year: December 31, 2023 Present
26th Fiscal Year: December 31, 2022 Present

(Unit: KRW Million)

Category	FY28	FY27	FY26
[Current Assets]	1,661,633	1,388,965	1,348,305
Trade and Other Receivables	560,476	551,813	569,580
Cash and Cash Equivalents	434,296	354,161	367,994
Current Inventories	17,034	14,911	20,835
Other Current Assets	649,827	468,080	389,896
[Non-current Assets]	5,160,314	5,084,443	4,945,627
Long-term Trade and Other Non-current Receivables, Gross	86,080	82,577	81,678
Property, Plant, and Equipment	3,369,451	3,310,745	3,116,379
Intangible Assets and Goodwill	642,445	709,146	740,734
Other Non-current Assets	1,062,338	981,975	1,006,836
Total Assets	6,821,947	6,473,408	6,293,932
[Current Liabilities]	1,640,046	1,388,317	1,707,805
[Non-current Liabilities]	2,155,737	1,971,849	1,465,648
Total Liabilities	3,795,783	3,360,166	3,173,453
[Issued Capital]	2,010,227	2,010,227	2,010,227
[Capital Surplus and Other Capital Adjustments]	668,839	667,054	657,707
[Retained Earnings]	357,826	443,731	454,534
[Reserves]	(10,728)	(7,770)	(1,989)
Total Equity	3,026,164	3,113,242	3,120,479

28th Fiscal Year: January 1, 2024 - December 31, 2024
27th Fiscal Year: January 1, 2023 - December 31, 2023
26th Fiscal Year: January 1, 2022 - December 31, 2022

(Unit: KRW Million)

Category	FY28	FY27	FY26
Revenue	4,408,858	4,274,747	4,155,822
Operating Income	352,409	313,665	309,092
Profit (loss) from Continuing Operations	249,837	206,517	219,867
Profit (loss) from Discontinued Operations	5,903	(3,626)	(2,564)
Profit (loss)	255,740	202,890	217,303
Profit (loss), Attributable to Owners of Parent	255,740	202,890	217,303
Basic and Diluted Earnings per Share (KRW)	637	506	544
Companies Included in Consolidation	2	2	2

Financial Information

Summary Separate Financial Information

28th Fiscal Year: December 31, 2024 Present
27th Fiscal Year: December 31, 2023 Present
26th Fiscal Year: December 31, 2022 Present

(Unit: KRW Million)

Category	FY28	FY27	FY26
[Current Assets]	1,624,130	1,342,047	1,298,735
Trade and Other Receivables	546,510	537,717	555,299
Cash and Cash Equivalents	411,914	322,592	348,286
Current Inventories	16,086	13,984	18,279
Other Current Assets	649,620	467,754	376,871
[Non-current Assets]	5,182,149	5,100,564	4,946,749
Long-term Trade and Other Non-current Receivables, Gross	82,197	80,319	79,605
Property, Plant, and Equipment	3,362,340	3,305,687	3,110,868
Intangible Assets and Goodwill	629,062	692,560	723,408
Other Non-current Assets	1,108,550	1,021,998	1,032,868
Total Assets	6,806,280	6,442,611	6,245,484
[Current Liabilities]	1,662,722	1,376,697	1,694,852
[Non-current Liabilities]	2,137,704	1,946,459	1,440,097
Total Liabilities	3,760,426	3,323,156	3,134,949
[Issued Capital]	2,010,227	2,010,227	2,010,227
[Capital Surplus and Other Capital Adjustments]	668,812	667,054	657,707
[Retained Earnings]	377,543	449,943	444,591
[Reserves]	(10,728)	(7,770)	(1,989)
Total Equity	3,045,854	3,119,455	3,110,535

28th Fiscal Year: January 1, 2024 - December 31, 2024
27th Fiscal Year: January 1, 2023 - December 31, 2023
26th Fiscal Year: January 1, 2022 - December 31, 2022

(Unit: KRW Million)

Category	FY28	FY27	FY26
Revenue	4,415,270	4,281,932	4,162,093
Operating Income	362,835	320,341	304,417
Profit (loss)	263,967	213,905	212,816
Basic and Diluted Earnings per Share (KRW)	657	534	533

Integrated Risk Management

Risk Prevention & Post-Risk Response Management

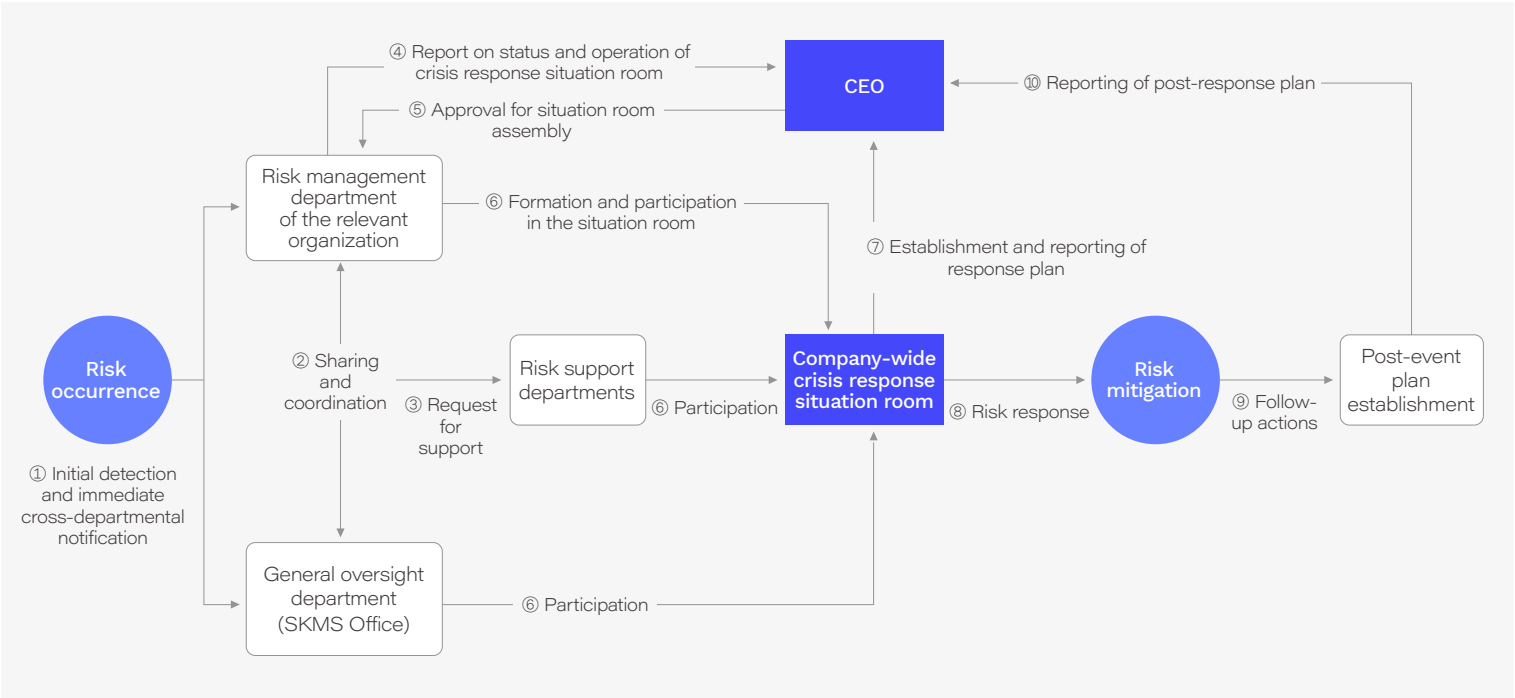
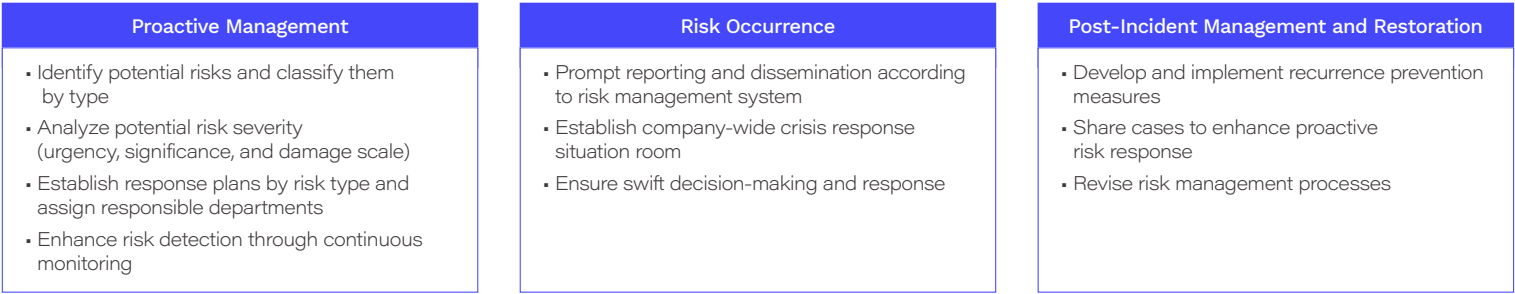
SKMS Office, which serves as the risk management control department, monitors the likelihood of risk through designated key management and supporting departments by risk type. This enables us to rapidly disseminate information and respond swiftly through a well-maintained response system. When a risk actually occurs, we immediately share relevant information with the responsible departments. If necessary, we report the situation to the CEO and operate a company-wide crisis response situation room.

After the crisis is resolved, we establish follow-up plans to prevent recurrence of similar cases and share the relevant cases across the company as opportunities for learning and improvement.

Key Management and Supporting Departments by Risk Type¹⁾

Risk Type	Management and Supporting Departments
Service Failures	Network Infra Center / AT / DT Development
Customer Information Breach / Cybersecurity Incident	Customer Value Innovation / Information Security
Damage to Customer Value	Customer Value Innovation
Climate Change Response	Management Strategy
BR	Legal / Audit / Safety and Health
GR	CR / PR / Legal / Finance
Employees	HR / Audit / Safety and Health
Financial Risk	Management Planning
National Emergencies (e.g., Wartime, Martial Law)	RM Working Committee of Executive Members / SKMS Office

1) Risk management activities by major type are provided on the respective reporting pages



Integrated Risk Management

Risk Types

Non-Financial Risk

Category	Risk Factors and Potential Impacts	Response Activities
Service Failures	Major disruptions such as network service failures or IPTV/CATV transmission interruptions due to natural disasters, human error, or equipment malfunction	- Operate service quality improvement meetings - Build submarine cables and provide high-quality services in response to increased traffic - Improve network stabilization and recovery systems
Customer Data Breach and IT Security Incident	Negative impacts on corporate trust and reputation in the event of customer personal data being leaked to third parties or externally due to hacking or lack of professional ethics	- Appoint Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO) - Implement tasks derived from the mid-to long-term information security plan - Maintain certifications including ISO 27001, ISMS, ISMS-P, SOC 1, and SOC 2 - Strengthen personal data risk management across the entire value chain and promote an information security culture
Damage to Customer Value	Increased likelihood of compensation payments and customer complaints if proper measures are not taken in response to customer dissatisfaction or grievances	- Conduct customer surveys and Voice of Customer (VoC) monitoring to enhance communication - Operate customer advisory panels to gather feedback and implement improvements - Promote capacity-building initiatives for customer contact channels
Climate Change and Environment	- Strengthened climate-related regulations, including the upward revision of Korea's Nationally Determined Contribution (NDC) and full enforcement of the “Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis” - Increased financial impact due to mandatory GHG emissions disclosures	- Declared 2045 Net Zero goal and established implementation roadmap - Introduced internal carbon pricing system - Declared RE100 and accelerated transition to renewable energy - Increased investment in clean technology and the environment, including replacement with high-efficiency equipment and development of eco-friendly equipment
Employees	- Strengthened obligations related to occupational accidents and safety and health due to full enforcement of the Serious Accidents Punishment Act - Risks related to ethical and human rights violations	- Strengthened the safety and health management system under the leadership of the Chief Safety and Health Officer (CSPO) - Established a ethical management system based on three elements (standards of conduct, systems, and consensus) - Formed and operated the Ethics Management Committee
Business Relationship	- Risks arising from the lack of ESG management capabilities of business partners - Potential damages caused by negative issues originating from partners within the supply chain	- Provide ESG Code of Conduct for business partners and mandate compliance within contracts - Conduct ESG assessments on 50 business partners - Provide ethical management education to employees and business partners
Governance Relationship	Risks related to investigations by national institutions, relevant regulations, and policy changes	- Continuously monitor changes in domestic laws and government policies and respond accordingly - Strengthen compliance by improving systems and processes for major risk areas - Provide compliance training for all executives and employees
National Disasters	National emergencies such as war, martial law, terrorism, economic collapse, and large-scale pandemics	- Develop transition plans to a collective leadership system led by the companywide crisis response task force - Activate Network Operation Contingency Plan and enhance security measures for telecommunications buildings in case of looting or riots - Establish response plans for government demands and cyberattacks, including those from North Korean hackers

Integrated Risk Management

Risk Types

Financial Risk

Category	Risk Factors and Potential Impacts	Response Activities
Market	- Foreign exchange risk arising from fluctuations in exchange rates related to recognized assets and liabilities - Interest rate risk arising from borrowings with variable interest rates	- Manage foreign exchange risk by entering into forward exchange contracts when foreign exchange exposure from operating transactions is deemed significant - Minimize interest rate risk by exploring and implementing the most favorable financing methods, including refinancing, renewing existing borrowings, alternative financing, and hedging strategies
Credit	Credit risk arising when customers or counterparties fail to fulfill contractual obligations during ordinary transactions or investment activities	Regularly evaluate the financial soundness of customers and counterparties by considering their financial status, historical performance, and other relevant factors, set credit limits for each customer and counterparty based on the credit evaluation
Liquidity	Risk of temporarily lacking funds to fulfill payment obligations at the designated payment time, potentially disrupting the counterparty's financial planning.	Maintain sufficient cash and cash equivalents and secure financial flexibility through active business operations within appropriately contracted credit lines
Changes in Business Environment	- Intensifying competition and the blurring of boundaries between wired and wireless, and between telecommunications and broadcasting, due to digitalization of communication technologies and devices - Continued increase in traffic volume driven by growing consumption of high-definition, large-volume media content - Accelerating competition in media platform services centered on exclusive content due to rising demand for personalized content consumption - Increasing traffic centered around Big Tech, such as AI, and growing demand for data centers from cloud service providers (CSPs)	- Develop new services and expand into new markets to meet diverse customer needs - Expand networks and introduce management solutions to proactively respond to traffic changes - Enhance personalized services through exclusive content acquisition and active adoption of AI-based services - Secure data center capacity in advance to strengthen competitiveness and respond to market demand

Sustainability Management Guidelines

GRI Contents Index

Foundation	
Statement of use	SK broadband reports in accordance with the GRI Standards 2021 for the reporting period from January 1, 2024, to December 31, 2024.
GRI 1 used	GRI 1 : Foundation 2021
Applicable GRI Sector Standards	Not Applicable

General Disclosure			
GRI Standards		Disclosures	Page
GRI 2 : General Disclosures 2021	2-1	Organizational details	8
	2-2	Entities included in the organization’s sustainability reporting	144
	2-3	Reporting period, frequency and contact point	144
	2-4	Restatements of information	Indicated on each page
	2-5	External assurance	140-141
	2-6	Activities, value chain and other business relationships	7-17
	2-7	Employees	59
	2-8	Workers who are not employees	59
	2-9	Governance structure and composition	111
	2-10	Nomination and selection of the highest governance body	112
	2-11	Chair of the highest governance body	111
	2-12	Role of the highest governance body in overseeing the management of impacts	111
	2-13	Delegation of responsibility for managing impacts	111
	2-14	Role of the highest governance body in sustainability reporting	113
	2-15	Conflicts of interest	111-113
	2-16	Communication of critical concerns	113
	2-17	Collective knowledge of the highest governance body	112
	2-18	Evaluation of the performance of the highest governance body	113
	2-19	Remuneration policies	113
	2-20	Process to determine remuneration	113
	2-21	Annual total compensation ratio	61
	2-22	Statement on sustainable development strategy	4-6
	2-23	Policy commitments	62, 115
	2-24	Embedding policy commitments	62, 115
	2-25	Processes to remediate negative impacts	125-127
	2-26	Mechanisms for seeking advice and raising concerns	64-65
	2-27	Compliance with laws and regulations	66, 121
	2-28	Membership associations	139
	2-29	Approach to stakeholder engagement	23
	2-30	Collective bargaining agreements	61

Sustainability Management Guidelines

GRI Contents Index

Material Topics

GRI Standards		Disclosures	Page
GRI 3 : Material Topics 2021	3-1	Process to determine material topics	19
	3-2	List of material topics	20
Network Stability and Quality Management			
GRI 3 : Material Topics 2021	3-3	Management of material topics	21
Non-GRI	-	-	-
Customer Experience and Service Innovation			
GRI 3 : Material Topics 2021	3-3	Management of material topics	21
Non-GRI	-	-	-

GRI Standards		Disclosures	Page
Climate Change Response and Energy Management			
GRI 3 : Material Topics 2021	3-3	Management of material topics	21
GRI 201 : Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	34-36
GRI 302 : Energy	302-1	Energy consumption within the organization	44
	302-2	Energy consumption outside of the organization	Information unavailable/ Incomplete
	302-3	Energy intensity	44
	302-4	Reduction of energy consumption	38-40
	302-5	Reductions in energy requirements of products and services	38-40
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	43
	305-2	Energy indirect (Scope 2) GHG emissions	43
	305-3	Other indirect (Scope 3) GHG emissions	43
	305-4	GHG emissions intensity	43
	305-5	Reduction of GHG emissions	43
	305-6	Emissions of ozone-depleting substances (ODS)	Not Applicable
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not Applicable
Strengthening Information Security System			
GRI 3 : Material Topics 2021	3-3	Management of material topics	21
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	94

Sustainability Management Guidelines

GRI Contents Index

Non-Material Topics

GRI Standards		Disclosures	Page
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	7, 123-124
GRI 204 : Procurement Practices 2016	204-1	Proportion of spending on local suppliers	79
GRI 205 : Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	118
	205-2	Communication and training about anti-corruption policies and procedures	117
	205-3	Confirmed incidents of corruption and actions taken	121
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	131
GRI 303 : Water and Effluents 2018	303-3	Water withdrawal	49
GRI 306 : Waste 2020	306-1	Waste generation and significant waste-related impacts	46
	306-2	Management of significant waste-related impacts	46
	306-3	Waste generated	50
	306-4	Waste diverted from disposal	50
	306-5	Waste directed to disposal	50
GRI 308 : Supplier Environmental Assessment 2016	308-1	New Suppliers Screened Using Environmental Criteria	79
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	78
GRI 401 : Employment 2016	401-1	New Employee Hires and Turnovers	60
	401-3	Parental Leave	61
GRI 402 : Labor/Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	57

GRI Standards		Disclosures	Page
GRI 403 : Occupational Health and Safety 2016	403-1	Occupational health and safety management system	67
	403-2	Hazard identification, risk assessment, and incident investigation	72
	403-3	Occupational health services	71
	403-4	Worker participation, consultation, and communication on occupational health and safety	67
	403-5	Worker training on occupational health and safety	70
	403-6	Promotion of worker health	71
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	70
	403-8	Workers covered by an occupational health and safety management system	67-72
	403-9	Work-related injuries	73
	403-10	Work-related ill health	73
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	60
	404-2	Programs for upgrading employee skills and transition assistance programs	53-55
	404-3	Percentage of employees receiving regular performance and career development reviews	60
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	59
	405-2	Ratio of basic salary and remuneration of women to men	61
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	66
GRI 407 : Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	57
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	63
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	63
GRI 413 : Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	103-107
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	79
	414-2	Negative social impacts in the supply chain and actions taken	78
GRI 415 : Public Policy 2016	415-1	Political contributions	109

Sustainability Management Guidelines

SASB Index

Sustainability Disclosure Topics & Accounting Metrics (SICS: Telecommunication Services)

Category	Topic	Code	Page
Environmental Footprint of Operations	(1) Total energy consumed, (2) percentage grid electricity and, (3) percentage renewable	TC-TL-130a.1	44
Data Privacy	Description of policies and practices relating to targeted advertising and customer privacy	TC-TL-220a.1	86-93
	Number of customers whose information is used for secondary purposes	TC-TL-220a.2	94
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	TC-TL-220a.3	94
	(1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure	TC-TL-220a.4	94
Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of customers affected	TC-TL-230a.1	Annual Business Report, p.233
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-TL-230a.2	92-93
Product End-of life Management	(1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	TC-TL-440a.1	50

Category	Topic	Code	Page
Competitive Behavior & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-TL-520a.1	Annual Business Report, p.233
	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	TC-TL-520a.2	SK broadband does not disclose download speed data segmented by content type (owned, commercial, or unaffiliated). However, we do not differentiate download speeds based on content type.
	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	TC-TL-520a.3	SK broadband complies with the "Guidelines on Net Neutrality and Internet Traffic Management" issued by the Ministry of Science and ICT.
Managing Systemic Risks from Technology Disruptions	(1) System average interruption duration, (2) system average interruption frequency and (3) customer average interruption duration	TC-TL-550a.1	85
	Discussion of systems to provide unimpeded service during service interruptions	TC-TL-550a.2	81-84

Activity Metric

Category	Code	Page
Number of wireless subscribers	TC-TL-000.A	85
Number of wireline subscribers	TC-TL-000.B	85
Number of broadband subscribers	TC-TL-000.C	85
Network traffic	TC-TL-000.D	85

Sustainability Management Guidelines

TCFD Index

Category	Topic	Linked CDP Questions ¹⁾	Page
Governance	a. Description of the board's oversight of climate-related risks and opportunities.	4.1.2	33
	b. Description of management's role in assessing and managing climate-related risks and opportunities.	4.3, 4.3.1	33
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2.1, 3.1, 3.1.1, 3.6, 3.6.1	34
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	3.1.1, 3.6.1, 5.1.2, 5.2, 5.3.1, 5.3.2	35-36
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5.1, 5.1.1, 5.1.2	37-40
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	2.1, 2.2.1, 2.2.2	41-42
	b. Describe the organization's processes for managing climate-related risks.	2.1, 2.2.1, 2.2.2	41-42
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.1, 2.2.1, 2.2.2	41-42
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	7.5.2, 7.5.4, 7.5.4.1, 7.5.4.2	43-44
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	7.6, 7.7, 7.8, 7.8.1	43-44
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	7.5.3, 7.5.3.1, 7.5.3.2, 7.5.4, 7.5.4.1, 7.5.4.2	43-44

1) Based on the 2025 CDP Questionnaire

Sustainability Management Initiatives

UN SDGs(UN Sustainable Development Goals)

UN SDGs	SK broadband Activities	Reporting Page
 Good Health and Well-Being	• Operate physical and mental wellness programs tailored to job characteristics • Provide personalized health challenge programs for employees based on data from health checkups, surveys, and consultations • Promote a culture of safety and health among business partners • Operate the "Safety Net" program to provide free meals to isolated seniors, contributing to solving elderly hunger issues	70-71, 103
 Quality Education	• Offer training programs to enhance professional expertise (e.g., latest technology trends, job-specific training) • Provide high-quality educational content to infants and elementary school students through the kids' brand "ZEM" • Participate in "SK Pro Bono," which offers free business consulting to social enterprises	47, 53-55, 107
 Gender Equality	• Offer equal opportunities through blind recruitment for new employees • Operate a performance evaluation and compensation system without gender bias	56

UN SDGs	SK broadband Activities	Reporting Page
 Decent Work and Economic Growth	• Operate local channel programs to revitalize regional economies • Provide high-quality education for talent development - Deliver core competency development training using SK Group's online learning platform, mySUNi, based on a culture of voluntary learning - Provide company-wide AI Literacy (Generative AI) training to foster AI talent • Establish and implement work-life balance support systems and programs - Expand family care and family relationship enhancement programs for employees during pregnancy and childcare stages - Provide sufficient rest with the biweekly "We-fresh Day" (Friday off) - Enhance work hour flexibility through self-designed work schedules • Strengthen marketing capabilities of local small businesses through the "B tv Our Neighborhood Ads" platform - Offer affordable advertising services with lower entry barriers and solutions for self-producing commercials	54-57, 106
 Industry, Innovation and Infrastructure	• Provide a stable communication environment through enhanced anomaly detection, establishment of an international line management system, and infrastructure upgrades • Maintain a rapid and effective cyber incident response system through the construction of a terabit-level DDoS defense system and simulation-based emergency drills	87-93

Sustainability Management Initiatives

UN SDGs(UN Sustainable Development Goals)

UN SDGs	SK broadband Activities	Reporting Page
 Reduced Inequality	- Enhance telecommunications accessibility for vulnerable groups (support for seniors and economically disadvantaged populations) - Expand features specialized for people with visual and hearing impairments (smart subtitles, voice guidance, audio description broadcasting, etc.) - Reduce the content consumption gap for digitally marginalized groups by expanding AI voice-recognition-based Korean subtitle services - Improve media accessibility for the elderly by offering the dedicated senior friendly menu "Happy Senior" in response to an aging population	97, 99, 103
 Climate Action	- First in Korea to join RE100 and pursue 2045 Net Zero goal - Reduce demand-driven GHG emissions - Improve IDC PUE, slim down the network, adopt low-power equipment, implement power-saving measures, and convert to electric vehicles - Promote energy transition - Build solar power generation facilities, sign Green Premium contracts, and conclude Power Purchase Agreements (PPAs) - Develop low-emission products - Commercialize integrated optical module technology, low-power set-top boxes, rechargeable B tv remotes, and next-generation IP unified network (RON) technology - Advance carbon management systems - Establish Carbon Emission Management System (CEMS) and introduce an internal carbon pricing system	37-43

UNGC (UN Global Compact)

The UN Global Compact is a voluntary international initiative that encourages companies to align their strategies and operations with ten universal principles in the areas of human rights, labor, environment, and anti-corruption. Since declaring our support and joining the UNGC in 2021, SK broadband has continued to make active efforts to fulfill its social responsibilities.

UNGC 10 Principles		Reporting Page
Human Rights	① Businesses should support and respect the protection of internationally proclaimed human rights.	62-66
	② Businesses should make sure that they are not complicit in human rights abuses.	62-66
Labor	③ Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	57
	④ Businesses should uphold the elimination of all forms of forced and compulsory labor.	62
	⑤ Businesses should uphold the effective abolition of child labor.	62
	⑥ Businesses should uphold the elimination of discrimination in respect of employment and occupation.	62
Environment	⑦ Businesses should support a precautionary approach to environmental challenges.	33-50
	⑧ Businesses should undertake initiatives to promote greater environmental responsibility.	33-50
	⑨ Businesses should encourage the development and diffusion of environmentally friendly technologies.	33-50
Anti-Corruption	⑩ Businesses should work against corruption in all its forms, including extortion and bribery.	115-121

Subsidiary ESG Management Data

Home&Service

Environmental

GHG Emissions¹⁾

Category	Unit	2022	2023	2024
Total Emissions (Scope 1 + Scope 2)	tCO ₂ eq	24,564	24,746	24,330
Direct GHG Emissions (Scope 1)	tCO ₂ eq	11,008	12,307	11,883
Indirect GHG Emissions (Scope 2)	tCO ₂ eq	13,556	12,439	12,447

1) Data for 2022–2023 has been revised to include buildings leased from SK broadband (excluded from Scope 3 calculation in SK broadband's reporting).

Energy¹⁾

Category	Unit	2022	2023	2024
Total Energy Consumption (Direct + Indirect)	TJ	447	443	436
Direct Energy Consumption	TJ	164	183	176
Indirect Energy Consumption	TJ	283	260	260
Total Renewable Energy Consumption	MWh	0	0	0

1) Data for 2022–2023 has been revised to include buildings leased from SK broadband.

Water¹⁾

Category	Unit	2022	2023	2024
Total Water Use	m ³	25,595	26,470	20,284

1) Data for 2022–2023 has been revised to include buildings leased from SK broadband.

Waste

Category	Unit	2022	2023	2024
Total Waste Generated ¹⁾	ton	1,106	1,332	1,334
General Waste ¹⁾	ton	140	169	177
Other Waste	ton	967	1,163	1,157
Total Recycled Waste	ton	0	0	0

1) Data for 2022–2023 has been revised to reflect refinement of calculation criteria.

Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of Violations of Environmental Regulations	cases	0	0	0
Fines and Penalties	KRW million	0	0	0

Social

General Employee Status

Category		Unit	2022	2023	2024
Total Workforce		persons	4,989	5,443	5,357
Domestic		persons	4,989	5,443	5,357
Overseas		persons	0	0	0
By Employment Type	Permanent Employees	persons	4,868	5,346	5,267
	Temporary Employees	persons	121	97	90
By Gender	Male	persons	4,231	4,680	4,609
	Female	persons(%)	758(15.2)	763(14.0)	748(14.0)
	Permanent Employees	persons(%)	722(14.8)	735(13.7)	735(14.0)
	Temporary Employees	persons	36	28	13

Diversity

Category	Unit	2022	2023	2024
Persons With Disabilities	persons	132	145	143
Persons of National Merit and Veterans	persons	123	126	122
Foreign Nationals	persons	1	1	1

New Hires¹⁾

Category		Unit	2022	2023	2024
Total New Hires		persons	183	657	38
By Gender	Male	persons	114	590	28
	Female	persons(%)	69(37.7)	67(10.2)	10(26.3)
By Employment Type	Permanent Employees	persons	95	605	3
	Temporary Employees	persons	88	52	35

1) A total of 601 employees were onboarded due to large-scale workforce transfer following business area expansion in 2023.

Childbirth and Childcare

Category	Unit	2022	2023	2024
Return-to-Work Rate After Parental Leave	%	91	97	95

Subsidiary ESG Management Data

Home&Service

Social

Turnover (Resignation)

Category		Unit	2022	2023	2024
Total Turnover		persons	159	223	140
Number of Temporary Employee Turnover		persons	37	80	35
Number of Permanent Employee Turnover		persons	122	143	105
Voluntary Turnover Rate		%	1.9	2.1	1.1

Education

Category		Unit	2022	2023	2024
Education Hours	Total Education Hours	hours	194,848	218,385	240,835
	Online Education Hours	hours	121,230	127,374	137,031
	Offline Education Hours	hours	73,618	91,011	103,804
Education Expenses	Total Education Expenses	KRW thousand	1,766,670	1,529,525	1,982,073
	Education Expenses Per Employee	KRW thousand	354	281	370

Accident Rate

Category	Unit	2022	2023	2024
Accident Rate	%	0.661	0.790	0.821

Privacy Protection / Information Security Education

Category	Unit	2022	2023	2024
Education Hours per Employee	hours	1	1	1
Education Participation Rate	%	99.4	99.4	100.0

Information Security Breaches

Category	Unit	2022	2023	2024
Number of Incidents	cases	0	0	0
Fines and Penalties	KRW	0	0	0

Social Investment

Category		Unit	2022	2023	2024
Total Social Investment Amount	Cash Donations	KRW	0	0	0

Status of Business Partners

Category		Unit	2022	2023	2024
Total Number of Business Partners		entities	838	1,445	1,114
Number of Core Business Partners		entities	9	10	10

Purchasing Amount

Category		Unit	2022	2023	2024
Total Purchase Amount		KRW 100 million	649.5	824.0	890.7
Purchase Amount from Core Business Partners		KRW 100 million	23.0	31.4	62.6

Governance

Ethics Education

Category	Unit	2022	2023	2024
Completion Rate of Ethical Management and Fair Trade Education	%	99.5	99.8	99.8
Completion Rate of Sexual Harassment Prevention Education	%	98.8	99.9	100.0

Violations of Fair Competition Regulations

Category	Unit	2022	2023	2024
Number of Violations of Fair Competition Regulations	cases	0	0	0
Financial Losses from Violations of Fair Competition Regulations	KRW	0	0	0

Subsidiary ESG Management Data

Media S

Environmental

GHG Emissions¹⁾

Category	Unit	2022	2023	2024
Total Emissions (Scope 1 + Scope 2)	tCO ₂ eq	17.9	21.6	23.5
Direct GHG Emissions (Scope 1)	tCO ₂ eq	7.6	7.7	7.7
Indirect GHG Emissions (Scope 2)	tCO ₂ eq	10.3	13.9	15.8

1) Data for 2022–2023 has been revised due to aggregation errors.

Energy¹⁾

Category	Unit	2022	2023	2024
Total Energy Consumption (Direct + Indirect)	TJ	0.33	0.40	0.45
Direct Energy Consumption	TJ	0.11	0.12	0.12
Indirect Energy Consumption	TJ	0.22	0.29	0.33
Total Renewable Energy Consumption	MWh	0	0	0

1) Data for 2022–2023 has been revised due to aggregation errors.

Water

Category	Unit	2022	2023	2024
Total Water Use	m ³	38	43	50

Waste

Category	Unit	2022	2023	2024
Total Waste Generated	ton	0.9	1.1	1.1
Total Recycled Waste	ton	0	0	0

Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of Violations of Environmental Regulations	cases	0	0	0
Fines and Penalties	KRW million	0	0	0

Social

General Employee Status

Category		Unit	2022	2023	2024
Total Workforce		persons	33	36	33
Domestic		persons	33	36	33
Overseas		persons	0	0	0
By Employment Type	Permanent Employees	persons	26	28	30
	Temporary Employees	persons	7	8	3
By Gender	Male	persons	18	17	16
	Female	persons(%)	15(45.5)	19(52.8)	17(51.5)
	Permanent Employees	persons(%)	10(38.5)	13(46.4)	14(46.7)
	Temporary Employees	persons	5	6	3

Diversity

Category	Unit	2022	2023	2024
Persons With Disabilities	persons	0	0	0
Persons of National Merit and Veterans	persons	1	1	0
Foreign Nationals	persons	0	0	0

New Hires

Category		Unit	2022	2023	2024
Total New Hires		persons	12	6	3
By Gender	Male	persons	6	0	2
	Female	persons(%)	6(50.0)	6(100.0)	1(33.3)
By Employment Type	Permanent Employees	persons	7	3	2
	Temporary Employees	persons	5	3	1

Childbirth and Childcare

Category	Unit	2022	2023	2024
Return-to-Work Rate After Parental Leave ¹⁾	%	0	66.7	100.0

1) Data for 2023 has been revised due to aggregation errors.

Subsidiary ESG Management Data

Media S

Social

Turnover (Resignation)

Category		Unit	2022	2023	2024
Total Turnover		persons	2	5	8
Number of Temporary Employee Turnover		persons	2	2	5
Number of Permanent Employee Turnover		persons	0	3	3
Voluntary Turnover Rate		%	0	8.3	6.1

Education¹⁾

Category		Unit	2022	2023	2024
Education Hours	Total Education Hours	hours	164	179	673
	Online Education Hours	hours	164	179	651
	Offline Education Hours	hours	0	0	22
Education Expenses	Total Education Expenses	KRW thousand	760	825	1,604
	Education Expenses Per Employee	KRW thousand	23	23	49

1) Statutory mandatory training requirements were expanded starting in 2024.

Accident Rate

Category	Unit	2022	2023	2024
Accident Rate	%	0	0	0

Privacy Protection / Information Security Education

Category	Unit	2022	2023	2024
Education Hours per Employee	hours	2	2	2
Education Participation Rate	%	100.0	100.0	100.0

Information Security Breaches

Category	Unit	2022	2023	2024
Number of Incidents	cases	0	0	0
Fines and Penalties	KRW	0	0	0

Social Investment

Category		Unit	2022	2023	2024
Total Social Investment Amount	Cash Donations	KRW	390,000	0	0

Status of Business Partners

Category		Unit	2022	2023	2024
Total Number of Business Partners		entities	99	118	113
Number of Core Business Partners		entities	15	19	17

Purchasing Amount

Category		Unit	2022	2023	2024
Total Purchase Amount		KRW 100 million	471.6	425.7	160.6
Purchase Amount from Core Business Partners		KRW 100 million	48.0	38.9	87.4

Governance

Ethics Education

Category		Unit	2022	2023	2024
Completion Rate of Ethical Management and Fair Trade Education		%	100	100	100.0
Completion Rate of Sexual Harassment Prevention Education		%	100	100	100.0

Violations of Fair Competition Regulations

Category		Unit	2022	2023	2024
Number of Violations of Fair Competition Regulations		cases	0	0	0
Financial Losses from Violations of Fair Competition Regulations		KRW	0	0	0

Participating Associations and Organizations

Korea Intelligent IoT Association	Korean Cable Television Association (KCTA)
Digital Media Industrial Promotion Association (DMPA)	Korea Online Privacy Association (OPA)
Korea Association for ICT Promotion (KAIT)	Korea Communications User Protect Association (KCUP)
Korea IPTV Broadcasting Association (KIBA)	Korea Telecommunications Operators Association (KTOA)

Third-Party Verification Statement

To readers of 2024 SK Broadband Sustainability Report

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of 2024 SK Broadband Sustainability Report for the year ending December 31, 2024. The preparation, information and internal control of the report are the sole responsibility of SK Broadband's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to SK Broadband's management.

Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in SK Broadband's report:

- 2024 SK Broadband Sustainability Report

Reference Standard

- GRI Standards 2021: 2023 (GRI)

Assurance criteria

KMR conducted the verification in accordance with the globally recognized standard AA1000AS v3 and KMR's assurance standard SRV1000 based on requirements of ISO 17029 and KMR EDV 01, and set the levels of assurance and materiality as below. Under AA1000AS v3, We assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using the GRI index specified in the report. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.

- ISO 17029: 2019, ISO 14065: 2020, AA1000AS v3: 2020 (AccountAbility), AA1000AP: 2018 (AccountAbility), SRV 1000: 2022 (KMR), KMR EDV 01: 2024 (KMR)
- Levels of assurance/materiality: AA1000AS v3 – Type 2/moderate, limited/ not set

Scope of assurance

The scope of our assurance included the verification of compliance with the reporting requirements of the GRI Standards 2021. We confirmed that the following indicators of material topics were identified through the materiality assessment process.

- GRI Standards 2021 reporting principles
- Universal Standards

- Topic Specific Standards
- GRI 201-2: Financial implications and other risks and opportunities due to climate change
- GRI 302: Energy
- GRI 305: Emissions
- GRI 418: Customer Privacy

As for the reporting boundary, the engagement excludes the data and information of SK Broadband's partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- Evaluating the appropriateness of the reference standard used as a basis for preparing sustainability information and the reliability of the materiality assessment process and its findings;
- Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
- Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);
- Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited;
- Interviewing people in charge of preparing the report;
- Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined;
- Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
- Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases.

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. The scope of this assurance included the confirmation of the truthfulness of claims regarding results that have already been obtained as stipulated by ISO 17029. However, the plausibility of intended claims of forecasts or hypotheses was not validated even if the related content was contained in the report.

Third-Party Verification Statement

A limited assurance evaluates the appropriateness of the criteria used by SK Broadband for preparing sustainability information on subject matters, the risk of material misstatement in the sustainability information, whether due to fraud or error, responses to risks, and disclosure of the sustainability information on subject matters. However, the scope of the risk assessment process and the subsequent procedures performed in response to assessed risks, including an understanding of internal controls, is more limited than that of a reasonable assurance.

Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by SK Broadband are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with SK Broadband on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report was prepared in accordance with the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

Inclusivity

SK Broadband has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

Materiality

SK Broadband has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

SK Broadband prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of SK Broadband's actions.

Impact

SK Broadband identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of sustainability performance data, including greenhouse gas emissions, energy consumption, waste emissions, and ESG assessments of business

partners. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the greenhouse gas emissions trading scheme, accredited by the Korea Laboratory Accreditation Scheme (KOLAS) under the National Institute of Technology and Standards of Korea for ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, and additional accreditation criteria, ISO 14065. It is also recognized by the Korea Accreditation Board (KAB) for ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems), and the National Institute of Environmental Research under the Ministry of Environment of Korea. Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board). Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants). Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with SK Broadband and did not provide any services to SK Broadband that could compromise the independence of our work.

Limitations of Use

This assurance statement is made solely for the management of SK Broadband for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of SK Broadband. The statement is valid as of the assurance date below. Certain events that may occur between the assurance date and the time of reading this report could have a material impact on the report, which may lead to revisions to this assurance statement. Therefore, we recommend visiting the SK Broadband website and verifying whether this is the latest version.

June 20, 2025



SRV1000
Sustainability Committee Assurance



AA1000
Licensed Report
000-129/V3-TO5VF

CEO

GHG Emissions Verification Statement (Scope 1, 2)

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by SK Broadband Co., Ltd. (here after "Company") to verify the Company's Greenhouse Gas Inventory Report for the calendar year 2024 ("the report") based upon a reasonable level of assurance. 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. 2025-28 of Ministry of Environment)' based on ISO14064-1 and WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard. 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.

Scope of Assurance

The purpose of this verification is to present an independent verification opinion on the company's GHG emissions, and the scope of verification is as follows;

- Organizational boundary: Domestic business sites of SK Broadband (incl. infrastructure for telecommunication)
- Reporting boundary: Direct emissions (Scope 1 emissions) and Energy indirect emissions (Scope 2 emissions)
- Reporting period: 2024.01.01 ~ 2024.12.31

Verification Approach

The verification has been conducted by DNV in March 2025 and performed in accordance with the verification principles and tasks outlined in the guidelines on the operation of GHG ETS (Notification No. 2025-28, Korean Ministry of Environment) and the verification guideline for GHG ETS (Notification No. 2024-169, Korean Ministry of Environment). We planned and performed our work to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a reasonable verification opinion concerning the completeness of the emission inventory as well as the reported emission figures in ton CO2 equivalent. As part of the verification process;

- We have reviewed the GHG emissions and energy consumption report for the calendar year 2024
- We have reviewed and verified the process to generate, aggregate and report the emissions data

Conclusions

As a result of the work described above, in our opinion nothing has come to our attention that would cause us to believe that the GHG emissions set out in Company's report are not fairly stated. The GHG emissions of Company for the year 2024 were confirmed as below;

2024 GHG Emissions (Scope 1 & 2)

(Unit: ton CO₂eq)

Division	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Total emissions
KOREA (Location-based) ¹⁾	1,677	454,327	455,962
KOREA (Market-based) ²⁾		434,021	435,656

1) The 'Location-based' emissions: GHG emissions reported as Scope 2 based of local-grid under GHG ETS.
2) The 'Market-based' emissions: GHG emissions reflected as Scope 2 by purchasing of a renewable electricity through Green Premium in 2024.

14th May 2025
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 GHG Emissions of the Airport is subsequently brought to our attention.

GHG Emissions Verification Statement (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: 2022.01.01~2024.12.31(Revision due to changes in calculation criteria in Yr. 2022 and 2023)

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 GHG Emissions.

(Unit: ton CO₂eq)

Year	Upstream	Downstream	Total Emissions
2024	524,352	303,548	827,899
2023	665,258	274,179	939,437
2022	605,711	250,701	856,412

※ The above GHG emissions may differ by less than ± 1 tCO₂eq due to rounding to report as an integer

5th June 2025
Seoul, Republic of Korea



Lee, Jang Sup
Country Representative
DNV Business Assurance Korea LTd.

This verification statement is valid as of the date of issuance. Events or circumstances that may materially affect the calculation of GHG emissions may occur between the issuance date of this statement and the time it is reviewed, and such changes may necessitate revisions to this verification statement.

Our Promise for Tomorrow

We would like to thank all readers for their interest in the fifth SK broadband Sustainability Report. Since 2021, SK broadband has been publishing an annual sustainability report to transparently share our ESG activities and performance with a wide range of stakeholders. We will continue to use this report as a channel of communication with our stakeholders, disclosing our ESG management status, achievements, and future plans with clarity and transparency.

Report Overview

Reporting Principles

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021. Additionally, we are reporting with consideration for the “IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information” and “IFRS S2 - Climate-related Disclosures” standards announced by the ISSB (International Sustainability Standards Board). We apply the TCFD (Task Force on Climate-Related Financial Disclosure) and SASB (Sustainability Accounting Standards Board) guidelines, and have reflected the contents of UN SDGs and UN Global Compact principles. Financial information is disclosed on a consolidated basis under the Korean International Financial Reporting Standards (K-IFRS). Separate financial information is indicated where applicable.

Reporting Period

This report covers SK broadband's major sustainability activities and performance from January 1 to December 31, 2024. Quantitative data includes a three-year comparison (2022–2024) to enhance comparability. Information on significant events affecting stakeholders prior to 2024 and in the first half of 2025 has also been included when deemed material to stakeholders.

Reporting Scope

The scope of this report is based on SK broadband's domestic operations and partially includes information from subsidiaries Home & Service and Media S. Any exceptions to the reporting scope are noted accordingly.

Verification of the Report

To enhance the reliability, completeness, and quality of this report, third-party assurance was conducted by Korea Management Registrar (KMR), an independent verification body. The results of the assurance are presented on pages 140–141.

This report is published in both Korean and English. It is available for viewing and download in PDF format on SK broadband's official website.

Report Inquiries

Publisher	SK Broadband Co., Ltd.
Address	24, Toegye-ro, Jung-gu, Seoul, Republic of Korea ; Namsan Sowol Tower
Contact	skb_sustainability@sk.com
Website	http://skbroadband.com
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SK broadband