(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply
☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply
☑ Dependencies
☑ Impacts
☑ Risks
☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply
☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain

(2.2.2.4) Coverage

Select from:
☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply
☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:
☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:
☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply
☑ Site-specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management
☑ ISO 31000 Risk Management Standard

International methodologies and standards
☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard

Other
☑ Materiality assessment
☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical
☑ Cyclones, hurricanes, typhoons
☑ Drought
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Heat waves
☑ Heavy precipitation (rain, hail, snow/ice)

Chronic physical
☑ Sea level rise
☑ Temperature variability

Policy
☑ Carbon pricing mechanisms
☑ Changes to national legislation

Market
☑ Changing customer behavior
☑ Uncertainty in the market signals

Reputation
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology
☑ Transition to lower emissions technology and products
☑ Unsuccessful investment in new technologies

Liability
☑ Exposure to litigation

(2.2.2.14) Partners and stakeholders considered

Select all that apply
☑ Customers
☑ Employees
☑ Investors

☑ Local communities
☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

SK Inc. operates a company-wide process to systematically identify and assess climate-related risks and opportunities, based on the TCFD recommendations. This process incorporates the principle of double materiality, integrating both financial materiality and environmental and social impacts. Within the company's enterprise risk management (ERM) system, climate-related risks are categorized into transition and physical risks and are regularly reviewed. Scenario-based qualitative and quantitative assessments are conducted across short-, medium-, and long-term time horizons to evaluate potential impacts. The results of these assessments are reflected in business strategies and financial planning and are reported to senior management through ESG committees and executive meetings. When necessary, relevant information is also reported to the Board of Directors. The prioritization of risks is based on a combination of quantitative factors, such as likelihood and financial impact, and qualitative factors, including reputational or regulatory considerations, to determine the appropriate response strategies.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

SK Inc. recognizes that while our business does not rely on direct extraction or use of natural resources, our digital infrastructure—especially data centers—has significant dependencies on electricity and water, both of which are interconnected through climate-related dynamics. To evaluate these interconnections, we used the ENCORE tool (provided by UNEP) based on our sector classification ISIC 620: Computer programming, consultancy and related activities. The analysis identified 9 material dependencies on ecosystem services, including local climate regulation and water provisioning, and 2 medium materiality environmental pressures (land use and disturbances such as noise or light). In particular, data centers require both electricity and water for cooling. Under drought or degraded water quality scenarios, this interconnection results in lower cooling efficiency, increased electricity demand, operational costs, and Scope 2 emissions—demonstrating the cascading nature of environmental risks. As ENCORE provides global-level data by industry, we complemented this analysis with location-specific evaluations, including water stress indices and climate scenario analysis for the regions where our data centers operate. These assessments are structured using the DIRO

framework (Dependencies–Impacts–Risks–Opportunities) and are integrated into our enterprise risk management (ERM) system. The insights inform decisions such as site selection, green cooling technologies, and AI-driven energy efficiency measures.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:
☑ No, and we do not plan to within the next two years

(2.3.7) Primary reason for not identifying priority locations

Select from:
☑ Not an immediate strategic priority

(2.3.8) Explain why you do not identify priority locations

SK Inc. operates primarily as a digital-based IT services and consulting company. Unlike resource-intensive or manufacturing sectors, our value chain does not currently exhibit highly localized environmental risk concentrations. To date, we have assessed that climate- and nature-related risks are not likely to have immediate or material strategic impacts at specific geographic locations, and therefore the identification of priority locations has not been established as an immediate strategic priority. However, we are conducting selective location-based risk assessments for key assets such as data centers.
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply
☑ Qualitative
☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Direct operating costs

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

SK Inc. has determined significant risks by evaluating the likelihood and business impact of each risk and opportunity over short-term, medium-term, and long-term periods. Transition risks were examined from various perspectives, including policy/law, technology, market, and reputation, to develop a risk pool. Physical risks were classified as acute or chronic to form another risk pool. For each risk in the pool, the business impact and short-term/medium-term/long-term time frames were considered, and priorities were rated as high, medium, or low to identify significant risks. In addition, if climate change-related risks exceed 1% of equity, they are considered significant and must be reported to and addressed by a decision-making body involving the CEO or higher executives. Furthermore, if there are concerns or demands for improvement from stakeholders such as customers, investors, governments, and NGOs regarding climate change-related risks, or if negative social value factors such as a decline in external reputation are predicted, both the financial impact from an economic value perspective and the strategic impact from a social value perspective are considered.

Opportunities

(2.4.1) Type of definition

Select all that apply
☑ Qualitative
☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:
☑ EBITDA

(2.4.3) Change to indicator

Select from:
☑ % increase

(2.4.4) % change to indicator

Select from:
☑ 21-30

(2.4.6) Metrics considered in definition

Select all that apply
☑ Time horizon over which the effect occurs
☑ Likelihood of effect occurring

(2.4.7) Application of definition

SK Inc. defines and systematically identifies climate-related opportunities by analyzing the positive impacts that climate change may have on its value chain, based on its business portfolio and investment strategy. The company evaluates key opportunities across three dimensions—energy resources, market dynamics, and product/service innovation—and assesses their potential business and financial impact across short- (0–3 years), medium- (4–10 years), and long-term (over 10 years) horizons. For example, the accelerating transition from fossil fuel-based systems to renewable energy sources presents new business opportunities in areas such as battery materials, green energy solutions, and electric vehicle (EV) infrastructure. In addition, increasing demand for sustainable food sources, energy-efficient products, and IT-based environmental management services is expected to have a positive effect on SK Inc.'s operations. In the short term, these opportunities are linked to the development of eco-friendly technologies and investments in high-efficiency systems. Over the medium and long term, they support the expansion of the company's sustainable investment portfolio and serve as a foundation for generating revenue. Specifically, SK Inc. is pursuing strategic investments in EV materials and infrastructure, energy transition, and industrial transformation. These opportunities are not only part of the company's environmental response, but also represent a core strategic pathway to enhance long-term competitiveness and profitability.

[Add row]