SK Securities Sustainability Report 2025

Sustainability and Beyond

with Appreciation for 70 Years of Trust

SK securities

About this Report

Overview

SK Securities' mission, "Enable the happiness and growth of our customers, shareholders, employees and society," propels us toward full-fledged ESG management. We are pleased to publish our second sustainability report, offering a transparent account of our ESG journey, including strategies, goals, tasks, and achievements. Moving forward, we remain committed to transparently disclosing and communicating our ESG initiatives to stakeholders, living up to our reputation as a happy investment platform and a leading securities firm in sustainable finance.

Reporting Principles and Framework

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. Regarding financial data, it complies with the Korean International Financial Reporting Standards (K-IFRS). For climate-related data disclosure, the report follows International Financial Reporting Standards S2 (IFRS S2), the Task Force on Climate-Related Financial Disclosures (TCFD), and the Task Force on Nature-related Financial Disclosures (TNFD), as well as the principles of the UN Global Compact. Additionally, it takes into account the Principles for Responsible Banking (PRB) framework and incorporates industry-specific standards that fall under the Investment Banking & Brokerage sector of the Sustainability Accounting Standards Board (SASB).

Reporting Scope and Boundaries

This report covers SK Securities' performance and data from January 1, 2024, to December 31, 2024, in accordance with the GRI Standards. Key data from the first half of 2025 are also incorporated. Performance data from 2023 is marked with separate footnotes. The scope of this report spans financial data from SK Securities' Headquarters and three domestic subsidiaries (Seoul and Daegu). Some data pertains solely to the Headquarters. Footnotes and explanations clarify the reporting scope. In the years ahead, we will continue to publish our sustainability report annually.

Data Assurance

To ensure objectivity and reliability, this report has undergone third-party verification in accordance with the AA1000AS (Assurance Standard) with the findings available in the Appendix.

Indemnification Clause

This report provides estimates on climate-related risks and their financial impact in relation to SK Securities' business operations. These estimates are based on past data or information from reliable external sources. Accordingly, the data inherently carries uncertainty. SK Securities does not guarantee the accuracy or completeness of these data. Furthermore, the projections and plans outlined in this report are subject to climate-related factors and market fluctuations. Therefore, SK Securities assumes no responsibility for, nor guarantees, the accuracy of any data presented in this report.

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INTERACTIVE GUIDE

Published in an interactive PDF format, this Sustainability Report features easy access to related sections.

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CEO Message

Becoming a digital financial platform to help our customers, shareholders, employees and society achieve happiness and growth. It is our core mission.

"External and internal uncertainties are intensifying. When external headwinds arise, they underscore the critical importance of strong corporate culture and internal capabilities. SK Securities, firmly anchored in ESG principles, will unwaveringly make its way forward. Enhancing customer satisfaction is an integral part of sustainable management. In this regard, we will reinforce our WM business to sustain its surplus momentum while focusing our capabilities on securing stable revenue streams through the ongoing discovery of distinguished businesses. We will strive to ensure a virtuous cycle where ESG management leads to the happiness and growth of our customers, shareholders, employees and society."

CEO **Woo-Jong Jeon** May 2025

"This sustainability report provides an account of our ESG management strengths by business headquarters. We are confident that if each business headquarters plays its part and creates synergy among them, we can elevate ourselves to new heights. We will reinvent ourselves as Small Giant House, underpinned by customer-centric, performance-driven, and efficiency-oriented management, united as a strong One Team. Firmly grounded in ESG, our cornerstone for the path ahead, we will add new growth engines, such as digital and global initiatives. We will achieve our goals through the strategic allocation of our resources."

CEO **Joon-Ho Jung** May 2025

70 Years of Trust

Striding Toward a **Centennial Company**

It has been 70 years. Since our inception in 1955, we have played a vital role in Korea's capital market for nearly a century. Our journey, never a short one, has gone hand in hand with the trajectory of the Korean capital market as we have responded to issues at home and abroad. With the rise of emerging securities companies, we have contemplated how to set ourselves apart and the answer lies in shared growth with stakeholders, including customers, shareholders, employees and society.

1 As for the IB sector, our core business, we have built a meaningful track record. In the bond market, we have led and underwritten Korea's first green bond and first social bond. Not complacent with the title of "being first," we have worked hard to go beyond it. We have approached every deal with sincerity, staying true to the real meaning of ESG bonds. We have remained ahead of other securities firms in ESG, and this has paid off. Furthermore, we have been at the forefront of broadening the scope of ESG finance from the public to the private sector.

2 The same philosophy applies to the ECM (Equity Capital Market) sector, which is related to stocks. Beyond financing, we have designed paths for sustainable growth for our clients and provided funding solutions tailored to their needs. Our focus has not been on short-term performance improvements. Instead, we have worked on achieving regional balanced development and cultivating an innovative ecosystem for startups, thereby playing a leading role in unlocking the full potential of ESG value in the domestic capital market.

3 Our Research Center has issued a report titled 'ESG Wannabe' to share ESG-related knowledge and insights with a diverse range of stakeholders. This initiative stems from our commitment to embedding ESG principles across all levels of society from a pioneering perspective that has helped cultivate once-barren ground, thereby demonstrating our positive influence. This dedication has yielded tangible outcomes that align with our purpose.

ESG considerations will never be over. And it ultimately comes down to people. Infusing ESG into finance is a responsibility entrusted to every member of SK Securities. Their influence seamlessly extends to stakeholders, including customers, shareholders, employees and society and that is why we value the satisfaction and happiness of our employees. SK Securities has integrated ESG into all facets of our management. As part of this commitment, we have strengthened our ESG DNA to ensure that all employees enjoy their work with a sense of satisfaction. On top of that, we never relent in our efforts to refine our ESG expertise. We promise to continuously evolve, living up to our pride as the leading ESG-focused securities firm.

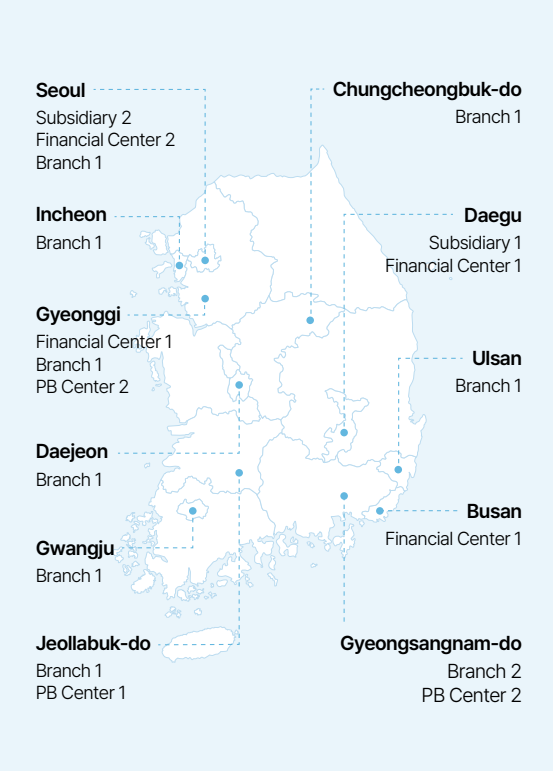
Company Profile

Overview

Founded in July 1955 as a financial investment company, SK Securities has grown alongside Korea's capital market. Placing the happiness and growth of our customers, shareholders, employees and society at our heart as our top priority, we have strived to contribute to the 'development of Korea's capital market and financial investment industry' through relentless innovation and our distinctive financial expertise. In a bid to become more agile and proactive in response to rapidly evolving markets and business environments, we have positioned ourselves as a balanced organization that prioritizes both profitability and growth, with a focus on responsible management and strategic concentration. Moreover, the establishment of the ESG Committee under our Board of Directors (BOD) in March 2023 is a clear demonstration of our commitment to sustainable finance that promotes the happiness and growth of all stakeholders.

SK Securities Business Network

(As of Jan. 1, 2025)



At a Glance

Company Name	SK Securities
CEO	Woo-Jong Jeon, Joon-Ho Jung
Established	July 30, 1955
Listed	September 20, 1986
Head Office	31 Gukjegeumyung-ro 8-gil, Yeongdeungpo-gu, Seoul
Business Network	20 branches in Korea (five financial centers included)
Number of Employees	842
Key Business Areas	Investment trading, brokerage, advisory, discretionary investment, and trust services
Website	https://www.sks.co.kr

ESG Ratings

KCGS **B+**

Financial Structure

(As of Dec. 31, 2024)

Total Assets (Consolidated)	KRW **6.1093** trillion
Cash and Deposits (Consolidated)	KRW **440.4** billion
Total Equity (Consolidated)	KRW **559.3** billion
Customer Deposits	KRW **83.1597** trillion

SUSTINVEST **A**

Key Milestones

1950's - 1970's

- **Aug. 1979**
  Acquired by Seoul Investment Finance
- **Oct. 1973**
  Acquired by Korea Raw Silk Co.
- **Sep. 1968**
  Renamed to Dongbang Securities
- **Nov. 1963**
  Renamed to Kyungshin Securities
- **Aug. 1955**
  Acquired a brokerage service license
- **Jul. 1955**
  Established Shinwoo Securities

1980's - 1990's

- **Jan. 1998**
  Renamed to SK Securities
- **Mar. 1995**
  Relocated to the newly established Yeouido Head Office (23-10, Yeouido-dong, Yeongdeungpo-gu)
- **Mar. 1992**
  Renamed to Sunkyung Securities
- **Oct. 1989**
  Renamed to Pacific Securities
- **May 1989**
  Opened London Office
- **Nov. 1988**
  Commenced global securities business
- **Jan. 1986**
  Moved to the newly built Head Office (809-10, Yeksae-dong, Gangnam-gu)
- **Aug. 1984**
  Commenced the real estate rental business
- **Jul. 1982**
  Acquired by the Pacific Chemicals

2000's

- **Feb. 2009**
  Opened Shang Hai Office
- **Aug. 2008**
  Acquired a corporate pension service license
- **Mar. 2008**
  Acquired an OTC derivatives trading service license
- **Jun. 2007**
  Opened Vietnam Office
- **May 2004**
  Acquired a discretionary investment service license
- **Apr. 2002**
  Declared our Code of Ethics
- **Dec. 2001**
  Launched electronic communications network (ECN) services
- **Apr. 2000**
  Declared e-nnovation 21 VISION

2010's

- **Jul. 2018**
  Largest shareholder changed from SK Holdings to J&W BIG LLC
- **May 2017**
  Relocated our Head Office
- **Mar. 2012**
  Our subsidiary, Prince Capital Management authorized for securities advisory services
- **Jan. 2012**
  SKS HK obtained a brokerage license
- **Mar. 2011**
  Acquired a trust business license
- **Nov. 2010**
  Acquired a futures business license

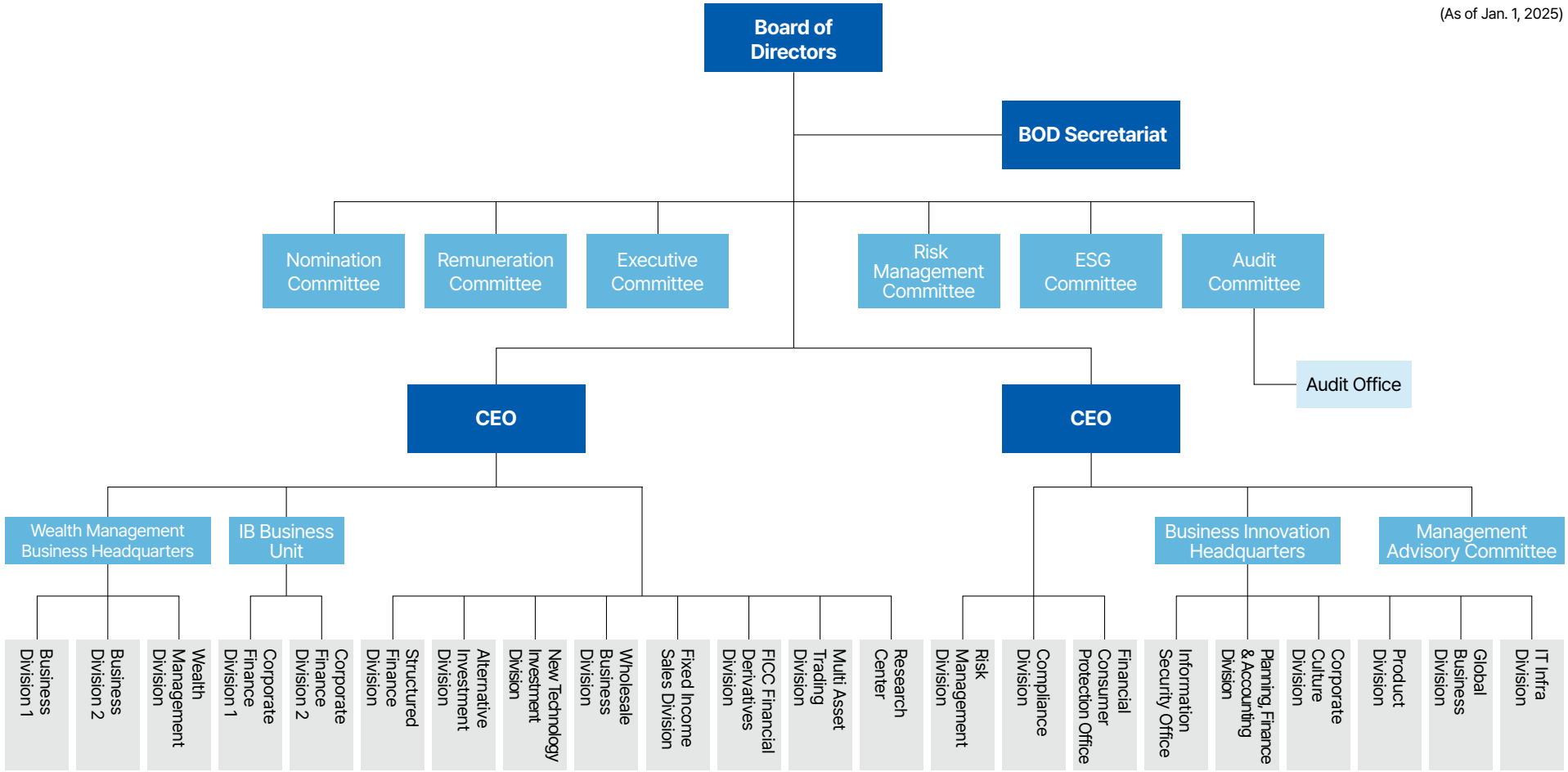
2020's

- **Mar. 2024**
  Joon-Ho Jung appointed as CEO
- **Dec. 2022**
  Woo-Jong Jeon appointed as CEO
- **Dec. 2021**
  MS Mutual Savings Bank incorporated as a subsidiary
- **Jan. 2020**
  Trinity Asset Management incorporated as a subsidiary

Organizational Chart

In pursuit of agile business operations, SK Securities regularly updates its organizational structure to maintain professionalism and efficiency in changing market conditions. With the aim of strengthening our sales force, we have established the IB Business Unit under the CEO's umbrella. This move has come against the backdrop of a market environment where performance in the IB sector has become increasingly significant. As part of this effort, we are expanding the organizations within the IB Division to refine the expertise of each field.

(As of Jan. 1, 2025)



Vision and Values System

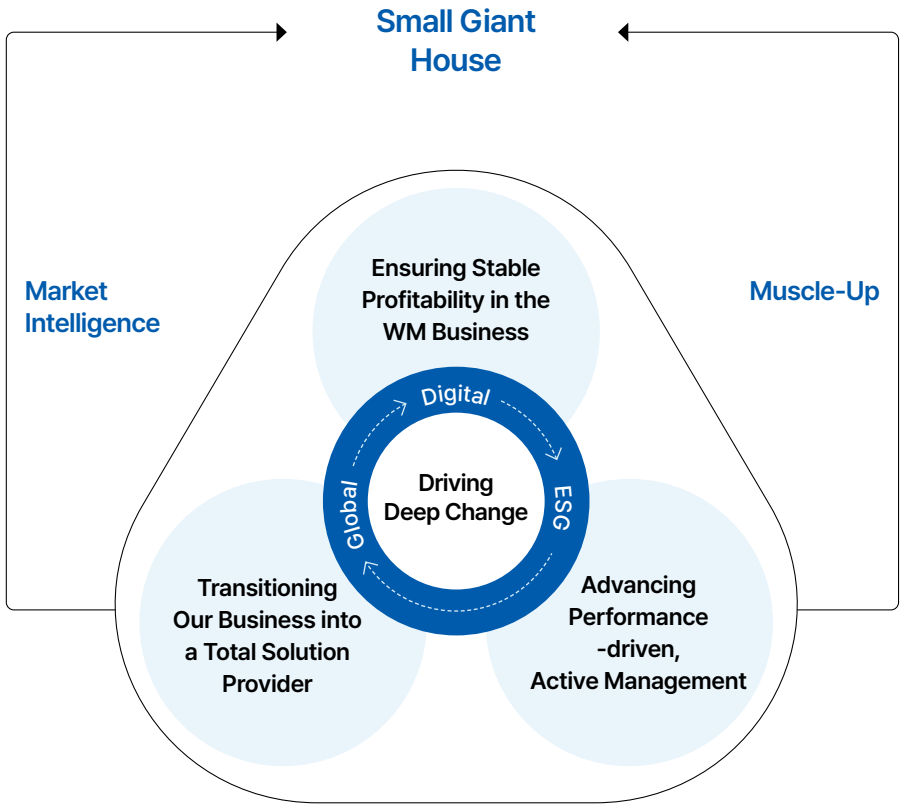
We are proud to say that our employees embody an unbending spirit, integrity, and professionalism, and are fully committed to addressing the pain points of our customers, shareholders, employees and society. We share our strength with society. To this end, we foster close cooperation through open communication, align our goals, value talent, and strive to become a healthy organization supported by an efficient cost and profitability structure. We have spared no effort in sharpening our competitiveness to help our customers, shareholders, employees, and society achieve happiness and growth.

Mission	**Enable the happiness and growth of our customers, shareholders, employees, and society at large**	
Vision	**Healthy Company**	Cooperate through open communication, share goals, value talent, and build an efficient cost and profit structure
	Digital Finance Platform	A culture platform that attracts external talents based on excellent corporate culture
		A business platform that attracts outside partners with its optimal policies, infrastructure, and resources
		An online platform that leads the new path through mobile finance
Talent	**Financial professionals with integrity and expertise**	Upholding regulations and principles with unwavering integrity and conducting work in strict accordance with ethical standards
		Possessing foresight for the future and a clear vision rooted in core values
Culture	**Corporate culture that promotes passion, best effort and open mind**	Committed to meticulousness and excellence, where no task is too small to perfect, and completion is achieved with unwavering dedication

Business Strategy

SK Securities has been on a journey of continuous growth, identifying new opportunities in times of crisis and remaining agile in navigating external environments where both slow and sudden death exist. We plan to make 2025 the inaugural year of Deep Change, propelling us toward becoming a 'Small Giant House.' To achieve this, we will lay the foundation for sustainable growth and innovation.

Strategic Roadmap



Five Strategic Tasks

Armed with four keywords, including "customer-centric business," "efficiency-driven resource allocation," "performance-oriented culture," and a "professional mindset," SK Securities is embarking on a new chapter of bold transformation in full unity. By effectively executing our five strategic initiatives, we aspire to evolve into a healthier organization that delivers greater happiness to our customers, shareholders, employees, and the world around us built on sustainable growth and innovation.

01. Enhancing **Customer-Centric** Core Competitive Edge

- **Foster a deeply embedded customer-centric mindset throughout the organization**
- **Proactively respond to evolving customer needs and market paradigms**
  - Focus on solving customer pain points
  - Present comprehensive solutions
  - Expand continuous and long-term value creation

02. Transitioning WM business a **"Profit First"** Framework

- **Rigorously pursue performance-driven strategy**
- **Restructure channels with a customer- and market-oriented approach**
  - Stabilize in-person networks through scale and optimization
  - Drive innovation in non-face-to-face platforms via AX and DX
  - Set up hybrid type digital PB centers integrating both in-person and digital touchpoints

03. Positioning the Headquarters business as a **Total Solution Provider**

- **Create high efficiency and added value through seamless business integration**
- **Develop and step up customer-centric businesses**
  - Provide one-stop packaged or multi-faceted deal solutions
  - Expand tailored total financial services across the corporate lifecycle
- **Identify specialized business domains**
  - Transition to ESG-integrated business and specialize it

04. Advancing **Performance-Driven** Dynamic Management

- **Reinforce our responsiveness through market intelligence**
- **Flexibly operate resource allocation system in response to shifting market dynamics**
- **Adopt an agile organizational structure in line with business needs**

05. Solidifying **"Professional Mindset"**

- **Establish a performance-oriented culture**
  - Embed the 3S mindset (Speedy, Sensitive, Smart) to drive execution excellence
- **Execute customer-centric and sales-driven operations**
  - Strengthen the effectiveness of consumer protection system and advance related systems
  - Provide support for top priority functions dealing with customers and sales
- **Reinforce on-the-ground leadership and responsible management**
  - Put in place internal control system based on an effective responsibility structure
  - Encourage a voluntary practice of "Newspaper Test"

Business Overview

Wealth Management Business Headquarters

1, 2 WM Business Division | Wealth Management Division

Wealth Management Business Headquarters is a core pillar of our business, providing comprehensive asset management services across the entire stages of the customer life cycle. Our tailored financial solutions cater to an extensive range of clients from high-net-worth individuals to retail customers via digital channels. By adopting AI-driven advisory capabilities to our Digital PB Centers and Smart Finance Centers, we are advancing our wealth management model with a strong digital focus. A wide array of offerings from pensions and gold spot trading to trust products allows us to tailor portfolios that meet the needs of our customers. In 2025, we aim to further raise productivity and client satisfaction within the Wealth Management Business Headquarters by streamlining channel operations, prioritizing revenue-driven product strategies, and advancing digital marketing initiatives.

Investment Banking Business Unit

Corporate Finance Division 1 | Corporate Finance Division 2

Investment Banking (IB) Unit offers full-spectrum capital market services to support corporate financing and restructuring. Corporate Finance Headquarters 1 focuses on the Debt Capital Market (DCM), handling corporate bonds, asset-backed securities (ABS), project financing (PF), loans, and financial advisory services. Corporate Finance Headquarters 2 specializes in the Equity Capital Market (ECM), delivering equity-based solutions such as IPOs, SPACs, mezzanine financing, and the design and management of investment funds.
Both Headquarters drive customized structuring, orchestrate complex transactions, and execute strategies tailored to specific industries. Drawing on our proven track record in ESG bond issuance and sustainable finance, we are solidifying our foothold in the ESG infrastructure market. In 2025, aligned with our Total Solution Provider transition strategy, we are sharpening our capabilities in structured financing, global collaboration, and digital solution development to position ourselves as a comprehensive and trusted financial partner.

Wholesale Business Division

Wholesale Business Division provides a broad range of financial products to institutional clients, including pension funds, asset management firms, mutual aid associations, and general corporates. Our services span both distribution-based brokerage and investment advisory functions, covering bonds, funds, wrap accounts, ETFs (AP/LP), listed derivatives, program trading, and securities lending. By tailoring our product strategies to the trading behaviors of institutional clients, we are strengthening our dedicated wrap account coverage and bolstering system-driven trading support functions.
In 2025, our key focus areas have set to step up arbitrage responsiveness, advance product-specific coverage frameworks, and establish a revenue-generating structure anchored in portfolio management support.

Structured Finance Division

Structured Finance Division specializes in designing financial structures and executing structured finance transactions backed by real assets. The division delivers sophisticated financial solutions across a wide range of asset classes, including real estate, infrastructure, securitized assets, and project finance (PF).
The division provides arrangement and advisory services for complex transactions such as bond-type structured products, asset securitizations, project financing, and trust-based real estate finance. By designing financial contract structures for real estate development projects, coordinating with financial institutions, and conducting accounting and tax due diligence, it establishes a stable and efficient funding system.
Through extensive experience in financing a wide range of real asset types, we have built a strong competitive edge. In 2025, we are advancing our financial structuring capabilities, particularly in complex deal arrangements for sectors such as renewable energy project finance by leveraging our expertise in multi-layered deal structuring.

Fixed Income Sales Division

Fixed Income Sales Division is responsible for institutional sales engaged in the underwriting, distribution, and trading of a wide range of bonds, including government bonds, special bonds, corporate bonds, and municipal bonds.
It provides customized services for institutional clients, including over-the-counter derivatives brokerage, product proposals aligned with interest rate and credit situations, and portfolio composition mainly with long-duration assets. Coverage is continuously expanding, with a particular focus on public agencies and financial institutions.
The ESG bond business is building its capabilities in structuring and underwriting sustainable fixed income products within the debt capital market (DCM) space, leveraging a diverse track record in lead-managing KRW-denominated green bonds issued by power generation companies, card-backed securities, and mortgage-backed securities (MBS). In 2025, we are enhancing our capabilities in ESG product structuring and distribution, in parallel with implementing market operations strategies tailored to evolving interest rate conditions.

Product Division

Product Division is responsible for overseeing the full scope of financial investment products, including product planning, strategy development, sales support, content creation, investor seminar operations, risk monitoring, and internal training functions.
Through strategic product selection based on market analysis, cross-asset product proposals, and the operation of a Product Strategy Committee, it maintains close collaboration with sales channels across key product categories, including collective investment securities, retail bonds, and derivatives.
Led by the Product Solutions Department, we conduct investor briefings alongside internal training programs, while advancing our curation framework for ESG-integrated strategic products and reinforcing product governance across digital channels.
In 2025, our focus is both on enhancing customer-centric product portfolio and reinforcing sustainable product management strategies at the same time.

Business Highlights

Digital Service

We are proactively responding to future changes by driving a digital transformation of our business. Digital transformation is rapidly reshaping the paradigms of both industries and everyday life, with its influence continuing to expand across all sectors. Against this backdrop, we have expanded the application of digital technologies across all business areas, including wealth management. Our focus is on sharpening digital competitive edge through task process automation, data-driven decision-making, and the advancement of customer service.

Digital Transformation

Upgraded Flagship Brand, "Joopasoo 3"

In response to growing interest in global investments, we have revamped the overseas stock trading service of our mobile trading system (MTS), "Joopasoo 3." This update focuses on enhancing investors' access and overall user convenience.
Key improvements include a simplified sign-up process, improved usability for real-time market data access, and specialized overseas stock content powered by big data. Alongside this service upgrade, we are also expanding benefits for the global stock investors.

"Trend Lab," Connecting Everyday Life to Investment Ideas

SK Securities became the first in the industry to launch "Trend Lab," a service that connects everyday topics into investment ideas using AI and big data analytics. This innovative platform was developed through the integration of artificial intelligence and advanced data technologies.
Trend Lab offers curated contents designed to capture timely market insights as below;

- Trends you'll miss after today
- Most-traded categories from yesterday
- Weekly ETF keywords
- ETF rankings by theme

In particular, "Trends you'll miss after today," leverages our proprietary AI algorithm to automatically extract 7 key lifestyle keywords from the previous day and match them with relevant stocks, ETFs and news. We have already introduced personalized, big data–driven stock content such as "Stock NVTI" and "Friends Pick," and through Trend Lab, we have further diversified our suite of in-house data-powered investment content.

"Stock of the Day," a Quant-driven Investment Service

With the aim of providing clients with truly actionable investment insights, we developed a stock recommendation algorithm based on historical data and actual return performance. Our "Stock of the Day" service, powered by more than 300 quantitative models, identifies optimal entry-point stocks on a daily basis. The service has consistently delivered results regardless of overall market conditions, achieving a 71% target return success rate as of March 2025.
Our "Global Stock of the Day" analyzes historical performance under various conditions for the top 10 U.S. stocks (updated weekly) to identify those that meet specific buy criteria and provide corresponding return histories.

AI-powered Assistants, "AI-Ola" and "AI-Mate"

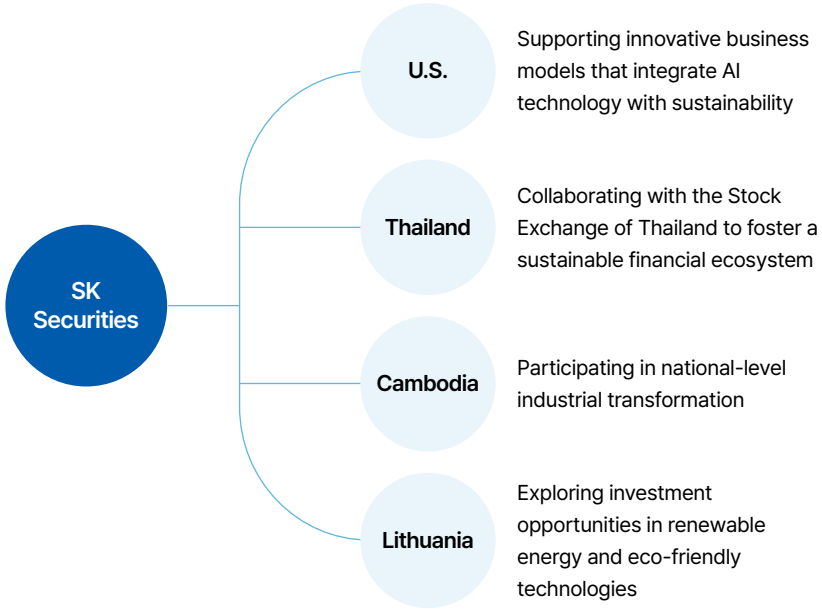
"AI-Ola" is a conversational stock information service powered by the generative AI (GPT-4) that guides users through 16 portfolios, offering insights into stock selections and past performance. "AI-Mate" provides key investment insights through a dialogue-based interface, focusing on AI-related stocks held by customers. It delivers essential information such as business involvement, competitors, dividends and financial health to support investment decisions. In addition, AI-Mate supports practical portfolio rebalancing simulations using GPT-4, enabling users to compare different trading scenarios. Both services draw from equity trading reports and integrate technical and financial analysis, regulatory disclosures, news, and dividend forecasts to offer comprehensive investment information.

Business Highlights

Broadening Our Global Reach

We have broadened our business beyond domestic borders, strengthening our role as a financial intermediary that connects global capital flows. By newly forming the Global Business Division, we have taken on a pivotal role in attracting foreign capital into Korea and channeling Korean capital abroad. This initiative goes beyond merely achieving cross-border performance. It represents a commitment to engaging in national development agendas and delivering concrete financial solutions.

Our aim is to become a trusted financial partner in areas that align with shared values of sustainability across diverse countries. Ultimately, we are convinced that our Global Business Division will not only contribute to our performance growth but also serve as a global model for compassionate finance.



Consolidating Our Presence in IB Market and ESG Bond Underwriting

We have established an agile execution framework in our IB sector in 2024, leveraging our capital market solution capabilities to respond flexibly to evolving market demands. In the DCM[1] segment, we have maintained a strong performance in corporate bond underwriting while expanding our structuring expertise to meet diverse funding needs such as securitization, public institution issuance, and ESG-themed bonds. Notably, we have accumulated meaningful achievements in the ESG finance market, leveraging our experience in managing Korea's first-ever green and social bond issuances.

In the ECM[2] segment, we have enhanced our underwriting capabilities across major transactions, including IPOs, mezzanine instruments, and SPACs, effectively responding to capital demands across industries. We have demonstrated our strength by designing tailored funding structures for companies with liquidity needs and achieving lead manager status in over 40 deals annually, building a strong track record.

Moving forward, we will continuously strengthen our competitive edge across all IB functions, leveraging our expertise in structuring and executing complex financial solutions.

(As of Dec. 31, 2024)

1) DCM : Debt Capital Market
2) ECM : Equity Capital Market
3) Source : Yonhap Infomax / Includes mortgage-backed securities (MBS) issued by Korea Housing Finance Corporation

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ESG Fundamental

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ESG Highlights

Sustainability and Beyond

- **Celebrated a significant milestone with three Ministerial Awards**
  - **Awarded a citation from the Ministry of Trade, Industry, and Energy**
    In recognition for excellence in sustainability management in the ESG sector in 2024
  - **Won the Minister of Environment Award**
    At the 2024 Green Management and Green Finance Outstanding Companies Awards
  - **Awarded a citation from the Minister of Health and Welfare**
    In the group category in celebration of the 103rd Children's Day
- **Received the award from the Chairman of the Korea Chamber of Commerce & Industry**
  At the 2024 Corporate Innovation Awards
- **Recognized in the 'Best Bond Deal' category in DCM sector**
  At the bell League Table Awards 2024
- **Earned the Gold Prize for its Sustainable Management Report**
  At the 2024 LACP Vision Awards (U.S.)
- **Achieved an A rating**
  In 2024 ESG evaluation by SUSTINVEST

Planet

- **Joined the TNFD**
  First achievement in Korea's securities industry
- **Published the IFRS S2 Report**
  First achievement in Korea's securities industry
- **Obtained ISO 14001 Certification**
  Compliance with environmental management standards
- **Recognized as GCF's accredited entity**
  A private financial institution-first milestone in Korea
- **KRW 32.68 billion**
  Achieved in green finance in 2024
- **117 tCO_2eq**
  Internal carbon emissions reduction (calculated based on SBTi reduction targets)
- **72,146 tCO_2eq**
  Financed emissions reduced
- **A**
  Received in the 2024 KCGS environmental evaluation

People

- **Joined the UN Global Compact**
- **Conducted human rights impact assessments**
- **Certified as a family-friendly company by the Ministry of Gender Equality and Family**
- **Recognized as an 'Excellent Call Center' in the Korean Service Quality Index (KSQI)**
- **Ranked No.1 for three consecutive years**
  In the NYF ESG category of the National Brand Competitiveness Index (NCI)
- **95.2 points**
  A remarkable customer satisfaction score in the 2024 survey (out of 100 points)
- **29.3%**
  Female representation in managerial roles
- **4,479 hours**
  Hours devoted to volunteer activities

Principle

- **CEO and Board Chairman roles separated**
  Reinforced Board independence
- **57%**
  Outside director representation in the BOD
- **14.3%**
  Female outside director representation in the BOD
- **100%**
  Attendance rate among outside directors at Board meetings
- **Internal Control Committee launched**
  Establishing the organization responsible for internal controls under the BOD
- **Risk Management Committee formed**
  Comprising experts from banking, accounting, finance, and business management fields
- **Implemented an electronic voting system**
- **Dividend disclosure before the dividend record date**

ESG Footprint

2020 - 2021 >>>

Jun. 2020
Joined the CTCN[1)]

Nov. 2020
Declared our commitment to SBTi compliance

Mar. 2021
First domestic financial institution to receive UNFCCC-issued carbon credits (i-KOC)

May. 2021
Selected as a maker of emission permit markets

Nov. 2021
Declared our commitment to coal-free finance

2022 >>>

Jun. - Aug. 2022
Disclosed climate change-related data via the ENV-INFO SYSTEM

Established a carbon emissions inventory (Scope 1, 2, 3)

Sep. 2022
Formulated our Coal-Free Investment Guidelines

Nov. 2022
Received approval from SBTi for our emissions reduction

Dec. 2022
Declared our endorsement of TCFD and published a TCFD report

2023 >>>

Mar. - Jun. 2023
Launched the ESG Committee

Joined the PCAF

Joined the UNEP FI and signed the Principles for Responsible Banking (PRB)

Assessed the integration of ESG management

May. 2023
Conducted a double materiality assessment

Jun. 2023
Joined the CDP

Jul. - Oct. 2023
Established the ESG Specialist Group

Published a TCFD report

CDP disclosure

Oct. 2023
Recognized as GCF's accredited entity

Released the first edition of our sustainability report

2024 >>>

Jan. 2024
Joined the TNFD

Mar. 2024
Received the Grand Prize at the Korea Brand Awards in the ESG management sector

May. 2024
Acquired ISO 14001 Certification

Sep. 2024
Won the Gold Prize at the U.S. LACP Vision Awards

Dec. 2024
Certified as a family-friendly company by the Ministry of Gender Equality and Family

Received the Grand Prize from the Chairman of the Korea Chamber of Commerce & Industry at the 31st Corporate Innovation Awards

Won the Environmental Minister Award at the 2024 Green Management and Green Finance Outstanding Companies Awards

Awarded a citation from the Minister of Trade, Industry, and Energy in the ESG sector

2025

Mar. 2025
Conducted a human rights impact assessment

Apr. 2025
Joined the UN Global Compact

Conducted a double materiality assessment

May. 2025
Awarded a citation from the Minister of Health and Welfare

Published an integrated sustainability report aligned with IFRS S2 and TNFD standards

1) CTCN : UN Climate Technology Centre & Network (an organization under the United Nations Environment Program)

Value Chain

As a financial institution fully aware of our influence and responsibility throughout the entire value chain[1] of the finance industry, we acknowledge our impact on climate change and human rights across all facets of our operations, including planning, customer analysis, and follow-up management. Based on this understanding, we carry out a range of financial activities. In the coming years, we will remain committed to playing a facilitating role across the entire value chain, extending beyond the traditional scope of financial firms.

SK Ssecurities

Government, companies, business partners ← Planning and customer analysis – Risk assessment and profitability evaluation – Product development and sales, financial arrangement, brokerage, and investments – Screening and approval – Trade settlement and aftercare → Customers, investors

	Planning and customer analysis	Risk assessment and profitability evaluation	Product development and sales, financial arrangement, brokerage, and investments	Screening and approval	Trade settlement and aftercare
Impact	• Conducting comprehensive analysis of customer needs, investment propensity, and industry and policy trends • Formulating market-leading strategies and laying the foundation for identifying new revenue streams • Planning investment strategies for strategic industries such as green, digital, and biotech	• Identifying and managing risks in advance across all aspects of our investments and operations • Enhancing profitability while ensuring capital soundness • Promoting sustainable growth through risk-based decision-making	• Developing and selling customer-oriented financial products to provide opportunities for wealth -building • Supporting SMEs and public institutions in entering the capital market • Expanding the financial ecosystem • Developing ESG- and digital-based products to contribute to social value creation	• Minimizing risks through prior screening and approval of investment targets • Solidifying our foundation for ethical and sustainable financial operations • Safeguarding customers and preventing financial misconduct through a seamless internal control system	• Establishing a virtuous cycle that fosters mutual growth among the market, companies, and customers • Ensuring stable operations in follow-up management, including customer transaction execution, profit distribution, and ongoing monitoring • Minimizing risk exposure • Building stronger customer trust by enhancing long-term investment value
Activity	• Establishing customized product strategies through the analysis of investor tendencies and asset structures • Unpacking industry trend reports and assessing market conditions • Identifying and analyzing investment sectors subject to green or digital transition policies • Designing tailored strategies through client-type analysis, including institutions and retail customers	• Operating a market and credit risk assessment system while managing risk limits • Conducting profitability-based analysis of gains by product and department • Building an integrated risk management system that incorporates market, credit, and operational risk elements • Refining the risk reporting system to align with evolving financial regulations	• Developing and supplying conventional financial products, such as stocks, bonds, and derivatives • Developing specialized products, such as ESG bonds and carbon credit-related financial instruments • Diversifying sales channels through our digital platform (Joopasoo 3) • Providing IB services, including IPOs and project financing	• Conducting financial and non-financial examinations of corporate financing, bond underwriting, and investment targets • Implementing procedures in alignment with our ESG Checklist and Coal-Free Investment Guidelines • Performing comprehensive assessments covering ESG factors, industry risks, financial indicators , and internal ratings • Operating a prior review system for compliance monitoring, internal audits, and customer protection	• Processing and finalizing transactions for financial products, including stocks, bonds, and funds, while overseeing profit distribution • Monitoring financial status and performance following investments in corporate financing and projects • Providing reports on customer service, grievance handling, and dispute resolution • Maintaining engagement with corporations involved in sustainable finance while promoting data exchange

1) SK Securities has embarked on its global business expansion in earnest with no changes in its value chain and other business areas.

ESG Strategy and Operational Framework

Staying true to our mission -Enable the happiness and growth of our customers, shareholders, employees and society- all our employees uphold their roles as financial professionals with integrity and unwavering dedication. We ensure that every task, regardless of size, is executed flawlessly, and they persist until the job is genuinely complete. We prioritize coexistence and shared prosperity at the core of sustainable finance, through which we strive to contribute to the happiness and growth of all our stakeholders.

ESG Strategy and Governance

ESG Framework

Mission

Enable the happiness and growth of our customers, shareholders, employees, and society at large

Sustainability and Beyond
Sustainable finance dedicated to the happiness and growth of stakeholders

ESG Strategies

We contribute to the happiness and growth of all stakeholders through sustainable finance

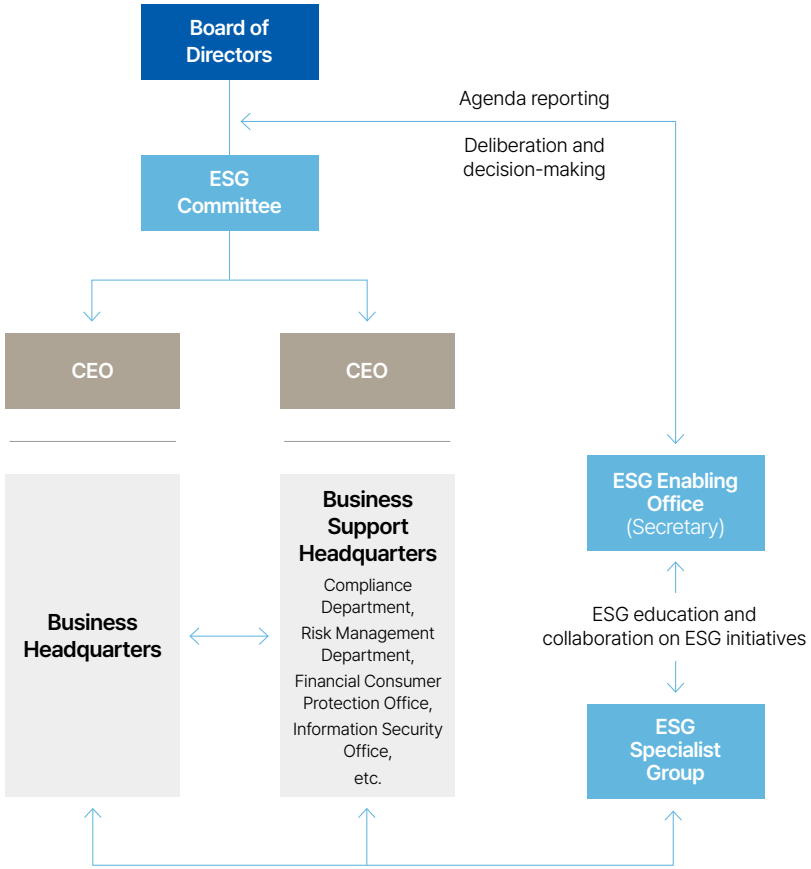
Planet	People	Principles
Achieving Net Zero by 2050, contributing to the transition toward a low-carbon economy	Creating a virtuous cycle of happiness for all stakeholders	Ensuring transparent management through a strong ethical awareness

ESG Tasks

Brown to Green	Journey on Happiness	Discipline for Excellence
• Reaching our Net Zero target • Collaborating with the global community • Advancing green and climate finance • Fostering an eco-friendly workplace and corporate culture	• Attracting and nurturing outstanding talent • Ensuring employee safety and work-life balance • Putting diversity, fairness, and inclusivity into action • Implementing customer-oriented management • Pursuing shared growth with local communities	• Ensuring business resilience and growth • Ensuring transparency in operations • Incorporating ethical management into business operations • Managing risks in a systematic manner

ESG Governance Structure

(As of Jan. 1, 2025)



ESG Strategy and Operational Framework

SK Securities has outlined ESG strategic initiatives centered on three core pillars: Planet, People, and Principles. We set specific targets for each area and monitor progress systematically using KPIs. To achieve our sustainable objectives, we regularly evaluate our performance through annual assessments and implement improvement measures.

Sustainable Management Goals and Operational Framework

Strategic Areas	Planet Brown to Green				People Journey on Happiness					Principles Discipline for Excellence			
Strategic Tasks	Reaching our Net Zero target	Collaborating with the global community	Advancing green finance	Fostering an eco-friendly workplace and corporate culture	Attracting and nurturing outstanding talent	Ensuring employee safety and work-life balance	Putting diversity, fairness, and inclusivity into action	Implementing customer-centric management	Pursuing shared growth with local communities	Ensuring business resilience and growth	Ensuring transparency in operations	Incorporating ethical management into business operations	Managing risks in a systematic manner
Implementation Tasks	Limiting global temperature rise to 1.5°C, well below 2°C by 2030 Achieving net-zero emissions by 2050	Ramping up our action on global sustainability initiatives and ensuring compliance with international ESG standards	Developing green finance products and increasing green investments to build a sustainable financial ecosystem	Making our workplaces eco-friendly and raising environmental awareness among employees	Attracting financial professionals and helping employees build capacity to sharpen our competitiveness	Creating a healthy and safe workplace and supporting work-life balance	Fostering a discrimination-free culture and a creative workplace by respecting diversity	Enhancing customer satisfaction and creating value to build trust	Contributing to local community development and creating social value	Developing sustainable revenue models and securing new growth engines	Promoting transparency in management and facilitating communication with stakeholders	Embedding ethical management and a culture of compliance across the company	Building an integrated management system for financial and non-financial risks with proactive response mechanisms
KPIs	① Reduction rate compared to SBTi-validated targets (Scope 1+2) Achieving a 42% reduction by 2030 ② Reduction against SBTi-approved reduction targets (financed emissions) Temperature ratings by 2027: Listed stock: 2.78°C Corporate bonds: 2.82°C Private equity funds: 2.82°C	① No. of global partnerships: 7	① Investment in eco-friendly projects A 5% increase compared to last year's investment volume ② Green bond underwriting performance A 5% growth against last year's performance	① Energy consumption reduction rate within our offices A 3% decrease compared to the previous year ② Eco-friendly campaigns More than twice a year	① No. of competency training programs More than five per year ② No. of newly acquired finance certifications Targeting 100 new certifications by 2027 ③ Rate of external talent recruitment Exceeding 5% annually	① Safety education completion rate 100% ② Rate of employees undergoing health check-ups 100% of employees subject to health check-ups ③ Expanding Employee Assistance Program (EAP) operations From four to eight times per year	① Rate of employment for persons with disabilities Exceeding the statutory standard of 3.1% ② Ratio of female employees in managerial roles Targeting 30% by 2030 ③ Introducing programs to assist female employees in developing their competencies Endorsing and adopting the UN Women's Empowerment Principles (WEPs)	① Customer satisfaction rate Maintaining above 90% ② No. of customer data protection breaches Zero cases	① No. of projects benefiting local community growth More than 10 projects ② Rate of employee participation in volunteer activities Exceeding 80% ③ Amount equivalent to social value creation KRW 10 billion or an SROI of at least 1.5 times	① ROE Improving ROE	① Reliability of periodic disclosures and audit findings Unqualified opinion ② Proactively adopting ISSB standards To be implemented in the 2026 Sustainability Report	① No. of ethical management violations Zero cases ② Rate of employees completing ethical management education 100%	① Risk mitigation success rate 100%
Action and Initiatives	Annually disclosing climate-related data Investing in carbon reduction technologies and expanding green financial products	Assessing the implementation rate of recommendations required by global initiatives Expanding cooperation programs and empowering communication channels	Analyzing investment performance and identifying areas for improvement Upgrading the ESG investment screening process Providing education on sustainable finance and fostering market development	Retaining ISO 14001 certification Scaling up green product procurement Carrying out employee-led green campaigns	Surveying employees Designing tailored career development courses and promoting mentoring programs	Analyzing incident-related data and internal survey results Expanding the scope of the Employee Assistance Program (EAP)	Regularly assessing fairness and inclusivity indicators Expanding diversity education and refining related policies	Analyzing Voice of the Customer (VOC) data and refining service quality Diagnosing the customer experience journey on a regular basis Advancing AI chatbot functions Strengthening the internal control system for financial	Measuring the impact of social contribution programs (SROI assessment) Surveying local community needs and designing tailored programs Deepening partnerships with NGOs, local groups, and institutions	Analyzing financial reports and market trends Coming up with innovative business ideas and making investments Assessing profitability by business department and taking action for improvements Identifying new customer data-driven services	Conducting external audits and reviewing disclosure regulations Bolstering transparency in Board operations Expanding the scope of data disclosure and improving accessibility Leveraging IT systems to tighten internal controls	Performing internal investigations and external audits Adopting and using a responsibilities map Regularly educating employees on ethical practices and conducting campaigns promoting ethical management	Publishing regular risk assessment reports Advancing the framework for integrated risk management Assessing new risk factors and developing countermeasures Ensuring decision-making supported by risk management tools and data
UN SDGs	13 CLIMATE ACTION	17 PARTNERSHIPS FOR THE GOALS	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	4 QUALITY EDUCATION	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	11 SUSTAINABLE CITIES AND COMMUNITIES	8 DECENT WORK AND ECONOMIC GROWTH	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

ESG Governance

ESG Committee and Board Reporting

In March 2023, we established the ESG Committee under the Board of Directors to promote sustainable growth and protect the interests of stakeholders. The ESG Committee is responsible for reviewing the formulation and implementation of ESG-related management strategies and reporting to and advising the Board on relevant matters.

Composition

- Composed of 4 directors (3 outside directors and 1 non-executive director) with one of the outside directors serving as Chairman, appointed by the Board
- 75% outside director ratio

Activities

- Held 3 meetings in 2024
- 100% attendance rate by committee members
- Reported on ESG strategy progress and outcomes
- Reported on climate change responses
- Reviewed material ESG topics and submitted findings to the Board

(As of Dec. 31, 2024)

Date	Meeting	Agenda Item
Oct. 24, 2023	2023 2nd ESG Committee Meeting	Report on our environmental management status and climate risk response as of 2023
Dec. 11, 2023	2023 3rd ESG Committee Meeting	Report on 2023 ESG progress and 2024 action plan
Mar. 6, 2024	2024 1st ESG Committee Meeting	Report on enhancement of our environmental management and governance as of 2024
Jun. 24, 2024	2024 2nd ESG Committee Meeting	Report on our environmental performance and climate change response as of 2024
Dec. 9, 2024	2024 3rd ESG Committee Meeting	Report on 2024 ESG performance and progress

ESG Specialist Group

Since 2023, we have established and operationalized the ESG Specialist Group to systematically strengthen our integration of ESG principles and advance sustainable management throughout our organization. Comprised of key working-level personnel from each business division, the group functions as a collaborative platform to deepen shared understanding of ESG-related issues and enhance the organization's overall ESG capabilities, serving as an internal communication channel.
In 2024, we expanded participation and diversified the agenda, further enhancing its scope and effectiveness.

Objective and Operation

- Identify ESG-driven opportunities and positive impacts aligned with the characteristics of a financial investment company
- Function as a cross-organizational council to coordinate responses to ESG disclosures and evaluations
- Integrate ESG perspectives into core business practices and enhance execution capability
- Operate a knowledge-sharing system based on the latest ESG trends and case studies
- Internalize ESG practices through expert lectures and in-house seminars
- Composed of 23 employees nominated by their respective departments
- Ensure balanced participation across departments, job levels, and genders

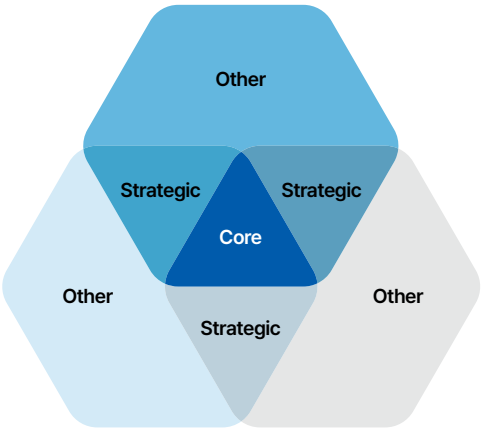
ESG Specialist Group activities

Date	Activities
Jan. 8, 2024	Overview of the Korea Voluntary Carbon Market (K-VCM) and response strategies to secure global initiatives
Apr. 8, 2024	Workshop on enhancing the 2024 climate disclosure response strategy
May. 13, 2024	Training for key staff on implementing the environmental management system (EMS)
Jun. 10, 2024	Introduction to SK Securities' IFRS S2 disclosure report and its application strategy
Jul. 29, 2024	Special lecture on physical risk analysis results and response cases
Oct. 11, 2024	Presentation on K-Taxonomy-based green finance support programs and future collaboration directions
Nov. 11, 2024	Special lecture on human rights DEI (Diversity, Equity, and Inclusion) including global trends and corporate case studies
Feb. 11, 2025	Expert lecture on climate risk response strategies
Mar. 10, 2025	Briefing and expert lecture on human rights and DEI-related issues
Apr. 14, 2025	Special lecture on key issues and application strategies for transition and green finance

Stakeholder Engagement

Our Stakeholder Group

SK Securities recognizes the importance of open communication with stakeholders and actively engages with those who have a significant impact on our sustainability management. In line with the classification criteria outlined in ISO 26000, an international standard on social responsibility, we have identified and defined three stakeholder groups based on their legal, financial, and operational responsibilities and levels of influence; Core Stakeholders, Strategic Stakeholders, and Other Stakeholders. We utilize a variety of online and offline communication channels tailored to the unique characteristics of each stakeholder group. These channels enable us to gather valuable feedback and insights on key issues, allowing us to reflect and improve our business activities. Through continuous and genuine engagement, we aim to foster lasting, trust-based relationships with our stakeholders.



Stakeholder Group

Core stakeholders
Employees, customers, shareholders, investors

Strategic stakeholders
Government and related agencies, local community

Other stakeholders
Partner companies, media, non-government organizations (NGOs) / non-profit organizations (NPOs), underprivileged, peer group, research institutions, experts

- Group for which SK Securities has legal, financial, or operational responsibilities
- Group affecting SK Securities' performance
- Group affected by SK Securities' operations

Interview with Stakeholders

Employee : Dong-Hyun Lee, Deputy Senior Manager, ESG Enabling Office

"SK Securities has proactively responded to ESG-related regulations and disclosure requirements, becoming the first securities company to earn several "industry-first" titles. And we have also been recognized by external institutions as a best-practice case in ESG management.
These achievements have instilled trust and pride among employees, while also laying the groundwork for ESG values to be seamlessly embedded within the organization.
As someone in charge of general affairs, including asset management, supply operations, and workplace facilities, I see our work as a vital part of the ESG framework. We play a key role as both an organic link and an operational foundation for effective ESG management."

Corporate Client : SG Corporation

"SG pursues sustainable industrial transformation through eco-friendly technologies, with "smart resource circulation" as our core value. SK Securities shared this philosophy from the very beginning and has supported us not just as a custodian, but as a trusted and responsible financial partner. Leveraging eco-friendly products and textiles derived from steel slag, SG has strengthened its technological competitiveness. With strategic support from SK Securities, we have been able to establish a strong foundation for business expansion. Looking ahead, SG aims to enter the global green market and continue its journey of sustainable growth in partnership with SK Securities."

Partner Company : Myung-Ji Seo, CEO, CSR Impact

"Our collaboration with SK Securities began through "Yeongdeungpo Ever," a public-private partnership network focused on sustainable community development. Since the early days of SK Securities' ESG Enabling Office, we have worked together to build a strong community engagement framework. Through the company's in-house environmental campaigners, the "Green Heroes," SK Securities has fostered a culture of employee-led ESG action. One notable example is the "'Milk Carton Recycling!" campaign, developed in partnership with the Seoul Metropolitan Government and guided by CSR Impact. The initiative addressed the low recycling efficiency of paper cartons by creating a structured system for collection and resource recovery. Going forward, we expect SK Securities to continue expanding its culture of participatory ESG practices through deeper connections with the local community."

Double Materiality Assessment

We conducted the materiality assessment based on the principle of double materiality, which considers both the impact of sustainability issues on society and the environment (impact materiality), and the financial implications of those issues on corporate value and performance (financial materiality). First, to comprehensively identify ESG-related issues, we analyzed external sources, including major media coverage related to SK Securities, material issues across the global and domestic securities industry, international frameworks and assessment standards, and recent ESG trends and regulations. For each of the 21 selected issues from our 42 issues in the pool, we conducted a materiality assessment by quantifying their significance of both an impact on society and the environment (inside-out perspective) and an impact on the company's financial performance (outside-in perspective). Our final ESG issues were identified by integrating our strategic ESG direction, internal survey results, current internal and external conditions, and insights from an external expert roundtable.

Double Materiality Assessment

INSIDE - OUT | **OUTSIDE - IN**

The extent of positive or negative impact a company's business activities may have on society and the environment (Outward)

Impact Materiality

Double Materiality

Financial Materiality

The extent to which external sustainability-related factors may positively or negatively affect the company's financial performance (Inward)

Step 1 Issue Pool Development

- Analyze existing material topics, global ESG trends, industry-specific issues in the domestic and international securities sector, the ESRS materiality topic pool, media coverage, and ESG evaluation criteria to derive a comprehensive list of ESG issues relevant to SK Securities
- Select the issues from this pool as the final subjects for double materiality assessment

42 issues in the pool	Existing material topics	21 issues subject to materiality assessment
	Global initiatives	
	Global trends[1]	
	Domestic and international ESG evaluation standards	

1) ESG trend analysis from 9 global institutions reflected

Step 2 Conducting Double Materiality Assessment

- Confirm ESG strategic direction, analyze ESG trends, review global initiatives, assess domestic legal and regulatory frameworks[2],and perform a three-year media analysis
- Conduct stakeholder surveys

① External stakeholders : external ESG experts across various fields are selected for the survey.

② Internal stakeholders : executive leadership, key management, ESG Specialists, and finance-related departments are selected for the survey.

※ IRO (Impact-Risk-Opportunity) methodology
- Assess impact based on scale, scope, likelihood and recoverability
- Evaluate risks and opportunities using qualitative and quantitative criteria as well as likelihood

2) Use of AI : analyzing regulatory frameworks by each material issue

Step 3 Selection of Material Topics for Disclosure

- Select material reporting topics through the double materiality assessment
- Reflect findings from the expert roundtable
- Identify risks and opportunities regarding each material issue, and establish future goals and strategic responses

Impact materiality	Financial materiality
Analyze initiatives	Analyze initiatives
Conduct media analysis	Analyze legal frameworks[2]
Benchmark industry	Survey internal stakeholders
Survey internal and external stakeholders	

Double Materiality Assessment

From a pool of 42 issues, we narrowed down to 21 by thoroughly evaluating both social, environmental, and financial impacts. Using a double materiality approach, we identified 11 key topics as most material, and their performance is transparently disclosed throughout this report.

Double Materiality Assessment Results

Category	No	Material issue	Change in priority	Impact materiality	Financial materiality	Report page
Environmental	1	Managing and Reducing GHG Emissions	▼ 1	●●●○○	●●●○○	37-48
	2	Strengthening Management of Financed Emissions	New	●●○○○	●●○○○	46-48
	3	Establishing a Green Finance Framework	New	●●●○○	●●●○○	38
Social	4	Protecting Financial Consumers	▼ 2	●●●○○	●●●○○	71
	5	Respect for Human Rights and Non-Discrimination	▲ 4	●●●○○	●●●○○	68
	6	Enhancing Talent Management	New	●●○○○	●●○○○	63-66
	7	Information Security and Personal Data Protection	▼ 5	●●○○○	●●○○○	70
Governance	8	Building ESG Governance	▲ 7	●●●○○	●●●○○	18, 19
	9	Establishing ESG-centered Investment Policies	▼ 1	●●●○○	●●●●○	31, 32
	10	Proactive Risk Management	▼ 2	●●●○○	●●●●○	80, 81
	11	Reinforcing Ethics and Compliance-Based Internal Control	▲ 1	●●●○○	●●●●○	78, 79

Our Approach to Material Issue Management

We systematically manage the 11 material topics identified through our double materiality assessment by monitoring the key performance indicators (KPIs), targets, performance, and stakeholder impact-prioritizing based on their significance and our management strategy. This structured approach allows us to track and review the progress of our sustainable management initiatives effectively.

Category	Environmental			Social	
Material Issue	Managing and Reducing GHG Emissions	Strengthening Management of Financed Emissions	Establishing a Green Finance Framework	Protecting Financial Consumers	Respect for Human Rights and Non-Discrimination
Definition	Efforts to effectively monitor and mitigate GHG emissions, the culprit of climate change, through policy, technology, and behavioral change, in order to reduce air pollutants generated by corporate activities	Monitoring and mitigation of financed emissions associated with financial institutions' investment and lending activities to support the transition to a low-carbon economy	The process of developing policies and standards to promote environmentally friendly investments and sustainable economic activities within the financial system. Through the application of the K-Taxonomy, financial institutions and companies classify eco-friendly activities to guide green investment decisions and facilitate sustainable finance.	Protection of financial consumers by ensuring safe transactions, transparent information, and prevention of unfair practices and fraud	The establishment of policies and procedures to respect and protect human rights within the organization, along with the identification and management of potential human rights violations in advance
Target	• Cut down on 42% of Scope 1 and 2 GHG emissions by 2030 • Set a net-zero emissions target by 2050	• Achieve a well-below 2°C temperature in temperature rating by 2027 • Reduce intensity by 73.3% (power generation) and 67.3% (real estate) by each sector by 2030	• Achieve annual growth of 5% or more in taxonomy investments by 2030 • Achieve annual growth of 5% or more in ESG bond underwriting volume by 2030	• Prevent mis-selling of financial products by 2027 • Safeguard vulnerable groups by 2026 • Improve our response to customer complaints by 2025	• Achieve 30% representation of women in management positions by 2030 • Attain a 100% resolution rate for reported workplace harassment and discrimination cases
Management strategy	• Set SBTi-aligned targets and carry out GHG reduction activities	• Build an ESG-friendly portfolio and analyze financed emissions by industry • Develop transition finance policies for high-carbon sectors	• Expand investments in green projects and scale up underwriting and arrangement of green bonds • Establish a system for applying K-Taxonomy	• Enhance internal control systems in line with the Financial Consumer Protection Act • Reinforce the complete-sale process and implement systems to prevent misselling • Improve financial product suitability assessments and cooling-off mechanisms • Expand financial education programs for consumers • Operate financial fraud response systems	• Set up a human rights management system based on UNGP • Conduct regular human rights impact assessments and derive areas for improvement • Operate and promote participation in human rights education programs
Performance indicator	• Scope 1 and 2 GHG emissions • Energy consumption (electricity, gas, etc.)	• Scope 3 financed emissions • Proportion of investments in low-carbon industries • Exposure to high carbon-intensive sectors	• Volume of ESG bond underwriting • Volume of participation in green project financing • Proportion of certified green finance products	• Number and resolution rate of consumer grievances • Happy Call completion rate as a follow-up for misselling prevention • Training completion rate for financial consumer protection • Mystery shopping implementation and completion rate • Number of regulatory violations related to labeling and advertising	• Completion rate of human rights training programs • Proportion and promotion rate of women in managerial roles • Number and resolution rate of workplace harassment and discrimination reports • Implementation of human rights impact assessments (at least biennially)
Result	• Achieved a 24.5% mitigation in Scope 1 and 2 emissions by 2024 compared to 2021 (overachieving the target)	• Completed intensity reduction by sector and established a monitoring system for financed emissions	• Completed eligibility assessment of the 2024 investment portfolio based on K-Taxonomy	• Achieved a 95% response rate to customer complaints within the designated period • Achieved a 90% completion rate for Happy Call follow-ups • Achieved over 95% training completion rate for financial consumer protection staff	• Joined the UN Global Compact • Achieved a 3.5% employment rate for persons with disabilities • Conducted human rights impact assessments and addressed areas identified
Stakeholder impact	• Meet government and investor expectations on climate risk and regulatory response • Enhance customer trust with eco-friendly image	• Maintain capability to attract ESG-focused investor • Align with government climate policies • Meet client demand for sustainable investment products	• Enhance customer access to green finance • Strep up policy alignment with government and related institutions	• Elevate customer trust and satisfaction • Less grievances • Improve reputation as a socially responsible financial institution	• Improve employee satisfaction and organizational diversity • Build trust with local communities • Enhance ethical corporate image

Our Approach to Material Issue Management

Category	Social		Governance			
Material Issue	Enhancing Talent Management	Information Security and Personal Data Protection	Building ESG Governance	Establishing ESG-centered Investment Policies	Proactive Risk Management	Reinforcing Ethics and Compliance-Based Internal Control
Definition	The development of strategies and processes to effectively recruit, develop, and retain talent in line with organizational goals	The establishment and operation of secure information and data management systems to uphold confidentiality, integrity, availability, and individual privacy	The integration of ESG principles and standards into organizational decision-making to advance sustainable management and foster stakeholder trust	The formulation of investment policies that reflect ESG factors in investment decision-making, aiming to pursue sustainable growth and achieve both long-term financial performance and social responsibility	A strategic approach to identifying and assessing potential risks in advance in order to minimize their likelihood and mitigate their impact	The reinforcement of internal control systems to ensure strict compliance with laws and regulations and to minimize legal and regulatory risks
Target	• Maintain employee satisfaction rate of 85% or higher	• Establish a robust and comprehensive information security control system	• Hold ESG Committee meetings at least three times per year • Improve KCGS ESG ratings • Introduce new ESG-related policies	• Introduce an ESG scoring system by 2027 and carry out at least 10 ESG engagement activities annually	• Achieve over 90% pre-identification rate of major risks by 2027	• Reduce internal control violations by 30% compared to the previous year • Achieve 100% completion rate of compliance training for all employees • Achieve 100% resolution rate for internal whistleblower reports
Management strategy	• Operate leadership development programs • Provide tailored training based on job competencies • Conduct employee satisfaction surveys	• Make investments to efficiently build and operate an information security control system • Maintain certifications from external bodies such as ISMS • Provide employee training on information security	• Strengthen ESG governance structure led by the ESG Committee • Nurture ESG specialists throughout the company • Publish Sustainability Reports	• Incorporate an ESG checklist into the investment review process and annually review it • Conduct ESG engagement activities targeting investee companies	• Establish an analytical framework for assessing physical and transition risks related to climate change • Reinforce processes for identifying and managing non-financial risks	• Streamline internal control processes and automate the system • Regularly assess and improve compliance-related risk factors • Promote ethical management through employee training and awareness raising
Performance indicator	• Training participation hours per employee • Results of employee satisfaction surveys • Internal promotion rate	• Number of data breaches and personal data leaks • Completion rate of information security training • Number of complaints related to personal data	• ESG Committee operation records • Number of ESG-related reports submitted to the Board • Quality and completeness of ESG disclosures	• Number of deals that incorporate ESG checklists • Volume of ESG-themed investment products	• Proportion of assets evaluated for climate-related risks • Proportion of ESG risk pre-assessment application	• No. of internal control violations • Rate of compliance training completers (%) • Performance of internal report system operations
Result	• Provided over 50 hours of training per employee annually	• Achieved "zero" incidents of data breaches and personal data leakage	• Adopted human rights-related policies	• Developed and applied ESG checklists	• Analyzed our physical and transition risks	• Completed automation of internal control system by 2025
Stakeholder impact	• Improve talent recruiting and internal capacity building programs • Raise employee loyalty • Solidify foundation for sustainable growth	• Secure trust from customers and shareholders in data security • Elevate corporate credibility and stability through incident prevention	• Raise ESG transparency for investors and shareholders and reinforce internal accountability in management	• Build firm trust with ESG-focused investors • Expand green and socially responsible investments	• Safeguard customer and investor assets • Enhance regulatory compliance capabilities • Improve corporate resilience	• Raise employee awareness of ethics • Enhance trust among stakeholders • Prevent legal and regulatory risks

03.

Sustainable Finance with SK Securities

27 ESG Finance Leadership
30 Global ESG Partnership
31 ESG Investment Policy
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UN SDGs

ESG Finance Leadership

Amidst a rapidly evolving business landscape, SK Securities is proactively addressing climate change through a diverse array of initiatives. These include developing ESG financial instruments, making strategic investments in ESG-aligned assets, and providing advisory and underwriting services in the renewable energy and environmental sectors, thereby strengthening our ESG investment capabilities. Our financial solutions encompass a wide range of climate-related areas, from renewable and hydrogen energy to the management and utilization of emissions. Despite ongoing uncertainties in policy and market dynamics, the growth of the ESG market remains undeniable. Prioritizing long-term trust over short-term gains, we are committed to sustaining our ESG advisory and underwriting services, while serving as a transition finance partner to support the shift toward a low-carbon economy and reinforce our role as a responsible financial institution.

Climate Finance

Leading the Way in Bringing Vitality to the Emission Trading System

In accordance with the "Framework Act on Carbon Neutrality," Korea submitted its Nationally Determined Contribution (NDC) to the UN in 2018, pledging a 40% reduction in GHG emissions by 2030 compared to 2018 levels. As part of efforts to achieve this goal, the Korea Emission Trading System has been in operation since 2015. This system is designed to help companies meet their GHG mitigation targets by leveraging market mechanisms, making it an essential component in fulfilling Korea's NDC commitments. However, only designated entities were initially eligible to participate in emissions trading, which resulted in low trading volume and market distortions. To address this issue, the government introduced a market making scheme to boost liquidity. In June 2021, SK Securities became the first domestic securities firm to participate as a market maker for emissions permit trading. Since then, we have fulfilled our role as a liquidity provider by quoting prices for emissions allowances, thereby contributing to stable market pricing, enhanced market credibility, and transparency.

Infusing Climate Accountability into Government, Markets, and Corporations

Since 2022, our Research Center has been publishing the Global Carbon Market Daily, providing insights into domestic and international emissions trading market trends alongside the issuance of in-depth research on emission permits. Our research data covers a wide range of environmental issues, including climate challenges, regulatory developments, and policies both in Korea and globally. Leveraging this data, we have hosted over 50 seminars annually for institutional investors, such as the National Pension Service and asset management firms, to raise their awareness of climate issues. Simultaneously, we have contemplated ways in which financial institutions can contribute to climate policy, and actively participated in seminars and forums for designated entities, helping them develop strategies related to carbon allowances. Furthermore, we have engaged with public institutions' meetings, including the Ministry of Environment, to represent the voices of financial firms and present our perspectives in the policymaking process. Moving forward, we remain committed to leading climate action for future generations through our dedication to sustainable finance and policy participation.

Advancing Renewable Energy Finance

SK Securities has strengthened finance's role in the green sector, including renewable energy. In March 2021, we marked a milestone with the acquisition of carbon credits issued by the UNFCCC, followed by our declaration of commitment to "coal-free finance" in November of the same year. Beyond that, we have been at the forefront of resource and energy conservation, minimizing GHG emissions, and implementing green management emphasizing social and ethical accountability. We have also provided green financial services. Furthermore, we have built a meaningful track record, including financial advisory services for various projects led by the energy solutions company, "Soul Energy." And we also have collaborated with "Alporter," a company specializing in the manufacturing, rental, and sale of green logistics equipment, to support the operation of a carbon neutralization fund.

Key Activities for Promoting the Emissions Trading System

Date	Hosted by	Title
Apr. 2023	Korea Environment Corporation	Seminar for Business Entities Eligible for Emission Allowance Allocation
Apr. 2023	Seoul Finance	Energy & Carbon Forum
Sep. 2023	Korea Power Generation Company Cooperation Office	Education on Nurturing Emissions Trading System Professionals
Nov. 2023	Korean Emissions Market Association	2023 Seminar for Korean Emissions Market Association Advisory Members (Second Half)
Mar. 2024	Korean Emissions Market Association	2024 Seminar for Korean Emissions Market Association Advisory Members (First Half)
Apr. 2024	Korea Environment Corporation	Seminar for Business Entities Eligible for Emission Allowance Allocation
Jul. 2024	Moneytoday	ESG Colloquium
Nov. 2024	Korea Integrated Energy Association	Integrated Energy & Greenhouse Gas Reduction Research Group Workshop
Jan. 2025	Ministry of Environment	Seminar on Future Climate Policies
Mar. 2025	Ministry of Environment	Advisory Council on Third-Party Participation Methods in the Emissions Trading System
Apr. 2025	Ministry of Environment	Climate Strategy Meeting

※ In addition to the above, SK Securities has hosted multiple seminars for institutional investors, including the National Pension Service and asset management firms.

ESG Finance Leadership

Leveraging our methodical preparations and expertise, we have established a strong track record in the ESG bond sector while continuously expanding business portfolio through ESG-focused R&D that enhances profitability. These accomplishments have solidified our reputation as an "ESG-specialized institution," distinguished by our exceptional competitive advantage. Moving forward, we will lead the promotion of sustainable finance and pioneer new pathways in the capital markets, building upon our solid foundation to drive long-term value creation.

ESG Bonds

Cumulative Bond Underwriting Amount (2020-2024)

(As of Dec. 31, 2024)

Green Bonds	25 issuances	KRW 1.2792 trillion
Social Bonds[1]	371 issuances	KRW 14.0724 trillion
Sustainable Bonds	19 issuances	KRW 1.1695 trillion

1) Source : Yonhap Infomax / Includes Mortgage-Backed Securities (MBS) issued by Korea Housing Finance Corporation.

Sole Lead Manager for the First KRW-Denominated Green Bond Among Domestic Power Generators

In September 2018, SK Securities served as the sole lead manager for the issuance of a 30-year KRW-denominated green bond by Korea Southern Power, marking the first bond issuance of its kind among domestic power generators. Expanding beyond green bonds, our entry into 'Socially Responsible Investment (SRI) bonds' has cemented our presence in the ESG bond market.
In 2019, We took on the role of lead underwriter for KRW 400 billion worth of ESG bonds issued by Industrial Bank of Korea and Woori Card. We were selected as the sole lead manager for ESG bonds issued by KB Kookmin Card, aimed at assisting small businesses impacted by COVID-19. Additionally, we led the issuance of social bond-type Mortgage-Backed Securities (MBS) by Korea Housing Finance Corporation. These achievements are a testament to our contribution to the growth and advancement of the ESG bond market.

Sharpening Lead Management Capabilities in the ESG Bond Market

Marking our entry into the ESG bond market, we earned the title of "Lead Underwriter of KRW-denominated Green Bonds," becoming the first Korean securities firm to achieve this milestone. Since then, we have demonstrated strong performance in the debt capital market (DCM), positioning ourselves among the top-tier lead managers of major issuers.
In 2017, a year before underwriting green bonds, we collaborated with Korea Development Bank (KDB), culminating in a total underwriting performance of KRW 3.7479 trillion. This achievement paved the way for the "spread of ESG finance" framework.
And this momentum has expanded to a diverse range of ESG bonds, such as asset-backed securities (ABS), not being limited to corporate bonds.

Winner of the Best House Award in the DCM Lead Manager Sector

We won the "Best House Award" in the DCM Lead Manager category at the 3rd DealSite IB Awards.
In 2024, we led the issuance of KRW 4.53 trillion worth of corporate bonds, achieving the highest performance among mid-sized firms. This accomplishment secured us the same award for two consecutive years, following 2023.
Despite unfavorable market conditions, we will continue to discharge our responsibilities as a financial institution and make sustainable progress on the strength of our expertise and creativity.

Best House Award Received in the DCM Lead Manager Sector

ESG Finance Leadership

SK Securities has driven sustainable growth and transformation through its diverse array of services. Leveraging our ESG expertise, we support companies seeking funding by tailored solutions, such as rights offerings or mezzanine financing to enhance liquidity. We also provide innovative transaction structures designed to facilitate industrial transition. Moreover, our investment strategies integrate startup cultivation and local community development, embedding ESG principles into all aspects of our management. In 2019, our New Technology Investment Division obtained a license for venture capital in emerging technologies, positioning us as a strategic partner for SMEs and early-stage startups. We place particular emphasis on funding green technologies and innovative solutions, supporting sectors such as secondary batteries and biohealth to drive sustainable value creation.

ESG Financial Services

Scaling Up Support for Startups and Creating Their Ecosystem

SK Securities has formed an investment union worth approximately KRW 345 billion for new technology investment, funding around 70 startups and supporting their scale-up efforts through diverse value-up programs. In particular, our fintech sector funds have yielded tangible outcomes, leading to investments in multiple fintech firms. Meanwhile, to keep pace with the growing importance of the digital sector, we plan to steadily expand our investments in AI. Additionally, we have worked closely with local organizations to promote balanced regional development and foster a thriving startup ecosystem. Our commitment to regional advancement is evidenced by MOUs signed with the Daegu & Gyeongbuk Regional Office of SMEs and Startups, Chungnam Center for Creative Economy & Innovation, Gwangju Techno Park, and Jeju Free International City Development Center. Furthermore, we are actively reinforcing our specialized manpower to ensure business stability and scalability.

Fintech Fund

We have undertaken a wide range of investment activities to accelerate innovation in the fintech industry while improving financial accessibility for consumers. In partnership with NICE Investment Partners, a subsidiary of NICE Group, we have raised KRW 30 billion for the "NICE-SK Securities Fintech Innovation Investment Union." In line with government policies aimed at fostering fintech companies, this fund has scaled up its investments in fintech firms, facilitating the advancement of financial technology, creating new jobs, and offering better access to financial services. These actions emphasize the creation of a compassionate financial environment and social value, fully aligned with our ESG business strategy.

Regional Innovation Fund

Through the operation of the Regional Innovation Fund, we have played a contributing role in revitalizing regional economies and creating jobs by investing in innovative startups and SMEs across major areas such as Daegu, Gwangju, and Jeju. These investments are made as part of our commitment to ESG management, giving back tangible social value to local communities. Additionally, in partnership with K-water, we have invested in water resources management companies, covering sectors such as water supply, sewage systems, and wastewater treatment. These investments not only safeguard natural capital but also generate meaningful social value. All these endeavors come together to foster compassionate finance, considering both local communities and the environment.

Case 1

"Company A specializes in recycling secondary battery waste, striving to transition from a wet process to a dry process for lithium recovery. This shift has remarkably reduced wastewater generation in the lithium recovery process, and SK Securities provided the necessary funds for plant construction of the company. As a result, the newly constructed plant now recovers lithium without producing effluent. This achievement reflects our commitment to investing in the ESG sector while catering to customer needs."

Case 2

"Company B's leadership recognizes that grasping ESG trends and keeping pace with them is an integral part of sustainable growth. SK Securities has determined that Company B's firm commitment to ESG and its plan to generate social value align with transition finance principles. Accordingly, we have decided to inject substantial resources into developing eco-friendly materials and cutting carbon emissions. We expect that Company B's exceptional technological prowess, combined with our transition finance, will create meaningful synergy effects."

※ Source : Excerpts from interviews with SK Securities' relevant department

Global ESG Partnership

In 2024, SK Securities established the Global Business Division to adopt a differentiated approach amidst the increasing trend of overseas expansion within Korea's securities industry. Our vision extends beyond profit generation; we are dedicated to contributing to national development through a steadfast commitment to continuous ESG improvement. Our goal is to foster a virtuous cycle where environmental and social values are interconnected, achieving through gradual and sustained progress rather than abrupt transitions. By blending financial support with development expertise and technological capabilities, we strive to be a key partner in advancing sustainable development abroad, generating lasting ESG outcomes and shared value.

Global Expansion of ESG Initiatives

Investment Cooperation with Lithuania in Europe

We have embarked on a new chapter of investment cooperation with Lithuania, establishing a strategic partnership at the national level through high-level discussions with a Lithuanian delegation, including the Minister of Finance. Our role extends beyond capital mobilization to serve as a strategic bridge connecting Lithuania with industry operators across sectors requiring further development. In doing so, we aim to forge an organic link between finance and industry. This collaboration is expected to generate synergies across various fields, including renewable energy, green finance, data centers, national defense, and LNG infrastructure. The partnership is expected to be mutually beneficial supporting Lithuania's national-level development goals while enabling participating companies to expand their business scale. We are positioning ourselves as a key enabler that simultaneously enhances the value of diverse stakeholders.

Investment discussions with the Minister of Finance of Lithuania

Investment in Southeast Asia

Southeast Asia has emerged as a key strategic focus for us. During a meeting with Cambodian Prime Minister Hun Manet on his official visit to Korea, we engaged in in-depth discussions on national-level cooperation. We are crafting development strategies that are closely tailored to support Cambodia's path toward industrial modernization. As a financial partner, we plan to propose a structured model for transition finance and connect the country with appropriate development partners. This collaboration is expected to make a meaningful contribution to enhancing Cambodia's social value.

On top of that, we are actively pursuing investment cooperation with the Stock Exchange of Thailand. We expect our credentials as an accredited entity of the Green Climate Fund (GCF) to play a pivotal role in unlocking value across the Southeast Asian market. Our track record in ESG finance at home is now fueling global expansion, opening up new paths for sustainable growth.

Pioneering New Markets

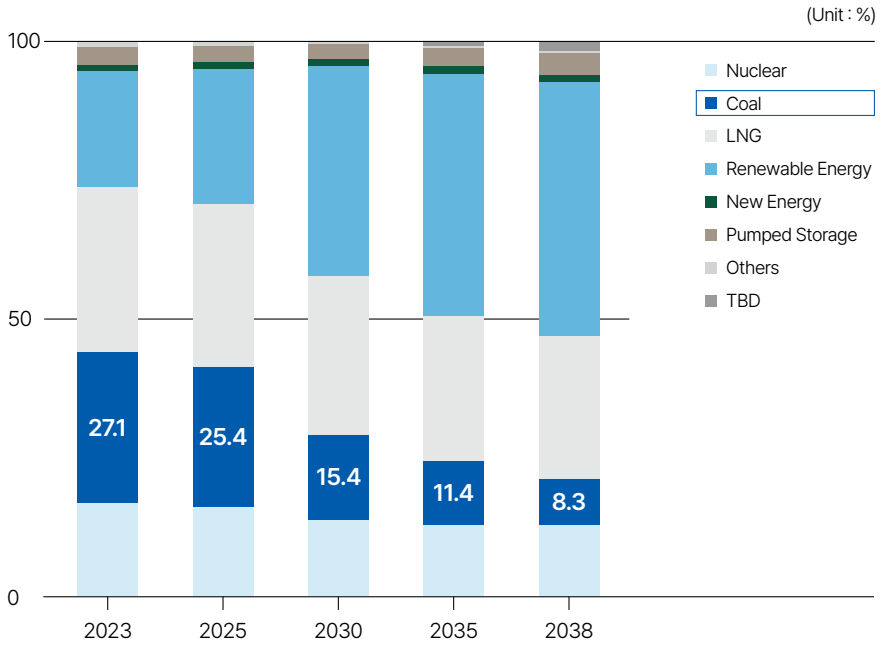
Beyond our current partnerships, we aim to expand collaboration with a diverse range of countries, to establish a strong presence as a trusted partner across a wide spectrum of sectors from essential industries such as food, housing, and clothing to lifesty-ledriven sectors including culture, arts, and leisure. Our human capital is envisioned to drive success across a wide range of industries, including intellectual property rights (IPR). Anchored in ESG as our core value, we aspire to pioneer an innovative models for sustainable value creation, charting our course from a domestic foundation to a global leadership position in ESG finance.

ESG Investment Policy

Reinforcing Our Coal Phase-Out Policy

We support a phased transition away from coal-fired power and are strengthening the role of financial institutions in advancing a low-carbon economy in line with the 11th Basic Plan for Electricity Supply and Demand. Coal power generation is a major source of GHG emissions and fine dust, and its gradual reduction has become inevitable in tackling climate crisis amid increasing global pressure for carbon reduction. Against this backdrop, the government has banned the construction of new coal-fired power plants and is gradually decommissioning aging facilities. In step with this direction, we are scaling back investments and financial support related to coal.

Fully aware of the importance of a just transition that balances energy stability with social responsibility, we are committed to accelerating the shift away from coal through finance and paving the way toward a carbon-neutral future.



※ Source : The 11th Basic Plan for Electricity Supply and Demand (Ministry of Trade, Industry and Energy, March 13, 2025)

Coal Phase-Out Investment Guidelines

As of 2025, coal-fired power still accounts for approximately 25% of South Korea's electricity generation, playing a significant role in the national energy mix. However, coal power is widely recognized as the most harmful energy source in terms of water and soil pollution, fine dust emissions, air quality degradation, and GHG emissions. Globally, it is identified as one of the primary contributors to the climate crisis. In response, the government has set progressive coal reduction targets through the 11th Basic Plan for Electricity Supply and Demand, aiming to reduce coal's share in the energy mix to 25.4% by 2025, 15.4% by 2030, and 8.3% by 2038. Major economies such as the European Union (EU), the United States, and Japan have also announced plans to completely phase out coal-fired power by the mid-2030s or, at the latest, before 2040. At the same time, a growing number of global investors are viewing fossil fuel-related assets as "stranded assets," signaling a broader shift in capital away from high-carbon industries. In response to these global shifts, we have taken proactive steps to move away from fossil fuel–centered financial practice through the declaration of coal-free finance commitment in November 2021 and establishment of coal-free investment guidelines in September 2022, with an aim to address climate crisis and realize sustainable finance.

As of 2025, we have strictly adhered to our coal-free investment guidelines, having made zero investments in financial arrangements for coal-related companies since the declaration. Going forward, we will continue to follow this policy as we strengthen our role as a leading financial institution in tackling climate issues.

Scope of Coal-Related Companies

- Power companies that generate 20% or more of their total electricity from coal-fired power
- Companies that derive 30% or more of their revenue from coal businesses
- Companies with 5GW or more of coal-fired power generation capacity
- Mining companies that extract over 10 million tons of coal annually
- Companies developing coal mines (1 million tons or more annually)
- Companies developing coal-fired power plants (capacity of 300MW or more)
- Companies engaged in the development of coal-related infrastructure

Scope of Coal Investment Exclusion	Exceptions to Coal Investment Exclusion
• All forms of lending and financial arrangement, including project financing (PF) • Investment in corporate bonds and equities • Refinancing of existing investments • Insurance underwriting for coal-related businesses	• Investments in state-led or national strategic projects • Companies that have clearly initiated an energy transition within the past 12 months

ESG Investment Policy

As a responsible investor, we are committed to developing and implementing a comprehensive ESG checklist to systematically manage ESG risks and promote the long-term sustainability of our investee companies. This integrated assessment tool evaluates key aspects across environmental, social, and governance domains, while maintaining practicality and ease of application. It provides a straightforward actionable diagnosis of ESG performance. Importantly, the checklist serves both as a pre-investment evaluation tool for decision-making, and as a practical engagement guideline used to communicate ESG expectations and drive improvements within existing portfolio companies. Each item functions as a foundational reference for identifying ESG risks and opportunities and assessing the sustainability of management practices. Additionally, it acts as an effective communication tool, ensuring clear articulation of ESG expectations throughout the engagement process.

Management of ESG Investment Risks and Opportunities

Ensuring Long-Term Business Viability

- Anticipate potential issues arising from environmental disasters, social conflicts, or governance failures
- Mitigate operational risks by identifying and addressing ESG-related risks
- Actively leverage ESG risks and opportunities to enhance the long-term sustainability of the business

Protecting Investment Stability

- Assess ESG risks of investee companies to preemptively mitigate potential threats and prevent investment losses
- Provide opportunities for ESG improvement in companies involved in social controversies
- Ensure stability for both financial institutions and investors

Ensuring Regulatory and Legal Compliance

- Respond to the growing trend of stricter ESG regulations in and outside Korea
- Diagnose ESG-related legal and regulatory risks to support corporate compliance and responsible management
- Reduce exposure to legal risks such as fines, penalties, and litigation

Building Stakeholder Trust

- Apply a transparent and robust ESG risk management system for stakeholders
- Gain trust from customers, partners, local communities, and investors
- Elevate corporate reputation and strengthen market positioning

Improving Market Competitiveness

- Utilize the ESG checklist not merely as an evaluation tool, but as a strategic framework to enhance corporate stability and sustainability
- Analyze ESG risks and opportunities in advance to secure long-term sustainability and competitiveness
- Prioritize ESG in industries with growing demand for eco-friendly products, services, and socially responsible practices

ESG Research Innovation and Expertise

We are committed to strengthening our ESG research capabilities beyond our core role as a leading securities firm, with the goal of shaping both government and corporate strategies in the ESG landscape. To deepen our ESG insights, we actively engage external advisors and produce regular reports analyzing ESG regulatory trends and key issues, all grounded in a robust internal ESG framework. This ongoing effort enables us to provide meaningful guidance and thought leadership in the evolving ESG arena.

Key Achievements in ESG Research

Unparalleled ESG Excellence

Since 2014, we have conducted comprehesive ESG research by actively engaging external experts to enhance our ESG management capabilities. Through these sustained efforts, we have systematically strengthened our internal ESG expertise and launched the distinctive "ESG Wannabe" report series from our Research Center, aimed at sharing our insights and knowledge with the market.

Unlike conventional approaches where ESG is handled by a single analyst, our ESG research integrates the specialized expertise of all analysts across the Research Center. By combining industry-specific insights with ESG perspectives, our team regularly produces in-depth reports-an innovative approach that has garnered significant attention within the market.

Broadening and Deepening ESG Insights

Rooted in the philosophy of "sustainable growth and coexistence," we have embedded ESG values as a core strength of our Research Center. Our analysts swiftly analyze the rapidly evolving ESG regulatory landscape and key industry-specific issues to provide timely insights to both corporations and public institutions, contributing meaningfully to the development of Korea's ESG ecosystem.

Going forward, we will further strengthen our expertise and strategic intelligence in ESG integration, reaffirming our commitment as a responsible financial institution dedicated to building a sustainable future.

Providing Market Insights through "ESG Wannabe"

SK Securities' Research Center has contributed to expanding ESG-related knowledge across the capital market through its "ESG Wannabe" and "ESG Daily" reports, which offer in-depth analyses of regulatory developments and industry trends. These analyst-written reports have been referenced by corporations and policy institutions and cited in various external publications.

Such efforts highlight our leadership in ESG expertise and analytical capabilities and reinforce our ongoing commitment to serving as a trusted source of ESG intelligence in the market.

ESG Wannabe

Apple's 2030 Carbon Neutrality Plan vs. Samsung's Current Status

ESG Daily

Still Don't See the Climate Crisis as a Real Threat?

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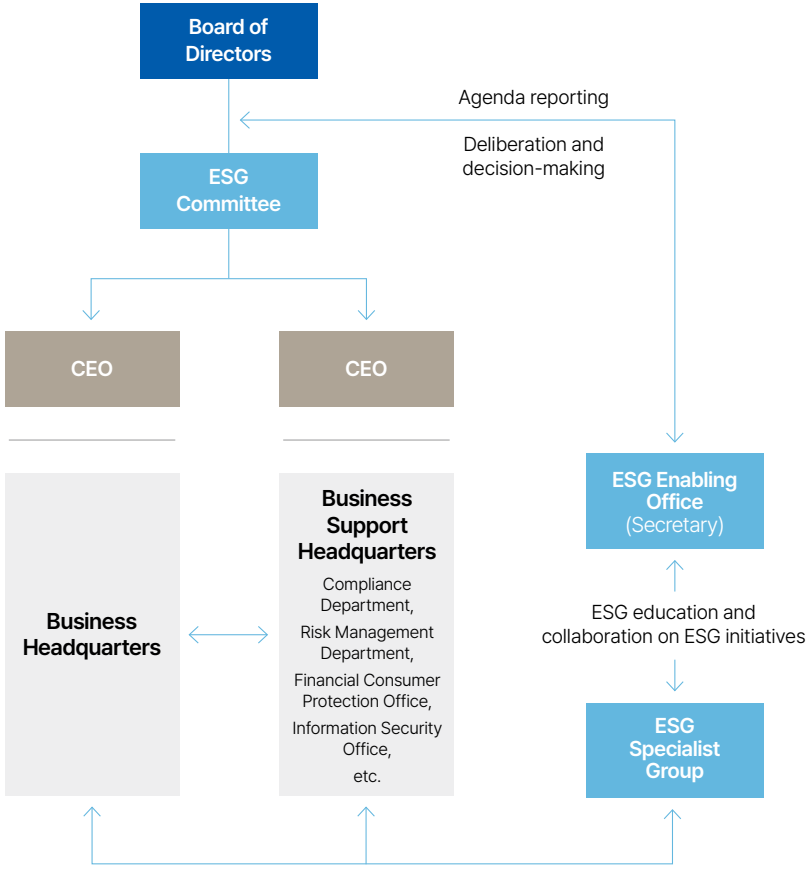
Governance

SK Securities has established its ESG governance structure across the entire company, demonstrating our strong commitment to taking action on climate change. Launched in 2023, the ESG Committee serves as a decision-making body under the Board, overseeing the formulation and implementation of ESG strategies, including climate issues and biodiversity, while making final deliberations and decisions. In 2024, a total of three ESG Committee meetings were convened to assess the current state of environmental and ESG management. Our CEO is responsible for approving and supervising climate-related policies and goals, regularly monitoring risks and opportunities. Additionally, climate performance indicators have been incorporated into the management remuneration system (10 points, 10%) to ensure a strong link between performance and compensation. On top of that, our CEO has appointed the executive officer from the ESG Enabling Office as the person in charge of ESG affairs, including reporting key agenda items related to climate issues and providing operational support for the Board's decision-making. To further step up our execution of ESG strategies, we have established the "ESG Specialist Group," comprising 23 ESG professionals, to ensure climate strategies are seamlessly integrated into business operations. This governance structure lays the foundation for embedding ESG strategies, including climate action, throughout the entire organization.

ESG Governance Structure

(As of Jan. 1, 2025)



Climate-related Governance Structure and ESG Committee Functions

(As of the end of Dec. 2024)

Category	Details
Key Responsibilities	Formulating ESG management strategies, and overseeing and managing ESG strategy implementation (including climate change and biodiversity)
Composition and Expertise	

Category	Name	Position	Financial institution work experience*	Specialty & Roles
Chairman	Nam-Su Choi	Outside Director	Possessed	• Former CEO of a media company, author of numerous ESG-focused books • Assesses strategies for comprehensive ESG management and climate action
Member	Soo-Hyun Ahn	Outside Director	Possessed	• Expert in law, finance, ESG, and consumer protection • Examines ESG management, and laws and regulations concerning climate issues
	Jeong-Rim Park	Outside Director	Possessed	• Former CEO of a financial investment company • Specialist in asset management, risk assessment, wealth management (WM), and strategy • Analyzes climate-related financial risks and sustainable finance strategies
	Uk-Je Chang	Other non-executive director	Possessed	• Former CEO of a financial investment firm • Identifies climate-related business opportunities

* Includes individuals with at least five years of experience as an outside director in the financial sector

Reporting Line	Agenda item reporting via the BOD Secretariat
Reporting Frequency	At least once per half-year (meetings convened as needed)

ESG Committee Engagement (FY2024)

Date	Content	Agenda Items Reported / Resolved
Mar. 6, 2024	1st ESG Committee	SK Securities' environmental management advancement and governance improvements reported
Jun. 24, 2024	2nd ESG Committee	Current status of SK Securities' environmental management and climate action reported
Dec. 9, 2024	3rd ESG Committee	Development and progress of SK Securities' ESG management in 2024 reported

Compensation System for Climate Action and KPIs

Category	Compensation	Key Performance Indicators (KPIs)
CEO (Top Management)	Monetary rewards (performance-based bonus)	• Publication of sustainability reports in Korean and English (3 points) and adoption of a responsibilities map (3 points) • Carbon emissions reduction (2 points) and advancement in human rights management (2 points)

Strategy

In accordance with IFRS S2 Climate-related disclosures and also with the 「Sustainability Disclosure Standard No. 2: Climate-Related Disclosures」 issued by the Korea Sustainability Standards Board (KSSB), we have classified climate-related opportunities into short-term (within 1 year), mid-term (more than 1 year but within 5 years), and long-term (beyond 5 years), based on their anticipated occurrence. This time horizon takes into account the likelihood of external environmental factors, including policy and institutional changes, technological advancements, and shifts in market demand. We fully recognize the impact of climate change on profitability across our investment portfolio, risk management system, and investor preferences, which has been reflected in our selection of opportunities.

Identification of Climate-related Opportunities

Our analysis has taken a holistic approach, factoring in policy and regulatory shifts, business model and value chain, and financial impacts. We recognize the potential for our climate response capabilities to contribute to sharpening our competitive edge. These findings will be incorporated in our climate strategy formulation and action plan establishment, while also laying the groundwork for responses to climate issues.

Materiality : ○ Low (Moderate) ◐ Medium (Important) ● High (Very important)

Category	Details	Materiality and Priority[1]			Potential Financial Impacts	Period
		Short-term	Mid-term	Long-term		
Resource Efficiency	• Energy efficiency improvements • Resource saving and expanded recycling • Optimized operations through the use of a digital platform	○	◐		• Reduction in operational costs resulting from decreased energy consumption • Increase in profitability stemming from rising customer inflow and transaction volume	Short- to mid-term
Energy Source	• Higher proportion of low-carbon and renewable energy sources		○	◐	• Decline in annual energy expenditures • Growing demand for brokerage services, driven by structural changes in the power market	Mid- to long-term
Products and Services	• Rising customer demand for green finance and low-carbon products • Broadened scope of sustainable finance products and diversified investment opportunities	○	◐	●	• Enhanced capabilities in low-carbon and green finance product brokerage and advisory services • Profit generation and expansion derived from investments in green finance products	Short-, mid-, and long-term
Markets	• Expanded utilization of the Green Climate Fund (GCF) • Increased market participation opportunities driven by the voluntary growth of the carbon market	○	◐	●	• Revenue growth and credibility secured due to GCF-accredited status, and increasing opportunities to participate in GHG reduction and climate adaptation initiatives • Profit expansion owing to entry into the voluntary carbon market	Short-, mid-, and long-term
Resilience	• Low exposure to high-emission industries • Strengthened investment strategies aimed at achieving SBTi-aligned targets • Management of green bonds and taxonomy-based investment assets		◐	●	• Higher returns accompanied by investments in green bonds and taxonomy-based assets • Achievement of net-zero emissions through the fulfillment of SBTi-based targets	Mid- to long-term

1) Based on four criteria including likelihood and impact, materiality and priority are categorized as High, Medium, or Low across different time horizons, according to the following criteria :
High : When both likelihood and impact are high **Medium** : When either likelihood or impact is high **Low** : When both likelihood and impact are low.

Strategy

A key role of financial institutions in achieving carbon neutrality lies in expanding green finance. Accordingly, SK Securities continues to scale up investments in green finance products and services. In 2024, the total investment volume meeting the activity and recognition criteria of K-Taxonomy amounted to approximately KRW 32.7 billion, representing 0.53% of total assets. These investments were allocated across private equity funds, bonds, and equities, targeting sectors where climate change response opportunities are most concentrated, such as manufacture of innovative items and production of renewable energy. Moving forward, we plan to establish company-wide green finance targets and gradually expand the scale and scope of such investments.

Scaling Up Green Finance

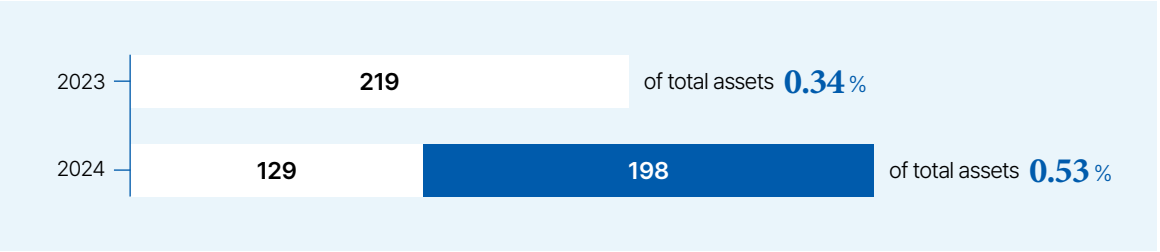
Conformity Process According to K-Taxonomy

Target business areas	Investment assets utilizing own accounts in 2024
Assessment based on activity and recognition criteria[1]	Incorporates the amended activity and recognition criteria of K-Taxonomy, updated in December 2024 **Key Revisions** • 84 economic activities classified (77 in the green sectors, 7 in the transition sectors) • Four environmental targets added in the revision in addition to climate change (sustainable conservation of water resources and marine resources, transition to a circular economy, pollution prevention, and biodiversity preservation and ecosystem protection)
Conformity determination	Determining conformity for green finance based on whether activities meet the revised criteria

1) A comprehensive conformity assessment system incorporating protection and exclusion criteria will be developed.

Green Finance Performance Overview

□ Existing ■ New (Unit : KRW 100 million)



Green Finance Performance Metrics in 2024

Category	Details	Amount (KRW 100 million)	Proportion (%)
Green Area	Manufacture of innovative items	95.65	29.3%
	Manufacture of materials, parts and equipment of innovative items	0.74	0.2%
	Production of renewable energy: Solar photovoltaics, concentrated solar power(CSP), wind power, hydropower, ocean energy, geothermal energy, and hydrothermal energy	79.13	24.2%
	New construction/remodeling and acquisition of zero-energy buildings or green buildings	6.04	1.8%
	Chemical utilization of waste	14.90	4.6%
	Recovery of waste energy	29.53	9.0%
Transitional Area	Production of energy based on liquefied natural gas (LNG) and blended gases	100.83	30.9%
Total		**326.82**	**100.0%**

Strategy

Identification of Climate-related Risks

In recognition of the fact that climate change is a critical risk factor with tangible impacts on our investment portfolio, we have conducted a systematic analysis to ensure proactive management. In particular, risks have been categorized into transition risks and physical risks. Transition risks arise from various factors, including policy and legal changes, technological shifts, market structure reorganization, and evolving stakeholder awareness. Meanwhile, physical risks stem from extreme climate events and shifting climate patterns. In compliance with the standards issued by the KSSB, climate-related risks are classified into short-term (within 1 year), mid-term (more than 1 year but within 5 years), and long-term (beyond 5 years) for in-depth analysis. Taking into account a complex spectrum of factors spanning the anticipated occurrence period of each risk, the pace of regulatory changes, technological applicability, market acceptance, and the cumulative impact of climate-related effects, we have made strategic decisions. Furthermore, we have systematized our analysis findings to structurally assess the impact of risks at each time horizon on investment asset valuation, portfolio stability, and long-term profit structures, ultimately integrating the results into the establishment of risk control measures and avoidance strategies. Accordingly, we have developed the following strategic approaches and risk factors.

Time Horizon	Definition	Strategic Alignment
Short-term (within 1 year)	Period requiring responses to immediate risks, such as tightened climate regulations and rising carbon credit prices	Managing carbon credit expenditures, strengthening the foundation for green finance responses, and expanding ESG product development
Mid-term (more than 1 year but within 5 years)	Period necessitating comprehensive risk management driven by growing demand for ESG investments and structural shifts in markets	Transitioning to an ESG-based investment portfolio, deepening stakeholder engagement, and enhancing ESG assessment management
Long-term (beyond 5 years)	Period of intensified structural risks stemming from the transition to a low-carbon economy and climate-related disasters	Developing scenario-based investment strategies, reinforcing physical risk management, and integrating response capabilities across the company

Materiality : ○ Low (Moderate) ◐ Medium (Important) ● High (Very important)

Category	Type	Details	Materiality and Priority[1]			Potential Financial Impacts	Period
			Short-term	Mid-term	Long-term		
Transition Risks	Policy and Legal	• Rising carbon credit prices • Tightened climate-related regulations and stricter disclosure criteria • TMore stringent regulations on high-emissions industries	◐	◐	●	• Increasing operational expenditures arising from rising carbon credit prices • Financial losses incurred by stranded assets • Escalating costs associated with environmental litigation filed by stakeholders over greenwashing allegations	Short-, mid-, and long-term
	Technology	• Growing demand for investee companies to develop low-carbon technology • Fluctuations in market supply and increasing uncertainty		◐	●	• Escalating costs driven by the transition to green and low-carbon technologies and equipment • Financial losses resulting from the failure to introduce new technologies	Mid- to long-term
	Market	• Evolving consumer behavior patterns • Heightened uncertainty in demand due to structural shifts in the market		○	●	• Expanding operational costs due to rising raw material prices and waste disposal expenses • Declining profitability owing to decreasing demand for high-emission products	Mid- to long-term
	Reputation	• Spread of negative social perception toward high-emission industries	○	◐	●	• Reduction in investments driven by weakened consumer and investor confidence • Undermining corporate reputation stemming from a decline in ESG ratings	Short-, mid-, and long-term
Physical Risks	Acute	• Increasing frequency and severity of natural disasters caused by extreme climate events (heavy rain, wildfires, heatwaves, etc.)	●	◐		• Financial losses generated by declining valuation of investment assets • Discontinuation of operations triggered by physical damage to critical infrastructure, leading to shrinking operating profits	Short- to mid-term
	Chronic	• Long-term shifts in climate patterns leading to rising average temperatures and sea level increases		◐	●		Mid- to long-term

1) Based on four criteria including likelihood and impact, materiality and priority are categorized as High, Medium, or Low across different time horizons, according to the following criteria :
High : When both likelihood and impact are high **Medium** : When either likelihood or impact is high **Low** : When both likelihood and impact are low.

Strategy

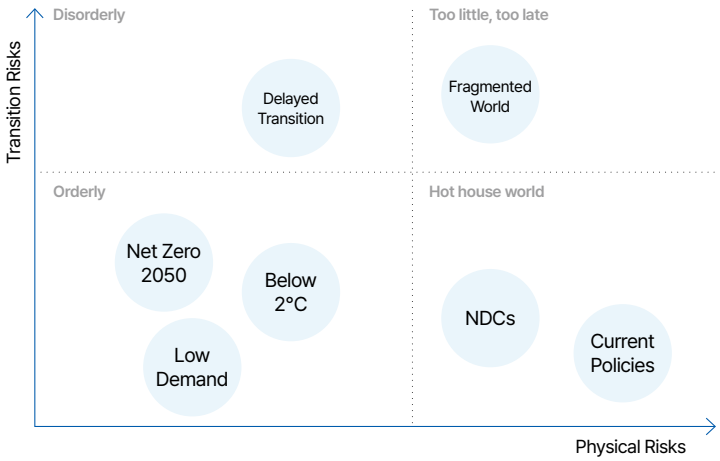
With the objective of identifying the financial impacts on our business model and portfolio over the short-, mid-, and long-term, we have analyzed climate scenarios. Although the analysis involves uncertainty and limitations in climate-related variables, it enables us to derive financial impacts on our portfolio based on future assumption scenarios, reflecting key assumptions and various influencing factors.

Furthermore, this analysis reveals that climate-related risks could inflict tangible losses on our business models and cash flows, highlighting the need to strengthen climate resilience as a key pillar of our mid- to long-term strategy. Accordingly, we plan to formulate concrete countermeasures, such as tightening risk management for high-emission industries and expanding green investments, to make ourselves more resilient against climate challenges.

Transition Risk Analysis Results

The NGFS scenarios specialize in portfolio analysis for financial institutions, while the IEA scenarios focus on energy demand and carbon pricing tailored to emission reduction technologies. For a holistic evaluation of the financial implications of carbon pricing, we have adopted two distinct scenarios. For the NGFS scenarios, we have introduced Phase V with a focus on three key scenarios (Current Policies, Delayed Transition, and Net Zero 2050) that hold significant financial implications and high comparability.

NGFS Scenarios Framework in Phase V



Key Changes in NGFS Scenario Phase V

Advanced Physical Risk Assessment
Adopts a new damage function that covers temperature variability, precipitation patterns, and the frequency of extreme rainfall events
Upward Adjustment of Estimated Economic Losses
Projects two to four times the estimated global GDP losses by 2050
Integration of the Latest Release of the Shared-Socioeconomic Pathways (SSP3) and Policy Updates
Integrates IPCC SSP3-based population and GDP pathway updates, reflecting climate policies submitted by each country by March 2024
Adjustment of Carbon Price Pathways
Increases the carbon price pathway due to delayed climate policies (an increase of $50 compared to the previous stage)

Methodology and Timeline for Transition Risk Analysis

Category	NGFS Scenarios	IEA Scenarios
Scenarios	NGFS GCAM 6.0 of 7 scenarios	IEA(STEPS, APS, NZE2050)
Input Variables	• Period of carbon tax adoption and its level • GHG emission pathways • Economic variables (GDP growth rate and population growth rate) • Technological pathways (electric vehicle adoption rate and renewable energy adoption rate) • Green investment ratio, etc.	• Assumptions on each country's energy policy (e.g. net-zero commitment declarations) • CO_2 emissions from energy consumption • Pace of reduction technology adoption by sector • Investment volume in energy technology, etc.
Parameters	Climate sensitivity, technology efficiency, CCS efficiency, etc.	Technology cost curve and demand elasticity
Key Assumptions Used in the Analysis	• CO_2 price trajectory per ton (adjusted for inflation) • Discount rate (financing ratio)	• Linear reduction from 2030 to net-zero by 2050 • Discount rate (financing ratio)
Timeframe during which the scenario analysis was conducted	2024	2024

Strategy

Based on SK Securities' own methodology, we utilized carbon prices from the latest NGFS and IEA scenario as key variables to (1) estimate the emission reduction costs of its investment portfolio under national reduction targets, and (2) assess the exposure of each portfolio by incorporating the enterprise value of the underlying investee companies. By applying portfolio investment weights to the estimated exposures, SK Securities derived the potential financial impact through 2050.

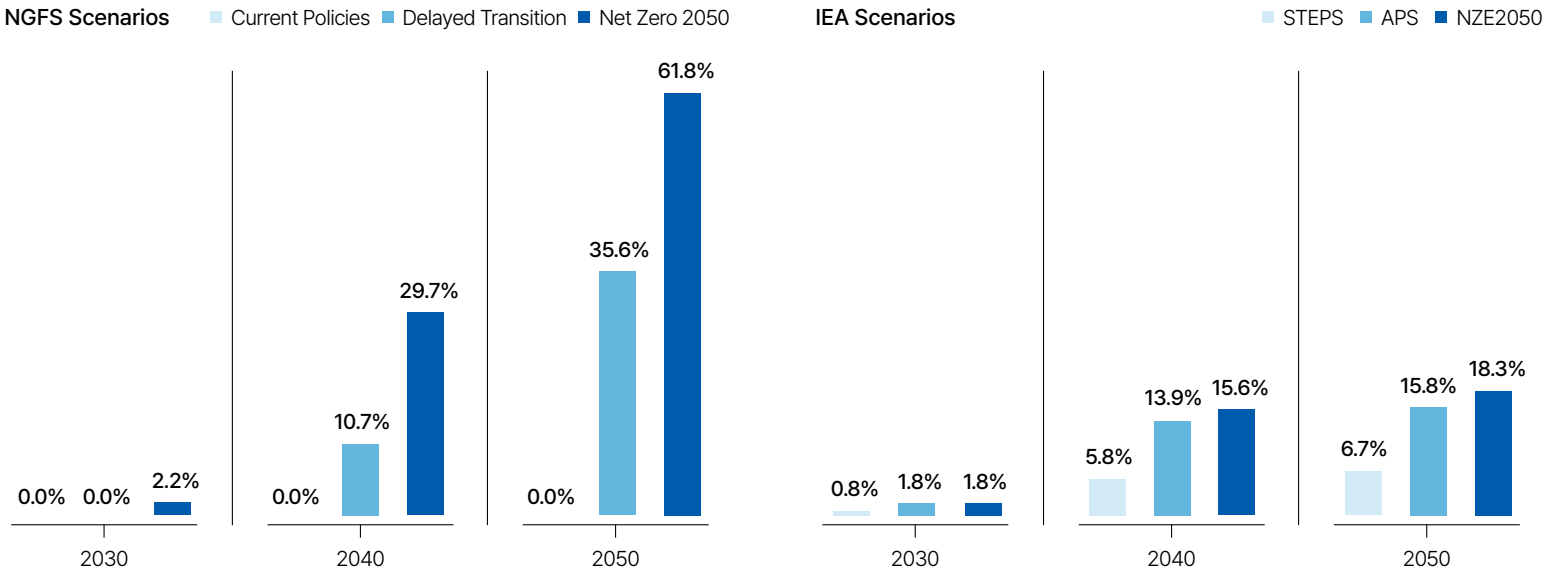
Transition risk analysis reveals the investment value loss rate in 2050 compared to 2024, the base year. Under NGFS scenarios, the loss rate stands at 0.00% (Current Policies), 35.6% (Delayed Transition), and 61.8% (Net Zero 2050). Meanwhile, under IEA scenarios, the loss rate is 6.7% (STEPS), 15.8% (APS), and 18.3% (NZE2050).

By scenario, the Net Zero 2050 scenario, marked by stringent regulations, demonstrates the largest investment value loss rate. Meanwhile, the Delayed Transition and APS scenarios are characterized by the concentration of reduction costs in the mid- to long-term, attributed to a disorderly transition beginning in 2030. Accordingly, they show a rapidly surging investment value loss rate compared to other scenarios.

Regarding asset types, due to the nature of a securities firm's portfolio, characterized by a high proportion of corporate bonds and a low proportion of business loans, corporate bonds exhibit the highest investment value loss rate. Meanwhile, business loans and unlisted equity demonstrate relatively lower levels.

Through transition risk analysis, we assessed the impact on our business model and entire value chain. The analysis findings reveal that policy risk has the greatest impact, primarily due to rising carbon prices resulting from scenario changes and escalating costs associated with achieving NDCs following portfolio shifts. These factors have led to an increased investment value loss rate within our business model and value chain compared to previous levels. As a result, we have incorporated green finance advancement and system establishment, which is one of our material issues and sustainable management targets, into our strategy for responding to transition risks. Additionally, in compliance with the K-Taxonomy, we will set targets for green finance and disclose our progress annually.

Quantitative Assessment of Financial Impacts from Climate-related Transition Risks



Strategy

Physical Risk Analysis Results

We have adopted the SSP scenarios used in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report, focusing on two scenarios (SSP1-2.6 and SSP5-8.5) that hold significant financial implications and comparability. Furthermore, within the analysis model framework of Korea University, (1) we identified the locations of investment portfolio sites and (2) assessed their exposure based on their geographic positions, using five natural disasters (heatwaves, heavy rain, wildfires, landslides, and heavy snow) as variables. By applying investment weight to exposure estimates, we derived financial impacts projected for 2050.

SSP Scenarios

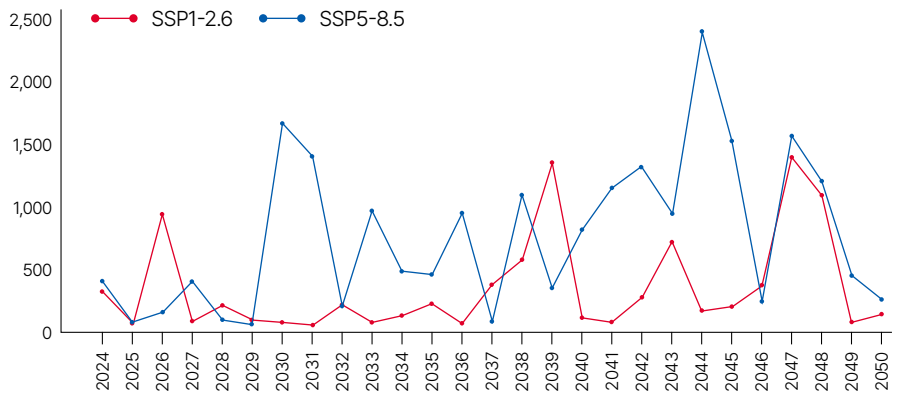
Scenario	SSP1-2.6	SSP2-4.5	SSP3-7.0	SSP5-8.5
Definition	A low-carbon pathway that envisions a world built on a sustainable socioeconomic structure with strong capabilities for climate change mitigation and resilience.	A scenario where climate change mitigation and socioeconomic development are assumed to be at an intermediate level.	A scenario vulnerable to climate change due to imbalanced socioeconomic development and institutional limitations.	A high-carbon scenario that assumes a world with strong climate response capabilities but weak mitigation efforts.
Temperature rise range by 2100	1.3-2.4°C	2.1-3.5°C	2.8-4.6°C	3.3-5.7°C
Input Variables	• Low population growth • High education levels • Accelerating technological advancement • Strong global cooperation • Emphasis on resource efficiency	• Moderate growth in population and economy • Status quo in policy and technology • Regional disparities • Limited global collaboration	• High population growth • Low education and public health levels • Region-focused policies • Limited technological advancement • Sluggish economic growth in developing countries	• Rapid economic growth • Gradual population increase • Rapid technological innovation • Consumption-oriented society • Thriving international trade
Parameters	• Introduction of GHG mitigation policies • Declining energy demand • Expansion of renewable energy use • High energy efficiency	• Partial implementation of mitigation policies • Moderate energy demand • Gradual technological transition	• Lack of climate policy • High dependency on fossil fuels • Low energy efficiency • Soaring emissions	• Absence of climate policy • Surging energy demand • Heavy reliance on fossil fuels • Low share of renewable energy sources

Physical risk analysis shows the investment value loss rate under each scenario compared to the base year, 2024. Under the SSP1-2.6 scenario, the loss rate stands at 0.4% in 2030, 0.6% in 2040, and 0.8% in 2050 relative to 2024, whereas under the SSP5-8.5 scenario, the rate is 10.1% in 2030, 4.9% in 2040, and 1.6% in 2050 compared to the base year. The SSP5-8.5 scenario, the higher-emission scenario, has a larger investment value loss rate. This loss rate is projected to peak in 2030, a comparatively near future. This is attributed to the high probability of physical risks concentrating within the short-term timeframe. Specifically, heatwaves and heavy rain are expected to cause the most significant damage, whereas landslides and heavy snow are projected to cause nearly no harm.

The physical risk analysis has enabled us to evaluate the impact on our business model and entire value chain. The results indicate that heatwaves and heavy rain will inflict the biggest damage. By region, the capital area and other metropolitan regions are forecasted to take the biggest hit. Accordingly, we have positioned location-based portfolio adjustments as a key strategy for managing physical risks, while planning ongoing monitoring and the development of diverse portfolio evaluation approaches.

Investment Value Loss Under Physical Risks

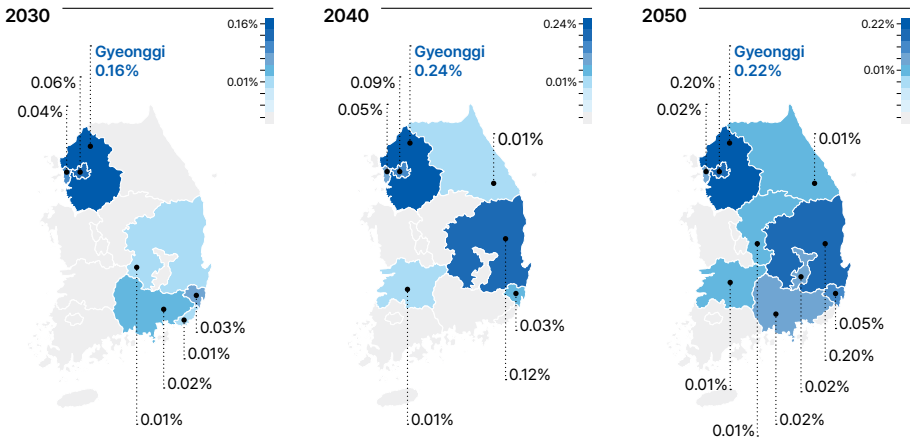
(Unit : KRW 100 million)



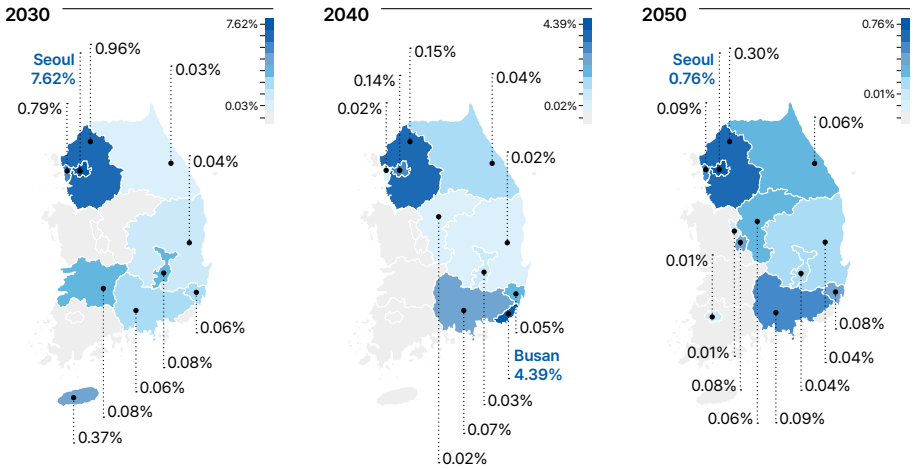
Strategy

Quantitative Assessment of Financial Impacts from Climate-related Physical Risks

SSP1-2.6 Scenario



SSP5-8.5 Scenario



Estimated Impact on Financial Position and Cash Flow

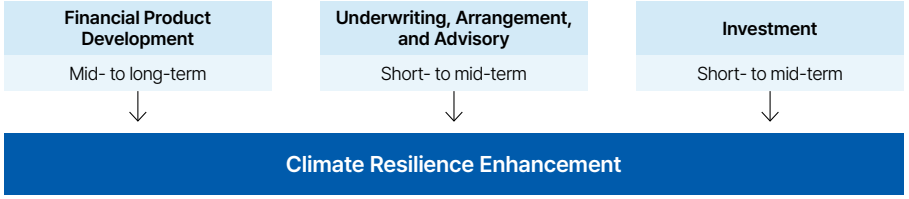
Utilizing the findings of the climate risk analysis, we have estimated the impact on our financial position and cash flow. However, these figures are scenario-based estimates, meaning their accuracy is inherently limited, as the actual figures incurred when risks materialize may differ. Regarding transition risks from 2024 to 2050, the accumulated investment value loss is estimated at KRW 1.0287 trillion (61.8%) under NGFS scenarios and KRW 305 billion (18.3%) under IEA scenarios. For physical risks over the same period, the annual average investment value loss is projected to reach KRW 33.7 billion (2.0%) under the SSP1-2.6 scenario and KRW 77.6 billion (4.7%) under the SSP5-8.5 scenario.

Based on this analysis, SK Securities anticipates that climate risks may have financial implications for its financial position and cash flows. In terms of transition risks, the increase in emission reduction costs for high-emission sectors could lead to mid- to long-term cash flow declines due to factors such as early depreciation of carbon-intensive assets, rising costs of purchasing emission allowances, and temporary increases in working capital driven by business restructuring. In the case of physical risks, extreme weather events may cause physical damage to tangible assets, which could result in impairment losses exceeding the limits of property insurance coverage, as well as reduced operating cash flows due to restoration costs and business disruptions. These impacts may lead to a short-term decline in investment value.

Climate Resilience

Cognizant of the impact of physical risks on our financial position and cash flow, we strive to enhance our climate resilience with a mid- to long-term approach. These efforts include a gradual reduction in investment exposure to high-emission assets and an accelerated transition to green and eco-friendly businesses. In particular, regarding climate-related opportunities, we plan to (1) develop green finance products, (2) underwrite, arrange, and advise projects associated with renewable energy, and (3) invest in corporations possessing innovative technologies in alignment with the K-Taxonomy, thereby creating long-term value.

These strategies involve uncertainties stemming from future market and policy environments as well as evolving stakeholder expectations. Nevertheless, we aim to flexibly adapt our business strategies based on a company-wide ESG management system, and will continue our efforts to enhance climate resilience.



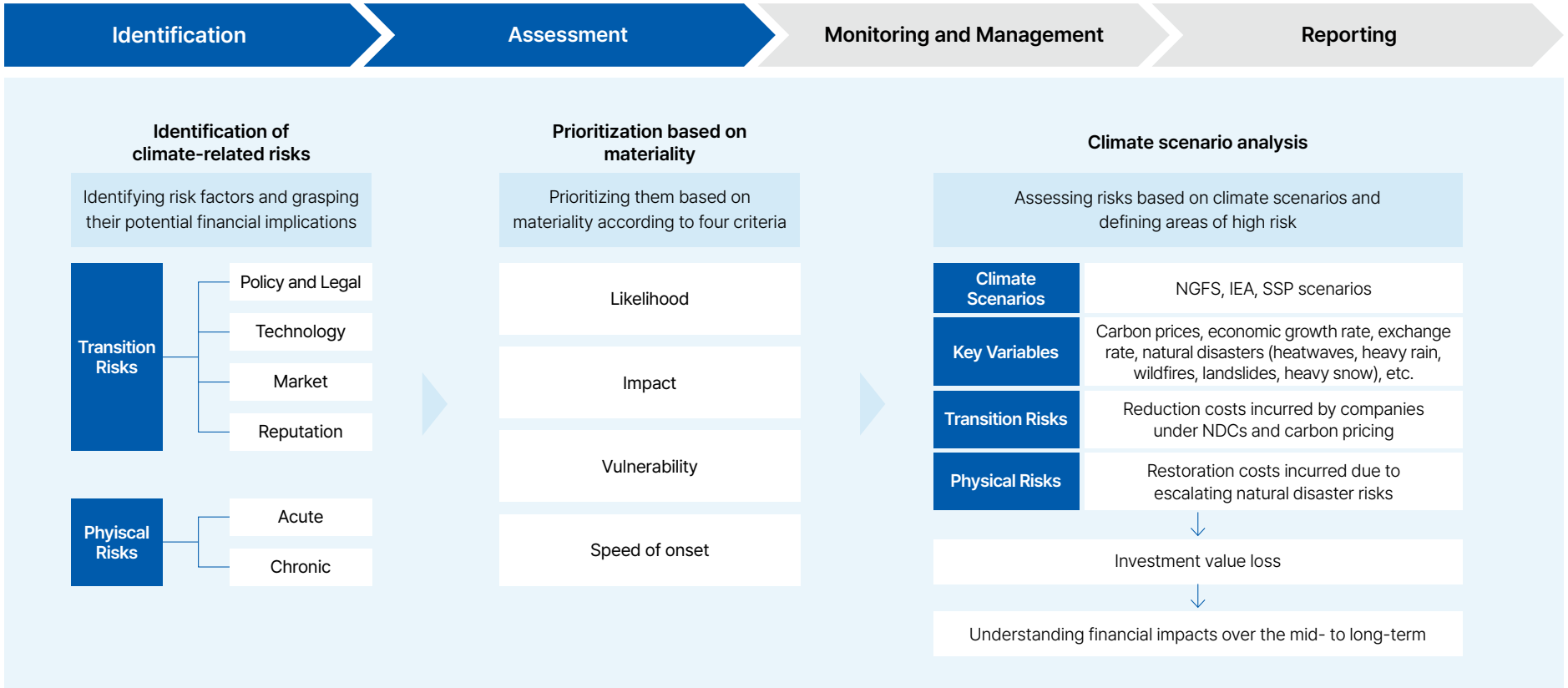
Risk Management

Climate Risk Management Process Integration with Overall Risk Management

SK Securities ensures proactive company-wide risk management through its integrated climate risk management process. This system enables us to systematically identify key risk factors, assess them, and continuously manage and track them, thereby ensuring effective risk control. Additionally, relevant updates are reported internally to ramp up our responses. In particular, the prioritization of risks based on materiality is followed by identification, allowing us to take risk response efficiency to higher levels. Materiality is defined by a combination of factors, including likelihood, impact, vulnerability, and speed of onset, all of which shape each response strategy.

We analyze climate scenarios based on various future variables and assumptions to quantify exposures to transition and physical risks. The findings from this analysis are incorporated into not only short-term countermeasures but also financial impact assessments over the mid- to long term. By doing so, we achieve more consistent results and utilize them to draw up strategies for addressing climate-related risks.

Integrated Climate Risk Management Process



Risk Management

Management of High-Emission Industries

We assess and monitor the GHG intensity of our portfolio by industry sectors based on the Korean Standard Industrial Classification (KSIC). This allows us to systematically manage climate-related risks. As of 2024, we have made no new investments in coal-fired power generation and coal-related companies and have minimized exposure to fossil fuel sectors in line with our internal Environmental & Social (E&S) policy and coal-free investment guidelines.
Thanks to continued management efforts, the portfolio's average GHG intensity, including that of high-emission sectors, declined from the previous year. Investments in such sectors also decreased, reflecting a reduced level of climate-related exposure. Key metrics, including GHG intensity and related investment figures, are reported on a regular basis to working-level teams and executive leadership. Going forward, we aim to establish an integrated monitoring and control framework for reinforcing our capabilities in portfolio management concerning climate risks.

Integrated Climate Risk Management Process

Identification → Assessment → Monitoring and Management → Reporting

GHG Intensity Management by Key Sectors

Category	High-Emission Sectors	YoY Change (2023)	YoY Change (2024)
Steel	○	▼ 8.1%	▼ 88.3%
Electrical & Electronics		▼ 58.1%	▼ 14.5%
Auto Parts Manufacturing	○	▼ 35.6%	▼ 36.9%
Transportation	○	▲ 69.8%	▼ 18.5%
Information & Communication		▲ 19.7%	▼ 35.6%
···		···	···
Total Investment Volume		▲ 155.6%	▼ 32.8%

Internal Policy for Managing High-Emission Sectors (Coal-Free Investment Guidelines)

Definition of coal companies	• Power companies that generate 20% or more of total power from coal • Companies that generate 30% or more of their sales through coal business • Companies with 5GW or more of coal power generation capacity • Mining companies that mine 10 million or more tons of coal per year • Companies developing coal mines (at least 1 million tons per year) • Companies developing coal power plants (at least 300MW) • Companies developing coal-related infrastructure
Exclusion of investment in coal companies	• All loans and financial arrangements, including project financing (PF) • Corporate bond and stock investment • Refinancing of existing investment • Underwriting the coal business
Exceptions of investment in coal companies	• Investment in national projects • Companies that have clearly shown energy transition in the last 12 months at minimum

Metrics and Targets

Climate-related Metrics and Performance Against Targets

GHG Emissions

(Unit : tCO_2eq)

Category		2022	2023	2024
Total (Scope 1+2)		**2,779**	**1,988**	**1,871**
Scope 1 (Direct Emissions)		356	317	282
Scope 2 (Indirect Emissions)		2,423	1,671	1,590
GHG Intensity (tCO_2eq per person)		3.44	2.52	2.54
Total (Scope 3)		**-**	**181**	**184**
Scope 3 (Other Indirect Emissions)	1. Purchased Goods and Services	-	13	13
	3. Fuel- and Energy-Related Activities (not included in Scope 1 or 2)	-	105	129
	5. Waste generated in operations	-	16	9
	6. Business Travel	-	48	34
Total (Scope 1+2+3)		**2,779**	**2,169**	**2,056**

Energy Consumption

(Unit : TJ)

Category			2022	2023	2024
Total			**24.93**	**18.30**	**17.14**
Domestic	Non-renewable Energy	LNG	2.14	1.99	2.00
		LPG	0.00	0.01	0.01
		Kerosene	0.01	0.00	0.01
		Gasoline	3.61	3.21	2.67
		Diesel	0.07	0.00	0.00
		Steam	0.00	0.00	0.00
		Electricity[1)]	19.10	13.09	12.46
	Renewable Energy		-	-	-
Energy Intensity (TJ per person)			0.03	0.02	0.02

1) Electricity consumption was calculated using 1 MWh = 0.0036 TJ, rather than the K-ETS standard of 9.6 MJ/kWh.

We have designated GHG emissions, energy consumption, and financed emissions as key indicators for climate change response. These metrics are measured and managed annually in accordance with both international and domestic methodologies (GHG Protocol, Korea Emissions Trading System guidelines, PCAF standard)

In 2024, our Scope 1 and 2 emissions totaled 1,871 tCO_2eq, presenting a reduction of 117 tCO_2eq compared to the previous year. This decrease reflects our continued company-wide efforts in energy management across headquarters and branch offices. Scope 3 emissions for 2024 amounted to 184 tCO_2eq, showing a slight increase of 3 tCO_2eq year-over-year. This was primarily due to a change in the emission factor for electricity inputs, following the formalization of Scope 3 guidelines by the National Institute of Environmental Research.

In 2024, the scope of financed emissions assessment covered KRW 1.99 trillion, representing 32.5% of our total assets. Financed emissions totaled 314,000 tCO_2eq, a reduction of 72,146 tCO_2eq compared to the previous year. However, the emissions intensity increased to 15.8 tCO_2eq per KRW 100 million, up 2.7 tCO_2eq per KRW 100 million year-over-year. This outcome reflects the inclusion of sovereign debt the assessment scope and the application of the latest version (Mar. 2025) of PCAF emission factors. In addition, we include Scope 1, 2, and 3 emissions of investee companies when calculating financed emissions, and continue to improve data quality scores by incorporating actual emissions data as much as possible.

Financed Emissions (2024)

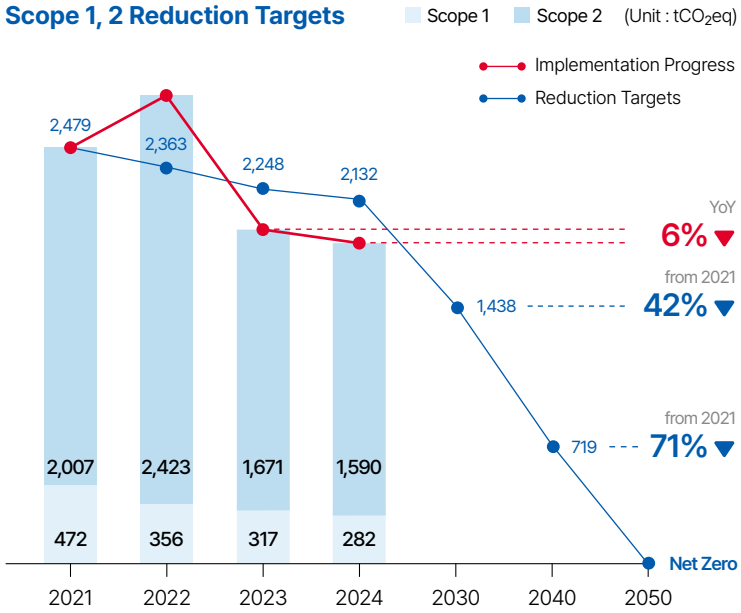
Category	Financed Emissions (tCO_2eq)			Exposure (KRW 100 million)	GHG Intensity (tCO_2eq/ KRW 100 million)	Data Quality Scores	
	Total	Scope 1, 2	Scope 3			Scope 1, 2	Scope 3
Listed Equity & Corporate Bonds	280,317	204,354	75,962	15,301	18.3	2.44	4.01
Business Loans & Unlisted Equity	18,955	5,806	13,149	3,381	5.6	4.21	4.22
Project Finance (Electricity Generation)	0	0	0	0	-	-	-
Commercial Real Estate	0	0	0	0	-	-	-
Mortgages	0	0	0	0	-	-	-
Motor Vehicle Loans	0	0	0	0	-	-	-
Private Equity Direct Investment	13,381	908	12,473	1,128	11.9	4.09	4.09
Total (Excluding Sovereign Debt)	**312,652**	**211,068**	**101,584**	**19,811**	**15.8**		
Sovereign Debt	1,348	1,348	0	50	26.7	1.00	-
Total (Including Sovereign Debt)	**314,000**	**212,416**	**101,584**	**19,861**	**15.8**		

Metrics and Targets

In 2022, we received official approval for our near-term reduction targets from the Science Based Targets initiative (SBTi). These targets align Scope 1 and 2 emissions with the 1.5°C scenario and Scope 3 emissions with the well-below 2°C scenario. Since approval, we have monitored and managed our progress annually, actively working toward achieving carbon neutrality by 2050. In 2024, we achieved a 5.9% year-over-year reduction in Scope 1 and 2 emissions, outperforming our set targets. In connection with this, we have also set internal energy reduction targets and are actively managing energy consumption. For Scope 3 emissions, we regularly assess temperature ratings by asset class and continue to make portfolio adjustments to enhance climate resilience.

Reduction Targets

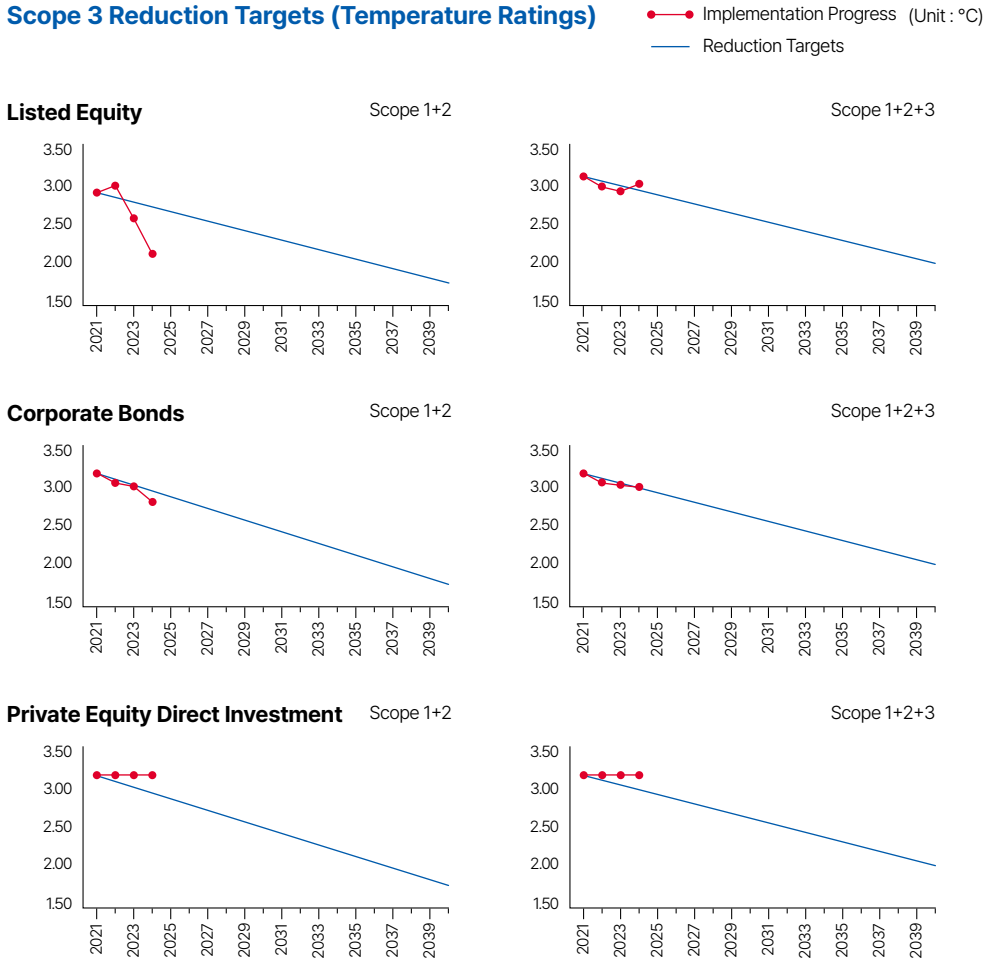
Scope 1, 2 Reduction Targets



Category	2022		2023		2024	
	Emissions (tCO_2eq)	Energy (TJ)	Emissions (tCO_2eq)	Energy (TJ)	Emissions (tCO_2eq)	Energy (TJ)
Reduction Targets	2,363	22.91	2,248	21.79	2,132	20.67
Implementation Progress	2,779	24.93	1,988	18.30	1,871	17.14
Achievement Rate[1)]	-259%		212%		175%	

1) Calculated as (Current year emissions – base year emissions) / (Target year emissions – base year emissions). A value below 0% indicates that emissions increased beyond the reduction target, while a value over 100% indicates that the target was exceeded.

Scope 3 Reduction Targets (Temperature Ratings)



Metrics and Targets

We are prioritizing direct reduction efforts for Scope 1 and 2 emissions, such as internal abatement initiatives and energy efficiency improvements. As a result, we have continued to outperform our SBTi-aligned targets year after year. For Scope 3 emissions, we plan to gradually expand the scope of management, from selected segments of the value chain to the entire value chain through portfolio adjustment, engagement, and the expansion of green finance. These efforts are aligned with our ultimate goal of achieving net-zero emissions by 2050.

Reduction Roadmap and Implementation Plan

Category		Scope 1, 2	Scope 3		
Metrics		GHG emissions	GHG emissions and intensity		
Organizational Boundary		SK Securities and its major subsidiaries			
Near-term Targets	Base Year	2021			
	Target Year	2030	2027		
	Methodology	Absolute reduction	Intensity-based reduction (temperature ratings)		
	Target Level	1.5°C	1.75°C		
	Reduction Targets	42% reduction	Listed equity	Scope 1+2	2.56°C
				Scope 1+2+3	2.78°C
			Corporate bonds	Scope 1+2	2.74°C
				Scope 1+2+3	2.82°C
			Private equity direct investment	Scope 1+2	2.74°C
				Scope 1+2+3	2.82°C
	SBTi Approval	Officially approved			
Long-term Targets	Base Year	2021			
	Target Year	2050			
	Reduction Targets	100% reduction (Net-zero)	All asset classes	Scope 1+2	1.75°C
				Scope 1+2+3	2.00°C
Implementation Roadmap		• (Near- and mid-term) Prioritize internal reduction through conservation and energy efficiency improvements • (Mid- to long-term) Participate in RE100 instruments to address residual emissions	• (Near- and mid-term) Promote carbon neutrality within selected segments of the value chain through portfolio transition, expansion of green investments, and active engagement • (Mid- to long-term) Drive value chain-wide carbon neutrality through the development of green financial products and continued portfolio transition		
Internal Carbon Pricing		Reflect carbon pricing under the Korea Emissions Trading System and NGFS scenarios (KRW 9,245 by 2024 and KRW 150,865 to KRW 2,712,434 per tCO_2eq by 2050)			

Special Report

Biodiversity Report

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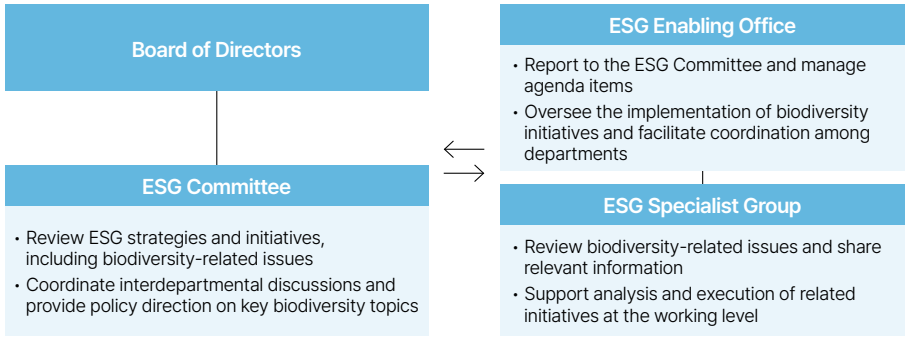
Governance

Background and Significance of Joining TNFD

Our economy and society fundamentally depend on various ecosystem services, such as food, water resources, climate regulation, and pest control, all of which directly or indirectly impact the financial system and investment decisions. As a financial intermediary that channels capital across diverse industries, a securities firm is required to recognize the nature-related risks arising from biodiversity loss and ecosystem degradation that may affect corporate value and asset soundness and respond to these risks in advance.
We recognize biodiversity-related risks and opportunities as key issues in our management and have established a governance framework led by the ESG Committee. In 2023, we became the first standalone securities company in Korea to join the Taskforce on Nature-related Financial Disclosures (TNFD). Starting in FY2024, we initiated an assessment of dependencies and impacts on nature across our investment portfolio (business loans). We will continue to systematically strengthen our management framework for biodiversity-related risks and opportunities in line with TNFD guidelines while progressively integrating these efforts into our corporate strategy and responsible investment practices.

Biodiversity Governance Structure

We are building an internal foundation to address biodiversity-related issues. Led by the ESG Committee, we are shaping our strategic direction and approaches on biodiversity. When necessary, we review key issues in consultation with relevant departments, such as Risk Management Division and Compliance Division. Through a collaborative system involving the ESG Enabling Office and the ESG Specialist Group, we regularly share and discuss topics regarding biodiversity across working-level teams. These endeavors are aimed at establishing the groundwork for conducting dependency and impact assessments, identifying key issues, and setting future response strategies. We will continue to strengthen our company-wide biodiversity management framework to proactively address related risks and reinforce our role as a responsible financial institution. We will continue to step up our company-wide biodiversity management system, enabling us to proactively mitigate related risks and further solidify our position as a responsible financial institution.



TNFD's LEAP Approach

The LEAP (Locate, Evaluate, Assess, Prepare) approach is a four-phase framework proposed by TNFD to support organizations in identifying and assessing their nature-related dependencies, impacts, risks, and opportunities, and in integrating these insights into strategic planning and disclosures. This methodology enables companies and financial institutions to systematically understand their exposure to natural capital and embed nature-related considerations into decision-making processes, including strategy development, risk management, and stakeholder engagement. We are gradually establishing our biodiversity assessment framework in line with the LEAP approach, and will continue to sharpen our capability to respond to nature-related risks and opportunities by advancing analysis at each stage of the framework.

		Our Status
Locate Select assets for assessment	Identify the areas of the organization's business activities, value chain, assets, and operational geographies that interact with nature. Define the scope and boundaries for priority assessment based on their potential biodiversity interface.	Given the characteristics of financial institutions, which do not interact directly with natural capital, we prioritized business loans within our investment portfolio as the initial focus of analysis.
Evaluate Analyze dependencies and impacts	Qualitatively and quantitatively evaluate how the identified assets and activities depend on ecosystem services and how they impact nature, including both direct and indirect effects.	Using tools such as ENCORE and the WWF Biodiversity Risk Filter, we conducted a sector- and location-based analysis of nature-related dependencies and impacts, focusing on the industries of our borrowing companies.
Assess Identify risks and opportunities	Identify material nature-related risks and opportunities based on the dependency and impact evaluation and prioritize areas for response through materiality assessment.	Reflecting the results of the dependency and impact evaluation, we identified qualitative biodiversity-related risk and opportunity factors.
Prepare Develop strategy and disclosures	Establish strategies, set targets, and design performance management systems in response to the identified risks and opportunities. Align disclosures with the TNFD recommendations.	We are refining our response plans and target-setting frameworks to manage the identified risks and opportunities, while gradually assessing the feasibility of establishing biodiversity-related targets.

Strategy and Risk Management

Select assets for assessment Locate

One of SK Securities' key goals in biodiversity assessment is to understand the extent to which our financial activities depend on and impact natural capital, and to identify potential risks and financial impacts in advance in order to establish appropriate response strategies.
According to the Locate phase of the LEAP approach, we identified asset classes with high interaction with natural capital and high analytical priority. In particular, considering the characteristics of financial institutions, which do not directly interact with natural capital, we selected business loans within the investment portfolio as the initial focus of analysis. This is because business loans involve the direct provision of funds by financial institutions, giving them significant influence over the borrowers' business activities and enabling more direct intervention in managing biodiversity risks.
Going forward, we will broaden our analytical coverage and gradually advance our biodiversity risk management capabilities by continuously enhancing data on investee companies' geographic locations and supply chain structures.

SK Securities' Investment Portfolio

Conducted biodiversity analysis within the investment portfolio, reflecting the characteristics of financial institutions

Business Loans

Prioritized business loans for initial assessment, given their high exposure to natural capital and significant influence over borrowers' business activities

Sector-Based Dependency & Impact Analysis	Location-Based Dependency & Impact Analysis
Assessed ecosystem service dependencies and nature-related impact levels across key industry sectors of borrowing companies using the ENCORE[1] tool	Assessed biodiversity dependencies and impact levels based on the geographic locations of borrowers' domestic business sites using the WWF Biodiversity Risk Filter[2]

1) A tool developed in 2018 through a collaboration among Global Canopy, UNEP-FI, and UNEP-WCMC, designed to help corporates and financial institutions understand their dependencies on nature. It is recognized as a key disclosure tool by major frameworks such as TNFD, SBTN, and GRI
2) A web-based screening tool that supports corporates and financial institutions in assessing and prioritizing biodiversity-related risks

Analyze Dependencies and Impacts Evaluate

For our business loans portfolio, we applied two complementary analytical approaches to quantitatively evaluate how borrowers interact with natural capital and biodiversity.
First, we utilized the ENCORE tool to evaluate the level of ecosystem service dependency and nature-related impact across the Global Industry Classification Standard (GICS) sectors in which our borrowers operate. Taking into account the AUM share in our portfolio, we generated radar and heat maps to identify key areas of biodiversity risk exposure within the portfolio. In addition, we conducted a location-based analysis using the WWF Biodiversity Risk Filter for domestic business sites with clearly identified geographic data. Through this, we assessed site-specific dependencies and impacts related to biodiversity.
Based on the results of these analyses, we identified major natural capital exposure areas within the business loans portfolio, which will serve as foundational input for setting priorities in future risk assessments and corresponding response strategies.

Sector-Based Analysis (ENCORE)

Ecosystem Service Dependency Analysis

- Data used : Dependency scores and ratings for 25 ecosystem services
- Assessment criteria
  ① Functional losses in economic activities resulting from disruption of ecosystem services
  ② Financial costs required to adapt to such disruptions

→ Generate radar maps showing ecosystem service dependency levels

Nature-related Impact(Pressure) Analysis

- Data used : Scores and ratings for 13 pressure categories
- Assessment criteria
  ① Frequency and magnitude of nature-related pressures
  ② Severity and extent of impacts on nature
  ③ Annual economic scale of the relevant industries

→ Generate heat maps showing nature-related impact (pressure)

Location-Based Analysis (WWF BRF)

Dependency and Impact Analysis of Borrower's Domestic Business Sites

- Data used : Scores from 33 indicators(20 for dependency, 13 for impact)
- Assessment criteria
  ① Levels of biodiversity dependency and impact by industry sector
  ② Biodiversity importance or ecosystem integrity at the business site location

→ Generate a bubble chart using dependency scores(x-axis), impact scores(y-axis), and AUM share(bubble size)

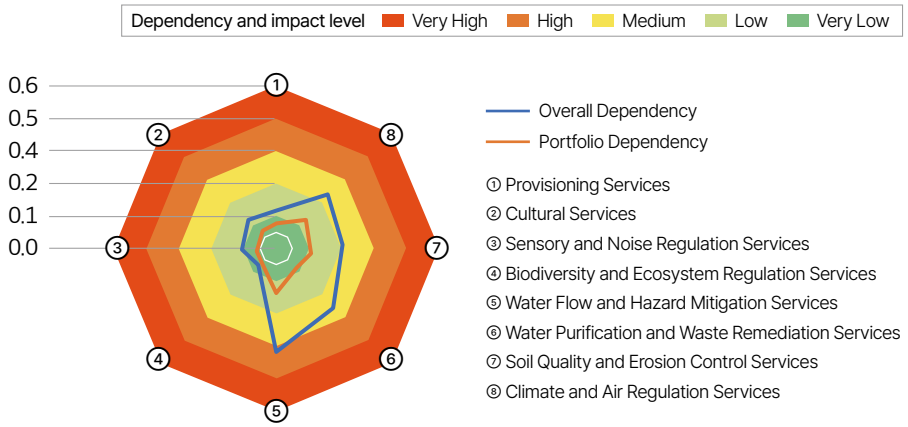
Strategy and Risk Management

Analyze Dependencies and Impacts Evaluate

A sector-based analysis was conducted to comprehensively analyze biodiversity risk exposure by incorporating the Assets Under Management (AUM) share of each sector into their respective dependencies on ecosystem services and levels of nature-related impact. The results showed that while the materials and consumer staples sectors are closely linked to biodiversity, their relatively low AUM share in the portfolio indicates limited direct exposure to biodiversity risks. In contrast, the financial sector, despite having a low impact on biodiversity, has a relatively high AUM share, highlighting the need for ongoing monitoring from a portfolio management perspective. Based on these findings, we plan to establish a biodiversity response strategy that prioritizes sectors by taking a holistic view of their dependency and impact scores, along with their respective AUM share.

Analysis Result 1 Sector-Based Radar Map of Ecosystem Service Dependency

We calculated the actual ecosystem dependency scores of the business loans portfolio by applying the AUM share of each sector to the ENCORE scores for each ecosystem service indicator. The results were visualized in the form of a radar map, comparing the portfolio dependency scores with the overall dependency scores.
The analysis revealed that, in most ecosystem services, portfolio dependency scores were lower than the overall scores—indicating that although certain sectors exhibit relatively high dependency on specific ecosystem services, the portfolio's business loans exposure to those sectors is limited. In particular, Water Flow and Hazard Mitigation Services showed the highest overall dependency but relatively low portfolio dependency, suggesting limited actual exposure. On the other hand, Cultural Services and Biodiversity and Ecosystem Regulation Services showed some exposure through business loans to sectors with higher ecosystem dependency.



Analysis Result 2 Sector-Based Heat Map of Nature-Related Impact

A heatmap was created to visualize nature-related impact levels by GICS sector using ENCORE data, accompanied by each sector's AUM share to provide a comprehensive view of both nature-related impact and business loans exposure. The analysis revealed that the Consumer Staples and Materials sectors had relatively high nature-related impact levels. The Materials sector, in particular, recorded high scores in Disturbance, Air Pollutants and Emissions of GHG, and Emissions of Toxic and Nutrient Pollutants. Likewise, the Consumer Staples sector showed elevated scores across Emissions of Toxic and Nutrient Pollutants, Water and Freshwater Use, and Air Pollutants and Emissions of GHG. In contrast, the Financials and Real Estate sectors were analyzed to be associated with relatively low nature-related impact. From an AUM perspective, exposure to sectors with high nature-related impact—such as Materials and Consumer Staples—was relatively limited. Meanwhile, although the Financials sector has a notable AUM share, it is associated with relatively low nature-related impact, suggesting limited actual risk exposure.

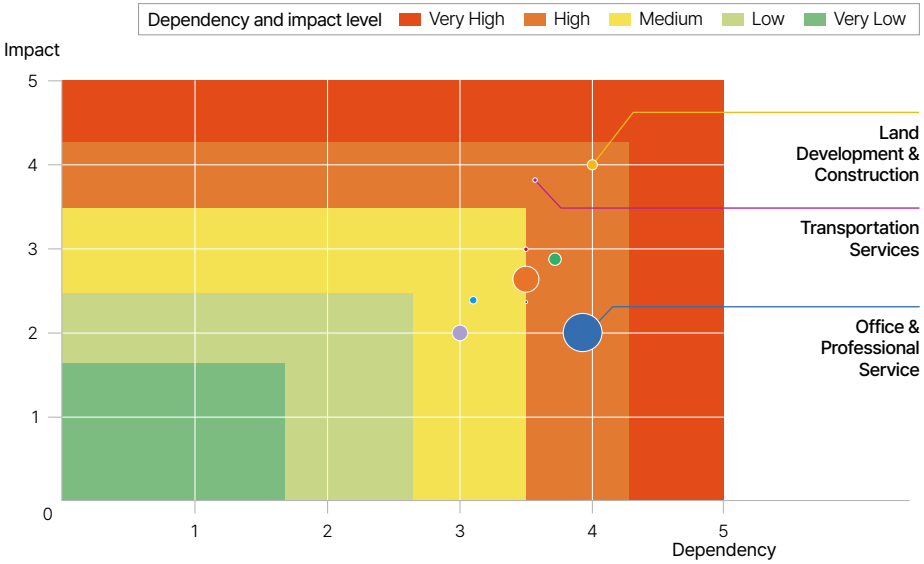
GICS Sector		Disturbances	Water and Freshwater Use	Air Pollutants and Emissions of GHG	Land and Seabed Use	Extraction of Biotic and Abiotic Resources	Emissions of Toxic and Nutrient Pollutants	Introduction of Invasive Species	AUM
15	Materials	9.64	6.64	8.34	5.64	2.74	8.53	2.73	0.05%
20	Industrials	6.30	5.22	5.75	5.23	1.08	5.83	3.19	0.13%
25	Consumer Discretionary	5.78	5.45	6.29	4.68	1.21	5.88	1.72	0.10%
30	Consumer Staples	6.95	7.86	7.45	5.95	1.88	8.30	5.10	0.06%
40	Financials	5.00	3.36	4.68	4.53	1.00	4.50	1.00	0.90%
45	Information Technology	7.33	4.88	6.42	4.99	1.00	5.78	1.00	0.04%
60	Real Estate	6.00	4.38	4.00	4.38	1.00	5.00	1.00	0.09%

(% of total)

Strategy and Risk Management

Analyze Dependencies and Impacts Evaluate

Analysis Result 3 Location-Based Dependency and Impact Bubble Chart



Based on the analysis of domestic business locations within the business loans portfolio, the overall dependency on biodiversity was analyzed as medium, while the overall impact level was analyzed as low. This suggests that most business loans assets are concentrated in urban-based sectors—such as Offices & Professional Services(accounting for 74.6% of total exposure)—and are often located in non-sensitive areas, thereby limiting physical exposure to nature-related risks. In particular, sectors involving intensive physical activities—such as land occupation, pollutant emissions, and ecosystem disruption—make up a relatively small portion of the portfolio. As a result, the portfolio's direct biodiversity impact is considered low. At the sector level, Land Development & Construction, Offices & Professional Services, and Food & Beverage Production exhibited relatively high dependency levels, reflecting structural reliance on ecosystem services such as water resources, climate regulation, and hazard mitigation. Conversely, biodiversity impact levels were relatively high in Land Development & Construction, Transportation Services, and Construction Materials—sectors that will be prioritized in future biodiversity response strategies.

Identify Risks and Opportunities Assess

In alignment with the Assess phase of the LEAP approach, we have structured biodiversity-related risks and opportunities by category and conducted a qualitative assessment of their potential impact on our investment portfolio. Taking into account the industrial characteristics and market environment of major investment assets, such as business loans, we identified both transition risks(policy and legal, technology, market, and reputation) and physical risks(acute and chronic). In parallel, we identified opportunity factors in areas such as resource efficiency, energy source, products and services, markets, and resilience.
The outcomes of this assessment will serve as a key foundation for establishing our biodiversity response strategy and systematically enhancing sustainability and risk management capabilities across our investment portfolio.

Category			Expected Impact
Risk	Transition Risks	Policy and Legal	• Increased compliance costs for investees due to stricter biodiversity policies • Potential indirect investment risks from weakened financial soundness of investees
		Technology	• Growing demand for biodiversity disclosures and quantitative indicators may result in higher time and costs for data collection and reliability verification during the investment review process
		Market	• Companies with insufficient biodiversity considerations may face lower market valuations as demand for biodiversity-conscious investments rises
		Reputation	• Insufficient consideration of biodiversity-related risks may reduce trust among institutional investors and stakeholders due to heightened public awareness
	Physical Risks	Acute	• Physical damage to investee company sites caused by extreme weather events, including heavy rainfall and typhoons, may reduce collateral value and increase the risk of default
		Chronic	• Long-term changes in regional ecosystems caused by biodiversity loss may undermine the operational and production stability of investee companies
Opportu-nity	Resource Efficiency		• Contributing to the conservation of biodiversity through expanded use of recycled resources
	Energy Source		• Achieving resource efficiency and ESG performance simultaneously through digital transformation of operational processes
	Products and Services		• Growing demand for products linked to natural capital and ecosystem services
	Markets		• Gaining competitive advantage by strengthening disclosure capabilities in line with global frameworks such as TNFD
	Resilience		• Enhancing the resilience and long-term stability of the investment portfolio through analysis of biodiversity-based risks and the development of mitigation strategies

Metrics and Targets

Develop Strategies and Disclosures Prepare

Based on the results of our biodiversity dependency and impact assessments, as well as the qualitative risk and opportunity factors identified through the LEAP approach, we are exploring the development of a mid- to long-term strategy and response framework for managing biodiversity-related risks.

As a first step, we plan to gradually refine our biodiversity management foundation by prioritizing key biodiversity-related risks identified through our analysis and translating them into actionable initiatives. Furthermore, by expanding the scope of analyzed asset classes, we aim to strengthen the accuracy of our analysis on investee companies' exposure to biodiversity risks. In parallel, we will incrementally build data accumulation and biodiversity monitoring systems, thereby laying the groundwork for potentially setting future targets related to nature and biodiversity.

Aiming to ensure consistency in managing and measuring our response outcomes, we will refer to international frameworks such as TNFD. Over the long term, we plan to establish an internal performance management system, through which we will systematically sharpen our capabilities in addressing biodiversity-related issues.

Biodiversity Conservation Activities

In 2024, we carried out a variety of nature conservation activities as part of our commitment to environmental responsibility in management. Employees voluntarily participated in community-based activities across the country, including plogging events organized by the CSR Manager, contributions to the Seed Library rental program at the Seoul Botanic Park, donations to the Beautiful Store, and mangrove planting activities. These efforts not only contributed to ecosystem preservation but also played a role in reducing greenhouse gas emissions. Furthermore, they yielded meaningful outcomes by strengthening collaboration with external partners and raising awareness in local communities. Going forward, we will remain actively engaged in advancing global biodiversity goals and continue promoting sustainable practices that foster harmony with nature.

Activities	Related SDGs Goals	Details	No. of Employees participated
Seed Library Rental Program	13, 15	Contributed to the preservation of plant genetic resources by participating in a seed library rental program at the Seoul Botanic Park, where seeds are borrowed, cultivated, and returned.	195
Community Plogging led by CSR Manager	13, 14, 15	Conducted environmental clean-up plogging activities in areas such as Yeouido, Gwanaksan, and Ansan Jarak-gil, with employee participation.	327
Company-wide Donation	3, 12, 13	Donated 144 books, 175 items of clothing, and 387 miscellaneous items to the Beautiful Store, promoting resource circulation and social value creation (equivalent to a 4,465 $kgCO_2eq$ reduction in GHG emissions)	330
Participation in Seoul International Eco Film Festival	13, 14, 15	Supported mangrove planting efforts in the Sundarbans region of Bangladesh by purchasing tickets for the 21st Seoul International Eco Film Festival	171
Caring the Happiness Sharing Forest	11, 13, 15	Planted 100 oak saplings at Noeul Park in Sangam-dong,Seoul, contributing to urban carbon neutrality and biodiversity preservation (equivalent to approximately 660 $kgCO_2eq$ reduction in GHG emissions)	60

Seed Library Rental Program

Community Plogging

Caring the Happiness Sharing Forest

Special Report

Human Rights Management Report

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Human Rights Management Policy and Goals

Human Rights Management Policy

Under the leadership of the CEO, who serves as the Chief Human Rights Officer, SK Securities designated the ESG Enabling Office as the dedicated body for human rights management. Through this structure, we established our human rights management policy, which applies to all employees, including full-time and temporary, and is integrated across all business operations. We also promote respect for human rights among all stakeholders, including affiliates and business partners.

Key Principles of Implementation

① Prohibition of discrimination and harassment
② Prohibition of forced labor and child labor
③ Assurance of occupational safety and the right to health
④ Respect for freedom of association and the right to collective bargaining
⑤ Protection of personal data and privacy
⑥ Respect for human rights within the supply chain

Response and Remedy for Human Rights Violations

① Maintain a dedicated reporting channel for human rights violations
② Ensure prompt and impartial investigation and resolution of grievances
③ Take protective measures for victims and take actions to prevent recurrence

Enhancing Transparency and Constant Improvement

① Transparently disclose human rights management activities and key achievements
② Promote continuous improvement through regular training and human rights impact assessments

Human Rights Management Strategy and Mid- to Long-Term Roadmap

We established our human rights management policy and implementation framework in 2025 based on the findings of human rights impact assessments. Accordingly, we have set mid- to long-term strategic goals for 2025 through 2030 and are progressing with phased execution plans. Our strategy emphasizes fostering an organizational culture that respects human rights and building a responsible value chain. By aligning with ESG strategies and reporting systems, we strive to establish a comprehensive and sustainable approach to human rights management.

Vision	Leadership in driving sustainable financial innovation grounded in respect for human rights
Strategic directions	Institutionalize policies → Embed execution → Expand disclosures and reinforce public trust

Category	2025 (Foundation phase)	2026 – 2027 (Integration phase)	2028 – 2030 (Advancement phase)
Implementation framework	• Designating dedicated teams and personnel for human rights management • Formulating human rights management policies and human rights guidelines for business partners	• Developing human rights management evaluation indicators • Establishing a regular reporting system to the ESG Committee	• Considering the establishment of a Human Rights Management Committee • Expanding human rights due diligence across key business Headquarters
Key activities	• Conducting human rights impact assessment • Operating a pilot self-assessment program for partner companies • Providing basic human rights training for employees	• Formalizing annual human rights impact assessments • Performing annual supplier self-assessments • Offering advanced training by role and position	• Assessing the effectiveness of human rights risk mitigation • Introducing due diligence processes for partner companies • Providing training for affiliates
Disclosure	• Disclosing the Human Rights Statement and related policies • Setting mid- to long-term strategic goals	• Disclosing results of human rights due diligence reports • Reporting progress on corrective actions	• Disclosing human rights performance indicators • Defining mid- to long-term strategic goals for the next phase

Human Rights Impact Assessments

As sustainable management gains prominence in the financial sector, the strategic importance of human rights risk management is increasingly recognized. The significant societal impact of our capital allocation underscores the critical role of human rights management in enhancing corporate value.
Aligned with our 2025 sustainability objectives, we have integrated human rights impact assessments as a key strategic tool, viewing them as essential for building trust and transforming human rights into a strategic asset. Going beyond mere regulatory compliance, we are leveraging human rights as a driver of sustainable competitiveness and long-term success.

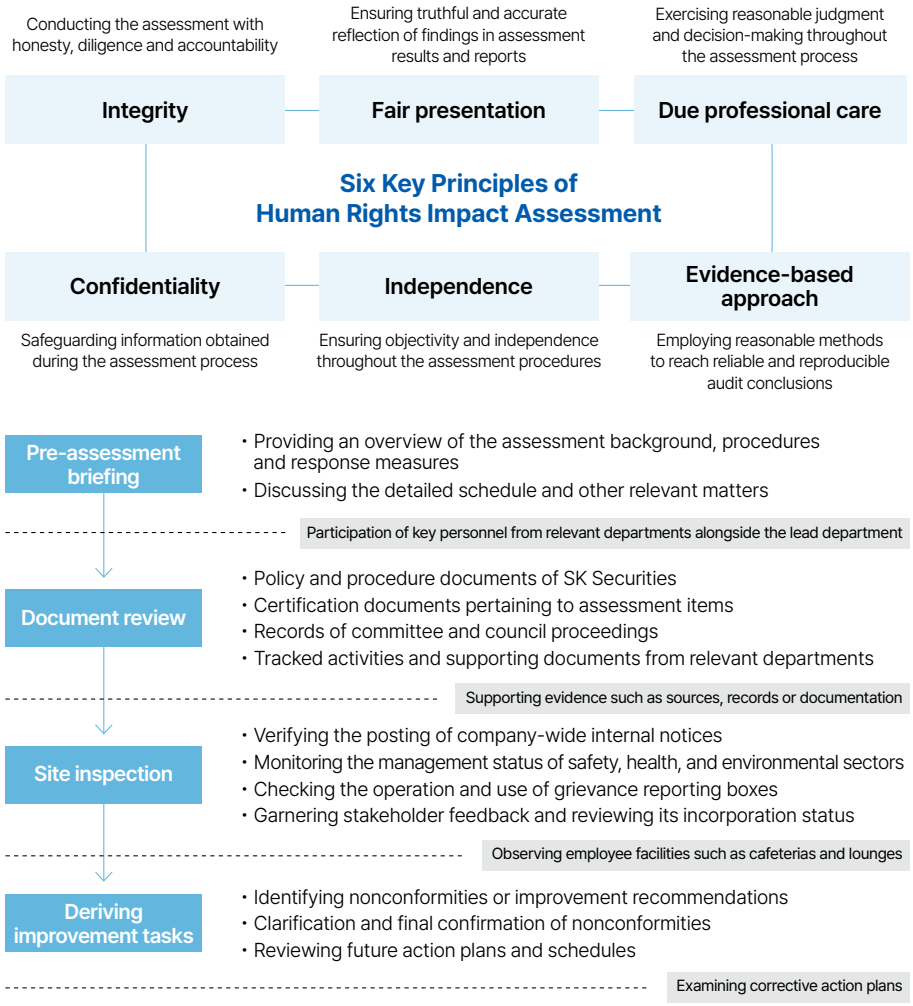
Compliance with Global and Domestic Human Rights Standards

We conducted a human rights impact assessment at our headquarters to identify actual and potential adverse impacts of our business activities on human rights. To ensure a comprehensive evaluation, we established clear criteria by examining human rights issues from multiple perspectives, grounded in both international and domestic human rights standards. By integrating the core elements of each standard and considering the significance of human rights management within the financial industry, along with the unique characteristics of SK Securities, we enhanced the relevance and effectiveness of the assessment.

Category		Details
Global	UNGC	• Based on key international principles, including the Universal Declaration of Human Rights (UDHR) and ILO Declaration • Encouraging due diligence to prevent human rights violations and promote positive social impact
	GRI	• Calling on companies to conduct human rights due diligence and manage risks transparently • Defining corporate responsibilities across more than 30 specific human rights topics and enhancing stakeholder's access to information
Domestic	Human Rights Impact Assessment Guidelines by National Human Rights Commission of Korea	• Providing guidelines for the systematic identification and response to human rights impacts arising from business activities
	Guidelines on Business and Human Rights by the Ministry of Justice	• Offering practical guidance tailored to company size and industry specificities, based on the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises
Bench-marking	Peer and leading industry practices	• Monitoring human rights-related trends in the financial sector and among benchmark companies

Principles and Process of Human Rights Impact Assessment

Each assessment item was addressed based on interviews and supporting documents provided by designated personnel at SK Securities. The process was conducted in accordance with six core principles to ensure consistency and reliability in the evaluation.



Human Rights Impact Assessments

At SK Securities, our human rights impact assessment covers eight key categories and 65 specific items. Built upon the eight fundamental human rights domains, this assessment is distinguished by its detailed focus on issues tailored to the unique characteristics of our industry and business operations. It emphasizes a systematic analysis of both actual and potential human rights impacts on diverse stakeholders, along with the development of appropriate corrective measures. We remain committed to ongoing, dedicated efforts to minimize our human rights impacts and uphold our pledge to sustainable management.

Human Rights Issue Identification

Potential Human Rights Risks by Area

Area	Key Potential Human Rights Risks in the Financial Industry
Human rights management system establishment	• Inadequate management of human rights violations, reduced stakeholder trust and heightened legal dispute risks resulting from the lack of human rights policies and the absence of regular human rights impact assessments
Non-discrimination in employment	• Reputational risks and internal conflicts arising from discriminatory treatment that undermines an equitable work environment, including wage disparities and promotion restrictions for temporary and foreign workers
Freedom of association and collective bargaining	• Possible infringement of workers' rights due to adverse treatment of labor union activities or failure to engage in collective bargaining • Negative impact on corporate productivity and reputation caused by increased employee dissatisfaction stemming from the lack of alternative measures in the absence of a labor union
Prohibition of forced labor	• Potential deterioration of employee health and well-being derived from excessive working hours or forced labor practices • Exposure to potential liability due to forced labor incidents involving suppliers or subcontractor
Occupational safety	• Higher risk of workplace accidents incurred by the non-compliance with safety standards • Risk of reputational damage and legal liability resulting from insufficient protection of vulnerable groups such as pregnant employees or persons with disabilities
Responsible supply chain management	• Exposure to joint liability for human rights violations in the supply chain, along with declining ESG ratings and investor confidence due to insufficient monitoring
Environmental rights protection	• Potential negative impact on local communities caused by inadequate environmental management systems • Risk of stakeholder conflict and regulatory violations due to insufficient disclosure of environmental information and the absence of emergency response plans
Customer rights protection	• Possibility of privacy violations and legal disputes due to leakage or misuse of personal data • Risk of consumer harm and loss of trust resulting from failure to comply with customer protection standards in financial product sales

Vulnerable Areas and Response by Stakeholder

Stakeholder	Vulnerable Areas	Our Approach	Response and Management
Employees	• Fairness in employment and evaluation	Advancing fair HR systems	• Fast-track promotion system • Multi-tiered incentive system • Enhancing diversity and fairness throughout the recruitment process
Female employees	• Maternity protection including childbirth-related policies	Enhancing family-friendly programs	• Leave for infertility treatments and miscarriage • Putting in place maternity and parental leave policies
Labor union	• Freedom of association and collective bargaining • Guarantee and proper implementation of collective bargaining	Safeguarding legitimate activities	• Fostering constructive labor-management communication • Feedback collection through the Labor-Management Council
Third-party contract workers (Partner and affiliated companies)	• Monitoring discrimination against temporary workers of partners and investee companies • Supporting workers injured in industrial accidents and preventing human rights abuses in business partners	Reinforcing supply chain management and partner support	• Contractual commitment to protecting workers' human rights • Mapping out supply chain ESG management plans for investee companies
Customers	• Compliance with customer protection regulations • Protection of customer information	Tightening data protection systems and capabilities	• Advancing sales process • Achieving a 100% resolution rate for VOCs • Signing pledge to put financial consumer protection into practice • Obtaining certification for the information security management system • Vulnerability analysis and deriving improvement tasks
Financially vulnerable groups	• Improving financial service accessibility for persons with disabilities and the elderly • Offering personalized customer support systems	Operating programs to enhance financial access	• Establishing response manuals tailored to different disability types and offering fee discounts for the visually impaired • Offering financial education for vulnerable groups and youth
Local communities	• Lending human and material support to underprivileged groups • Adopting a preventive approach to environmental issues	Diversifying social contribution activities	• Operating a social contribution fund through leftover salary donations • Running the "CSR Manager" program • Continuing community environmental cleanup activities, including participation from local branches

Human Rights Impact Assessments

2025 Human Rights Impact Assessment Results – SK Securities

As a result of the 2025 Human Rights Impact Assessment at SK Securities, the overall compliance rate was 88.17%, excluding indicators deemed non-applicable. We achieved full compliance (100%) in areas such as freedom of association and collective bargaining, the prohibition of forced labor, and occupational safety. Additionally, the domains of environmental rights protection and customer rights protection showed strong performance, with compliance rates exceeding 90%. However, areas such as human rights management system establishment and responsible supply chain management revealed shortcomings and have been identified as requiring further systematic management and improvement.

(Unit : %)

Results of the Human Rights Impact Assessment by Area

Assessment year 2025

Overall compliance rate

88.17%

※ The "E" area concerns the prohibition of employing minors, which is not relevant to the securities industry. Additionally, since the assessment is limited to SK Securities' domestic Headquarters, this item is excluded as not applicable.

05.

ESG Report

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63 Social
74 Governance

UN SDGs

Governance for Environmental Management

Environmental Management System

Environmental Management Policy and System

SK Securities maintains an environmental management policy designed to continuously enhance environmental performance through sustainable business practices. This policy seeks to minimize negative environmental impacts across all business operations and throughout the value chain.

SK증권 환경경영방침

Acquisition of ISO 14001 Environmental Management System Certification

We have been progressively strengthening our environmental management efforts to support the transition to a low-carbon economy and achieve net-zero emissions by 2050. Securing ISO 14001 Environmental Management System certification marks a significant milestone, affirming our systematic approach and achievements in environmental stewardship. Looking ahead, we aim to further enhance our environmental management system by 2026 and expand the certification scope to include key subsidiaries during the recertification in 2027. This certification demonstrates our compliance with international standards. Moving forward, we remain committed to advancing our ESG practices with a focus on environmental sustainability, fulfilling our responsibilities as a responsible financial institution.

Dedicated Environmental Management Organization

At SK Securities, the CEO directly oversees our environmental management system as the top authority, with roles and responsibilities clearly defined in our environmental policy. While certain business units fall outside the scope of ISO 14001:2015, all environmental aspects related to their activities are comprehensively managed by the ESG Enabling Office.

Environmental Awareness Education

To strengthen the effective implementation of our environmental initiatives, we conducted structured training programs for employees across the company. The curriculum encompassed essential topics such as managing and reducing GHG emissions, addressing financed emissions, and understanding the green finance framework. These efforts aimed to elevate organizational awareness of environmental issues and promote the practical integration of ESG principles into daily operations.

Date	Audience	Method	Program	Headcount	Total Training Hours
Jan. 8, 2024	Employees	In-person	Seminar on carbon credit and voluntary carbon market trends & outlook (domestic & international)	20	30
Feb.–Apr. 2024	Employees	In-person	Internal auditor training for the environmental management system	6	108
Apr. 8, 2024	Employees	In-person	Discussion on advancing the 2024 climate disclosure response plan	20	30
May. 13, 2024	Employees	In-person	Internal training for the introduction of the environmental management system	20	30
Oct. 11, 2024	Employees	In-person	Training on green finance support program based on K-taxonomy	20	30
Total				**86**	**228**

Promoting Environmental Value

Green Hero: An Eco-Friendly Campaigner Rooted in Employee Participation

We operate the in-house environmental campaign, "Green Hero," to foster a culture of eco-friendly practices driven by voluntary participation from employees. Green Hero actively shares relevant content to raise awareness on critical environmental issues such as climate change, resource circulation, and carbon reduction. Employees propose ideas for everyday ESG initiatives and participate in planning environmental campaigns. By suggesting actionable themes and establishing a foundation for implementation, Green Hero motivates peers to seamlessly incorporate environmental practices into daily routines, thereby internalizing ESG management within the organization. Moving forward, we will continue to empower this employee-driven culture of environmental stewardship and pursue ongoing efforts to expand sustainable environmental values.

Green Hero Status — **Total 27 Members**

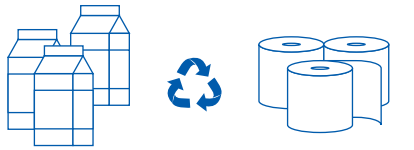
(As of Feb. 2025)

Realizing a Sustainable Circular Economy through a Resource Circulation Project

To embed a circular economy in practice beyond basic recycling, we launched the "Milk Carton Recycling" campaign, co-developed with CSR Impact and our internal Green Hero team. Paper carton collection bins were installed at the SK Securities Headquarters canteen on every floor and at major branches nationwide, encouraging voluntary employee participation.

As of December 2024, a total of 696 kg of paper cartons had been collected and sent to a specialized recycling company, where they were upcycled into 1,881 paper towel rolls. A portion of these products was donated to welfare centers to support local communities.

This initiative promotes resource circulation, raises ESG awareness among employees, and helps cultivate an environmentally focused management culture across the company.



696 kg **1,881 rolls**

Contributing to Communities Through Resource Recycling

From December 2024 to May 2025, we carried out a resource recycling project in collaboration with 12 institutions nationwide. We donated office supplies and electronic devices that, although fully depreciated, remained in good working condition—contributing to resource reuse and community support. This initiative aligns with SK Securities' social contribution pillars, "The Earth We Care for Together" and "A Society We Care for Together," delivering dual benefits by fostering a circular economy and assisting vulnerable groups in local communities. By prioritizing reuse over disposal, we remain committed to maximizing resource efficiency and making meaningful societal contributions. Going forward, we will continue to promote ESG-driven management through innovative social contribution initiatives that support a sustainable future.

Total donated items:
229 office furniture and equipment

GHG reduction calculated for: 164 items including drawers, filing cabinets, chairs, and desks, with measurable carbon savings

Estimated GHG reduction : **8,177 kg CO_2eq** (based on 10 years of reuse)	Equivalent to : The annual carbon absorption of approximately **1,230 30-year-old pine trees**

* Source : Korea Climate and Environment Network
https://rec.kcen.kr/index.do

"Everyday ESG in Action" Campaign on Earth Day to Preserve Biodiversity

In celebration of Earth Day on April 22, 2025, we launched the "Creating a Cigarette Butt-Free Yeongdeungpo" campaign in the Yeouido area. The initiative aimed to raise awareness about microplastics from cigarette filters, which can contaminate waterways and harm marine biodiversity. It also sought to cultivate a culture of daily ESG practices through collaboration with the local community. Over 250 participants, including approximately 40 SK Securities employees and representatives from local public and private organizations, joined in collecting cigarette butts around designated smoking zones and engaging citizens through the "Proper Disposal of Cigarette Butts" campaign. Now in its fourth year, this campaign is part of our "Everyday ESG in Action" initiative, jointly organized with Yeongdeungpo-gu District Office and CSR Impact since 2022. We remain dedicated to working with local stakeholders to advance ESG efforts that contribute to a more sustainable future.

Talent Management

At SK Securities, we are committed to a fair and equitable recruitment and evaluation process that emphasizes diversity and equal opportunity for all. Guided by the conviction that talent rooted in ethical values and professional expertise is essential for driving innovation, we actively cultivate a work environment where everyone can realize their full potential.

Fair Recruitment and Talent Philosophy

SK Securities' Talent Philosophy

A **Financial Expert** with **Ethics** and **Professionalism**

Ethical Mind + **Professionalism**

Acts in accordance with laws and regulations and carries out responsibilities guided by strong professional ethics

Demonstrates foresight to anticipate future trends and insight to identify intrinsic value.

Recruitment Overview

(Unit : Headcount)

Category		2022	2023	2024
Total		139	112	82
Gender status	Male	78	75	57
	Female	61	37	25
Other types	Disabled	2	0	8
	Foreigner	1	2	0

Reasonable Evaluation and Compensation

SK Securities implements a comprehensive HR system designed to attract and retain top talent. Additionally, we maintain a fair and distinctive compensation framework that empowers employees to realize their full potential.

Promotion System

Our Fast Track and special promotion programs enable employees who demonstrate exceptional skills and achievements to be promoted to higher positions without seniority restrictions across all levels. By moving beyond seniority-based progression and empowering capable employees to assume leadership roles regardless of rank, we uphold a merit- and performance-based talent management approach.

Performance Evaluation System

At SK Securities, employee evaluations consist of competency and qualification assessments and achievement assessments. Achievement assessments primarily focus on factors that enhance corporate value and are categorized into organizational evaluations, which assess each unit's KPIs and their achievement levels, and individual evaluations, which appraise employees' accomplishments in meeting their unit's KPIs.

Compensation System

Our compensation system comprises a salary structure, an incentive scheme and a recognition program. We have replaced the traditional seniority-based step system with a merit-based salary increase system that reflects individual competency and qualifications. The incentive scheme provides variable rewards linked to both the performance of each unit and individual achievements. Additionally, employees who deliver outstanding results are acknowledged and rewarded through a dedicated recognition program.

Executives and Management Evaluation

Each year, we conduct a comprehensive evaluation of executives and management, measuring both annual performance and individual competencies. Performance is measured using quantitative indicators such as the achievement of organizational KPIs set at the beginning of the year and financial target attainment. Competency is evaluated through 360-degree feedback, incorporating self-assessment, subordinate input, and supervisor reviews, providing a well-rounded view of each executive's capabilities and accomplishments. Comprehensive evaluation results guide key personnel decisions, such as promotions and appointments and influence performance-based compensation. Executives with outstanding evaluation outcomes are given priority for external development opportunities, including top-level executive education programs.

Talent Management

Recognizing that the continuous development of our employees' expertise is essential not only to the company but also to all stakeholders, we are committed to sharpening their professionalism across key areas, including core values, leadership, job competencies and global capabilities.

Talent Development

Leadership Development Program

We offer structured leadership development programs tailored to various roles and organizational levels. Each year, targeted training is provided to newly promoted employees to cultivate the leadership skills essential for their expanded responsibilities. To support new executives and department heads in defining their roles, we offer dedicated programs focused on building leadership identity and enhancing managerial competencies. Recognizing the crucial role of leadership in customer-facing positions and the importance of gender diversity, we also provide specialized programs for Customer Support Team Managers, aimed at strengthening practical, field-focused skills and promoting organizational diversity.

Category	Description	Date
New Department Manager Program	Enhancing essential leadership for department managers	Jan. 25-26, 2024
Program for promoted employees	Facilitating role transitions and developing leadership capabilities for new positions	Feb. 19-22, 2024
New Executive Program	Cultivating strategic leadership capabilities to drive company growth and change	Mar. 14-16, 2024
Leadership Program for Customer Support Team Manager	Developing female leadership as middle managers for customer satisfaction and organizational management	May. 24, 2024

ESG Program

We offer various training programs that reflect the latest trends in ESG management to enhance employees' understanding of ESG.

Audience	Program	Date
New employees	ESG Overview	May. 7–10, 2024
New Associates	ESG Overview	Jul. 1, 2024
Promoted employees	New Business Overview : ESG Management	Feb. 19-22, 2024

Professional Development Program

We operate specialized development programs designed to empower employees to become professionals who are attuned to the evolving business landscape and capable of recognizing value. Through the "SK Securities Competency School," we foster practical, field-ready skills and provide meaningful growth opportunities. In addition, to cultivate talent aligned with our strategic objectives and specific roles, each division develops and leads in-house training programs. We also support participation in programs offered by the Korea Institute of Financial Investment, smart learning courses, and financial certification preparation programs, ensuring continuous learning and expertise development.

SK Securities Competency School

The SK Securities Competency School focuses on three core areas: strategic planning, structured documentation, and business communication. In 2024, we expanded the program by introducing a digital literacy course to enhance digital capabilities, bringing the total to four subjects. A total of 101 employees from HQ, branches, and subsidiaries successfully completed the program.

Program	Date	Headcount
Biz Planning	Jun. 13–28, 2024	28 / 2 from subsidiary
Biz Writing	Jul. 12–26, 2024	20 / 2 from subsidiary
Biz Communication	Aug. 9–23, 2024	19 / 2 from subsidiary
Digital Literacy	Sep. 11–25, 2024	26 / 2 from subsidiary

Total training hours	Total training cost	Executive training	Employee training	Average training hours per person
46,302 hours	402 KRW million	2,762 hours	43,540 hours	56 hours

Talent Management

At SK Securities, we believe a healthy company fosters collaboration through open communication, aligns around shared goals and direction, values talent, and maintains an efficient balance of costs and revenues. To realize this vision, we offer a range of welfare benefits and the Employees' Happiness Program, grounded in effective labor-management dialogue. This approach cultivates a virtuous cycle of happiness and growth, enriching our corporate culture.

Healthy Organizational Culture

Win-Win Labor-Management Relations

We hold the Labor-Management Council quarterly to promote cooperative and open dialogue. For major business changes, we conduct prior consultations with the labor union to ensure mutual understanding. As of December 2024, four meetings had been convened, and a total of 357 employees held union membership.

Happiness Program for Employees

To foster a corporate culture that employees are proud to be part of, we promote open communication and implement various initiatives that nurture a culture of respect, consideration, and well-being.

Program	Period	Description
Happiness Survey	Every May	• Identifying employees' happiness levels and influencing factors • Understanding the current status of workplace sexual harassment and bullying
Culture Survey	Every October	• Assessing awareness levels and implementation of management philosophy • Analyzing the cultural characteristics of each organization
Digestive Program	Ongoing	• Learning and discussion on respectful communication • "Digestive Program" available for on-site sessions upon request by divisions, teams or branches
Compliment Program	Ongoing	• Sharing compliments and encouraging messages among employees through the company intranet
Dialogue with the CEO	Ongoing	• Hosting level-specific training programs with CEO dialogue
Corporate culture campaign : broadcasting and print material distribution	Throughout the year	• Developing and sharing content on communication skills aimed at building a healthy corporate culture • Producing and distributing the "Corporate Culture Guide for a Happy Workplace"

Welfare Benefits Tailored to Life Stages

We support employees through customized welfare benefits aligned with their life stages, empowering them to enjoy leisure, recharge, and maintain a healthy work-life balance.

Category	Program	Description
Family	Support for celebrations and bereavement	• Providing time off and financial support for celebrations and bereavement
	Support for employees' children	• Children's tuition support • Congratulatory cards and school supplies for elementary school entrants • Gifts for children preparing for college entrance exams
	Medical expense support	• Support for injury or illness medical costs
	Parental honor allowance	• Annual parental honor and holiday benefits for Parents' Day, Lunar New Year and Chuseok holidays
	Wedding anniversary	• Three days' leave and condo accommodation every five years of marriage
	Recreation facilities	• Recreation facility access for employees and their families
Living Stability	Home mortgage loans	• Housing purchase or rental support within a set limit for employees without housing
	Living expenses loans	• Loan support for home purchase/rental and medical expenses
	Employee Association loans	• Small-scale loans for medical expenses (for employees and their families), and for celebration or bereavement needs
	Individual pension · Long-term savings	• Encouraging savings by providing support within position-level limits
	Pension Fund	• Operating a DB/DC pension fund system to support financial stability in post-retirement life
	Group accident insurance	• Enrolling employees in group insurance covering death, cancer, acute myocardial infarction and stroke
	Disaster relief fund	• Supporting livelihood stability in the event of housing damage caused by natural disasters
Company Life	Employee Association	• Promoting camaraderie, welfare and mutual support through grants for celebrations and condolences
	Club support	• Funding operational expenses for club activities
	Clothing and self-development allowance	• Annual clothing allowance • Self-development and health management support allowance
	Long-term service	• Recognizing and rewarding employees for their long-term commitment through dedicated benefits
	Support for mobile phone bill	• Support for mobile phone expenses to alleviate communication cost burdens and enhance work efficiency

Talent Management

We provide a variety of family-friendly programs to support employees in maintaining a healthy work-life balance. These include statutory leave, company-sponsored time-off programs, maternity and parental leave, and reduced working hours during childcare periods-aimed at promoting the physical and emotional well-being of employees and their families. In 2024, we were honored with the Family-Friendly Company certification from the Ministry of Gender Equality and Family in recognition of our exemplary policies and systems.

Work-life Balance

Family-Friendly Program

From pregnancy and childbirth to parenting, we offer a range of family-friendly programs, including reduced working hours and leave for a child's school entry, to support both maternal well-being and effective family care.

Category	Program	Description
Leave policy	Maternity leave	• 120 days of leave surrounding childbirth (150 days for multiple births) for female employees
	Miscarriage leave	• Leave ranging from 10 days up to the equivalent of maternity leave, depending on pregnancy duration
	Paternity leave	• 20 days off for male employees upon the childbirth of their spouse
	Fertility treatment leave	• One day of leave per treatment for employees without children; annual cumulative leave up to 7 consecutive days upon request
	Family care leave	• Up to 10 days per year, available by the day, for care of parents, spouse's parents, grandparents, spouse, children or grandchildren due to illness, accidents, aging or childcare needs
Leave of absence policy	Childcare leave of absence	• Up to 14 months of leave for employees for caring for a child under age 8 or below second grade; usable in two separate periods
	Personal leave	• Up to 6 months for pregnancy-related treatments, including fertility treatment; one extension allowed
	Family care leave	• Up to 90 days to care for parents, in-laws, spouse, children, grandparents or grandchildren due to illness, accidents or age-related needs
Shortened working hours	Shortened working hours during pregnancy	• Paid reduction of 2 hours per day for female employees within the first 16 weeks or after 32 weeks of pregnancy
	Shortened working hours for childcare	• Reduction of 1 to 5 hours per day for employees caring for children under age 8 or in second grade or below
	Shortened working hours for elementary school admission	• Up to 2 hours of daily work-hour reduction, upon request, for one month during a child's elementary school admission

Work-Life Balance Support Program

We support employees in safeguarding personal time by actively reducing overtime and encouraging punctual departures through a PC-off policy. This is complemented by special leave options and leave of absence programs to promote a healthy work-life balance.

Category	Program	Description
Work arrangement	Flexible work arrangement	• Implementation of discretionary, deemed, flexible and compressed working hour systems based on job roles
	PC-off system	• Operation of a PC-off system at the end of the workday for flextime employees, supporting compliance with statutory working hours and work-life balance
Leave policy	Relocation leave	• Special one day leave for moving residence
	Special leave	• Leave for welfare and physical fitness urposes
	Medical leave (Sick leave)	• Up to 3 months annually for work-related injury or illness • Up to 2 months annually for non-work-related illness when unable to work for 7 consecutive days
Leave of absence policy	Medical leave of absence	• Up to 2 years for work-related injury or illness • Up to 6 months from the onset for non-work-related illness
	Enlistment leave of absence	• Leave granted during conscription, mobilization or related military service periods in accordance with military laws

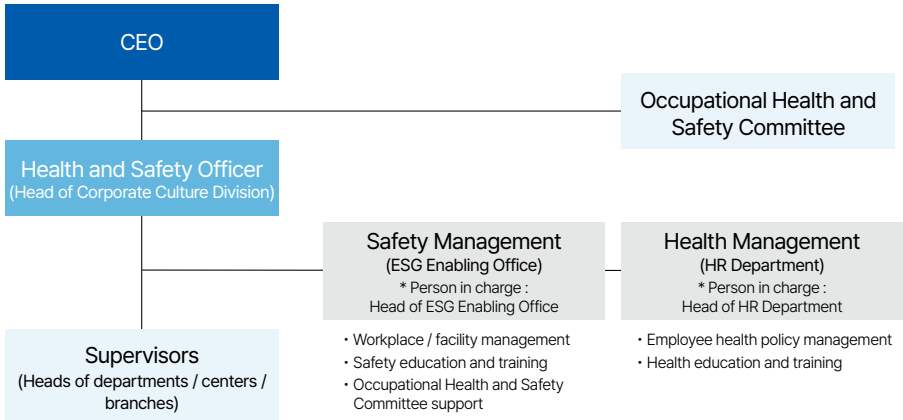
Occupational Health and Safety

Prioritizing the health and safety of SK Securities employees and our partner companies, we have established a comprehensive framework that includes hazard identification, preventative measures, effectiveness evaluations, and recurrence prevention. Led by the Occupational Health and Safety Committee and the designated Health and Safety Officer, we conduct company-wide initiatives such as regular inspections, safety training, disaster response drills, and measures to prevent accidents.

Occupational Health and Safety Management System

Organizations for Occupational Health and Safety Management

In accordance with the Occupational Safety and Health Act, we operate a joint labor-management Occupational Health and Safety Committee comprising four labor and four management representatives. The committee meets quarterly to discuss key issues such as workplace inspections, environmental improvements, hazard mitigation, and accident prevention. Labor representatives are full members with voting and speaking rights and are required to participate in all meetings. To incorporate employee feedback, we maintain an internal intranet and suggestion system, through which input is reviewed by the committee and relevant departments, leading to actionable follow-ups.



Status of Occupational Health and Safety Management

In accordance with the Occupational Safety and Health Act and relevant regulations, we have established a comprehensive health and safety management system that prioritizes the well-being of employees, staff, and customers. This system includes regular inspections and preventive measures to identify and mitigate hazardous risks across key facilities and operations. Additionally, we maintain a robust framework for self-inspections and continuous safety training, ensuring ongoing safety awareness and risk mitigation throughout the organization.

Our Management and Preventive Activities against Occupational Health and Safety Risks

With a strong commitment to the health and safety of our employees and stakeholders, we follow a structured approach that includes hazard identification, implementation of preventive measures, and evaluation of effectiveness.

1) Hazard Identification and Organizational Risk Management
- The Occupational Health and Safety Committee identifies and reports key workplace risks and management plans for each site at least annually.
- We conduct regular inspections and replacements of high-risk equipment, including fire shutters and control panels at headquarters, as well as the manual fire suppression system at the Myeongdong PIB Center.
- A dedicated risk management team establishes and implements disaster response systems, routinely conducting drills to ensure preparedness and effective response.

2) Preventive Measures and Training Activities
- We conduct company-wide safety education programs, covering CPR, AED usage, and emergency evacuation procedures, with 817 participants successfully completing the training.
- A designated Health and Safety Officer has completed the required six-hour training as of September 3, 2024.
- We have established an emergency text alert system and distribute respiratory protective equipment to enhance our emergency preparedness.

3) Effective Evaluation and Recurrence Prevention
- We have replaced two facilities following fire safety inspections and reported the outcomes to the Occupational Health and Safety Committee.
- In the event of a workplace accident, we prepare a comprehensive report that includes details about the victim, incident location, root cause analysis, and a plan for preventing recurrence.

Aligned with our Occupational Health and Safety Policy, risk management is categorized into three stages: prevention, rapid response, and recurrence mitigation, with annual outcomes assessed accordingly. Key results are regularly reported to the Board of Directors to ensure ongoing oversight and continuous improvement.

Health Management Support

- 2024 Health Checkups: Comprehensive and general health screenings were provided for employees hired before June 30, 2024. Starting in 2024, employees received one day off for comprehensive checkups and 0.5 days off for general screenings.
- 2024 Influenza Vaccinations: Offered to interested employees from October 1 to November 16, 2024, with a total of 420 participants.
- Group Accident Insurance: All 842 employees are enrolled in the company's group accident insurance coverage.
- Employee Assistance Program (EAP): In partnership with EZNwellness, 19 employees completed 58 counseling sessions as of December 31, 2024.

Occupational Health and Safety Policy

Link to Occupational Health and Safety Policy

Fostering a Safe and Healthy Work Environment for All Employees

- We are dedicated to building and maintaining a safe and healthy workplace.
- We fully comply with all relevant health and safety laws and regulations.
- We actively encourage the voluntary engagement and collaboration of our employees to strengthen health and safety practices.
- We are committed to the continuous identification and elimination of potential risks through the development and execution of health and safety plans.

Human Rights and Diversity

Respect for Human Rights

Guided by our mission to promote happiness and growth for our customers, shareholders, employees, and society, SK Securities places employee well-being at the core of our management philosophy. We are committed to fostering happiness among all key stakeholders, including customers, partner companies, shareholders, and the local community.
To uphold human rights across our operations, we strictly comply with relevant domestic laws and align with internationally recognized standards 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.
We have established a Human Rights Management Policy to proactively prevent violations and promote responsible business practices. Building on our draft policy for 2025, we will continue to reinforce our framework in accordance with applicable regulations and societal expectations, ensuring our human rights approach is rooted in respect.

SK증권 인권경영 방침 및 정책 선언문

SK Securities Human Rights Management Policy and Declaration

Human Rights Training and Awareness Initiatives

Program	Period	Description
Online training on preventing sexual harassment, workplace bullying and enhancing disability awareness	Annually	• Providing mandatory annual training for all employees via online platform
In-person training on preventing sexual harassment and workplace bullying	Annually	• Incorporating the training sessions into the New Employee Program and the Employee Recruitment Program
Checklist for corporate culture of respect and consideration	Monthly	• Distributing a self-check tool monthly via intranet pop-ups, aimed at promoting awareness and prevention of workplace sexual harassment and bullying

Respect for Diversity

We are committed to maintaining an environment free from bias and discrimination based on gender, nationality, educational or regional background, religion, disability, or other personal attributes, identities, or cultural differences. As of December 2024, women make up 40.1% (338 of 842) of our workforce, reflecting steady growth over the past five years.
We actively promote diversity by recruiting veterans, individuals with disabilities, and foreign nationals. Additionally, we support the development of female leadership through regular training programs and workshops specifically designed for women in managerial roles.

Category		Unit	2022	2023	2024
Total headcount	Male	Headcount	593	541	504
	Female	Headcount	365	350	338
	Total	Headcount	958	891	842
	Female ratio	%	38.1	39.3	40.1
New hires	Male	Headcount	78	75	57
	Female	Headcount	61	37	25
	Total	Headcount	139	112	82
	Female ratio	%	43.9	33.0	30.5
Executives and managerial positions	Female ratio in all managerial positions	%	6.9	8.2	10.8
	Female ratio among executives	%	6.1	6.5	9.1

Customer-Oriented Management

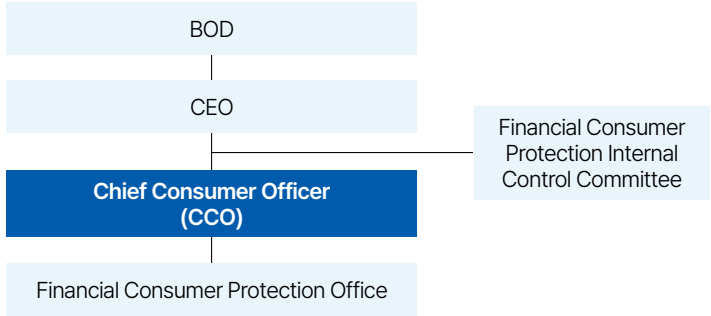
SK Securities formulates and executes company-wide strategies to ensure that all business operations are guided by a customer-focused perspective. Each department develops actionable plans to deliver financial products and services tailored to customer needs. We continuously refine our processes—from product design to launch—to uphold this customer-first approach. Additionally, we have established structured systems that maximize customer value and support their long-term success.

Services Designed for Customers

Organizations for Tailored Customer Services

We are committed to providing products and services that enhance customer satisfaction and support effective asset management. Each business unit operates with a strong customer-centric focus, ensuring that asset management functions are carried out in a practical and supportive manner to meet our clients' needs.

Customer-Centric Management Governance



Related Departments and Their Roles

- **Product Division**
  Led the development and management of customer-driven product strategies by:
  - Identifying market trends and analyzing competitor offerings to inform product planning
  - Coordinating cross-departmental schedules to improve operational efficiency during product launches
  - Responding to regulatory changes and maintaining a company-wide product governance framework
- **Product Solutions Department**
  Focused on enhancing product competitiveness through:
  - Designing tailored private fund structures aligned with client needs and investment objectives
  - Diversifying portfolios by integrating subsidiary and third-party products
  - Developing product proposals and solutions using internal analytics and market intelligence
- **Wrap Account Management Department / Trust Department**
  Aimed to strengthen in-house product development and asset management capabilities by:
  - Planning and delivering proprietary products, including funds, trusts, and wrap accounts
  - Providing personalized services to diverse client segments, such as comprehensive trusts and discretionary investments
  - Transitioning from a solely operations-based model to one incorporating direct sales and strategic business planning

Customer Satisfaction Survey and VOC Management

We conduct an annual customer satisfaction survey, achieving a score of 95.2 in 2024, representing a 2.9-point improvement from the previous year. Additionally, we have implemented a Voice of the Customer (VOC) system and an online complaint submission platform on our website. Through the Idea Center, employees are encouraged to submit suggestions to address customer needs and concerns, which are reviewed and acted upon by the relevant departments to ensure continuous improvement.

Category	Customer feedback	Our response
2023	Request to extend credit loan usage and maturity period	• Extended credit loan usage and maturity period
2024	Request to shorten ARS announcement (waiting time) and streamline connection steps	• Modified the main ARS structure and announcements • Simplified ARS input steps to enhance customer service
	Request for improved usability of Joopasoo Wealth (MTS) home screen and full menu	• Improved intuitiveness by adding product tabs at the top of the screen and shortcut icons • Enhanced customer-centric UI/UX design • Updated the full menu layout with additional product groupings

Customer Data Protection

Information Security Policy and Organizational Framework

SK Securities oversees all policies and issues related to customer data protection through the Information Security Committee, chaired by the Chief Information Security Officer (CISO). The committee meets at least once a year, with key agenda items reported to the CEO for approval and implementation. We hold certification under the Information Security Management System (ISMS), valid from December 1, 2023, to November 30, 2026. Our information security policies are managed through an integrated system that encompasses both preventive and responsive measures, including threat detection, anomaly analysis, incident response, and recovery efforts to ensure comprehensive protection.

Composition and Deliberation Topics of the Information Security Committee

Organizational Structure of the Information Security Committee

- CEO
- Chief Information Security Officer (CISO)
  - Head of IT Operations
  - Head of Development
  - Head of Compliance

Deliberation Topics of the Information Security Committee

Deliberation topics
Development of the annual strategic plan for the IT Headquarters Meeting frequency : Annually
Analysis and assessment of vulnerabilities within the electronic financial infrastructure, including implementation of remediation plans Meeting frequency : Annual vulnerability assessment of physical facilities / Biannual vulnerability assessment of the corporate website
Management of matters related to the Information Security Management System (ISMS) Meeting frequency : Annually

Risk Identification and Response System

Placing the secure protection of customer data as a top priority, we have established a systematic framework for identifying and responding to information security risks.

1) Risk Identification Process

We identify information assets and classify them based on their criticality and potential impact. Various threat scenarios are developed, and we conduct vulnerability assessments and incident response drills at least once a year.

2) Real-Time Integrated Security Monitoring System

We operate an integrated security monitoring system that collects and analyzes system logs in real time. By identifying event correlations and assessing threat impact, the system enables proactive detection and response. We also work closely with external experts, such as the Financial Security Institute, to stay ahead of emerging threats.

3) Mid- to Long-Term Goals for Personal Data Protection

To ensure the systematic protection and management of customer information, we have established mid- to long-term objectives.

Objective	Mid- to long-term goal	Target year	Measurement method
No. of customer data breaches	Zero incidents of customer data breaches per year	2025-2027	Based on internal incident reports
ISMS Certification status	Re-certification and maintained status	2025-2027	Measured by certification results
Information security training completion rate	100 percent annual training completion rate	2025-2027	Calculated using training completion data

Information Security Training and Risk Management Activities

Recognizing the vital importance of protecting personal data in the expanding landscape of digital financial services and platforms, we actively implement information security measures throughout our entire business process to effectively safeguard customer information against emerging external threats.

Category	Frequency	Description
Information security training	Annually	• Offering customized information security training based on roles - Executives : 3 hours on the Personal Information Protection Act and security of electronic financial services - CISO : 6 hours covering AI security, policy interpretation, and OSINT analysis - Information Security Personnel : 12 hours on strategic threat response and case studies - All employees : 6 hours on phishing simulations and risk awareness • Providing Role-specific training programs cover topics such as the Personal Information Protection Act, AI security threats, and security of electronic financial services. • Incorporating personal data protection training during onboarding for new employees
After-hours inspection	Quarterly	• Conducting data security inspections outside working hours • Reflecting findings in departmental KPIs to drive corrective actions (e.g., unsecured laptops, unattended documents)
Email mock training	Annually	• Conducting simulated phishing email training to enhance employee security awareness
Server hacking & DoS mock training	Annually	• Implementing mock cyberattack drills to evaluate the effectiveness of the incident response system
Disaster Recovery (DR) training	At least once a year	• Carrying out DR system conversion training and service inspections to prepare for potential disaster scenarios
Internal information security inspection	Monthly (25th of each month)	• Monitoring the application status of monthly security patches, managing exceptions and reviewing personal data processing history for internal control purposes
Information protection disclosure	Annually	• Disclosing the current status and activities related to information protection, subject to voluntary disclosure
Security notice	Ongoing	• Disseminating company-wide alerts via intranet and messenger in response to security issues • Providing guidance on everyday security compliance
Information security framework	Ongoing	• Operating an integrated monitoring system for information protection • Regularly reviewing the adequacy of the security framework

Financial Consumer Protection

Financial Consumer Protection System

At SK Securities, the Financial Consumer Protection Office leads systematic efforts to safeguard the rights and interests of financial consumers. We proactively prevent and address various consumer-related risks, including mis-selling, information asymmetry, and accessibility challenges faced by the elderly.

Mid- to Long-Term Goals for Financial Consumer Protection

In alignment with our ESG KPIs, we have established and are managing the following quantitative mid- to long-term goals for financial consumer protection.

Objective	Mid- to long-term goal	Target year	Measurement method
Prevention of mis-selling of financial products	Establishment of a detection system for mis-selling	2027	System implementation status and adoption rate
Protection of vulnerable groups	Delivery of customized financial education for seniors at least once annually	2026	No. of sessions and participants
Enhancement of consumer complaint response	Reduction of average complaint response time by 50% (from 14 days to 7 days)	2025	VOC system statistics

Consumer Rights Violation Risk Management System

We operate a comprehensive process to proactively identify and prevent risks that could infringe on consumer rights. Key components include:

Risk Identification and Mitigation Activities

- Defining risk categories for vulnerable groups, including the elderly and digitally marginalized consumers
- Implementing risk mitigation measures, such as strengthening disclosure obligations and identifying prohibited products
- Operating a pre-approval process for advertisements and conducting Mystery Shopping programs

Effectiveness Evaluation and Internal Monitoring

- Analyzing complaint (VOC) types and monitoring resolution rates
- Reviewing sales-related risks through the Internal Control Committee
- Conducting internal customer satisfaction surveys and incorporating findings into improvement initiatives

Financial Consumer Protection System and Organizational Structure

We have established company-wide procedures and clearly defined responsibilities to safeguard the rights and interests of financial consumers.

Organizational Structure : Oversight is provided by the Chief Consumer Officer (CCO) and the Financial Consumer Protection Office.

Governance : The system includes the Internal Control Committee, which reports directly to the CEO and aligns with ESG KPIs to ensure effective oversight and accountability.

Process for Complete Sales

Link to Complete Sales Process

In response to the enforcement of the Financial Consumer Protection Act and the increasing importance of safeguarding senior financial consumers, we have structured our sales process into six distinct stages. At each stage-especially when dealing with complex products or senior clients-we implement enhanced procedures to strengthen consumer protection. We also engage external professional agencies to conduct mystery shopping inspections, assessing compliance with our sales standards. These evaluations deepen employee understanding and recognize outstanding branch performance.

Approval of Investment Product Advertisements

We conduct regular employee training and routine branch inspections to ensure that marketing materials are only distributed with prior approval from the Compliance Officer. This process helps prevent financial consumer harm caused by false or misleading advertising. Additionally, our system proactively blocks the transmission of unapproved promotional SMS messages and continuously monitors outgoing communications to maintain full compliance.

Financial Consumer Protection Training

Each year, we develop a comprehensive training plan that includes on-site sessions, in-house programs, online courses, and targeted communication on key issues. Our goal is to enhance employees' understanding of their responsibilities in protecting financial consumers. Training programs are tailored and regularly updated for maximum effectiveness. We also deliver training directly at branches, gathering feedback from sales staff and consumers to continuously refine and improve the curriculum.

Pledge to Uphold Financial Consumer Protection

Link to the Pledge to Practice Protection of Financial Consumers

Since the Financial Consumer Protection Commitment Ceremony initiated in 2021, we have continuously fostered a shared sense of responsibility among all employees by encouraging pledges to uphold the principles of financial consumer protection.

Community Engagement

Corporate Social Responsibility System

SK Securities has set mid- to long-term goals for 2025–2027 to realize "a happier world through sustainable finance," grounded in our social contribution philosophy: "helping our customers, shareholders, employees, and society at large achieve happiness and growth." These goals are pursued in a structured and coordinated manner, integrating ESG priorities, employee engagement, and alignment with our core business. Building on employee survey insights, we have expanded our social contribution initiatives and established systems and platforms—primarily through the Happy Together Manager Program—that empower all employees to participate voluntarily. To foster meaningful connections with local communities, we actively collaborate with public institutions and specialized organizations across various fields, fulfilling our role as a responsible corporate citizen. Guided by empathy and understanding, we continue to advance a wide range of social contribution activities aimed at creating lasting positive impact.

Our goals

Happy together
A happier world through sustainable finance

Our system

Purpose & Impact

- Incorporate employee feedback and ESG issues through surveys
- Align activities with the UN SDGs and select strategic partners
- Prioritize contribution areas that deliver meaningful benefits to local communities

Impact Data & Story

- Define impact metrics and establish both short- and long-term performance indicators
- Set clear goals with a beneficiary-centered approach to ensure meaningful outcomes
- Measure, evaluate, and transparently share our contributions to local communities

Impact Communication

- Facilitate communication throughout all stages, including planning, training, and experiential sharing
- Engage internal and external stakeholders through diverse channels to amplify our message and foster collaboration

Our approach

Following our employees' interests | Seeking mutual happiness | Serving with sincerity and best efforts

Primary activities

Planet
The Earth we care for together

- In-house eco-friendly campaigner "Green Hero" program
- Resource recycling campaign for carbon neutrality
- Creation of "Happiness Sharing Forest" in Noeul Park
- Cigarette butt–picking and plogging activities
- Volunteer work to protect abandoned animals

People
A society we care for together

- Social contribution fund through leftover salary donations
- Creation of an "Eco-friendly Learning Center" through the completion of a solar power facility at a local children's center.
- Semiannual blood donation campaign, "Blood Donation Bus"
- Culture and arts campaign to raise awareness of persons with disabilities
- Financial education programs for elementary, middle, and high school students, as well as youth preparing for independence

2024 Key achievements

A total of **1,137** participants / contributing **2,454** hours

A total of **524** participants / contributing **2,025** hours

Mid- to long-term goals and key program objectives

Category	2025	2026	2027
Strategic focus	Enhance participation-based CSR activities	Expand and deepen community partnerships	Establish a sustainable, win-win social contribution framework
Key program objectives	• Financial education delivery to 40+ schools through the One Company–One School program • Achievement of 3,000+ certified resource circulation campaign actions	• Implementation of 3+ ESG KPI-linked programs • Annual operation of 3+ public-private partnership initiatives	• Development of programs based on participant feedback • Integration of KPI management system
Quantitative indicator	No. of participants No. of certified actions	No. of partner organizations No. of ESG-aligned initiatives No. of participating families	Participation rate (%) Survey incorporation rate (%) Increased weighting of KPIs

Social Contribution Activities

Fostering Community Engagement through the CSR Manager Program

The "CSR Manager" program forms the cornerstone of SK Securities' employee-led social contributions. Selected managers from each division serve as internal ambassadors, promoting various initiatives, encouraging employee participation, and sharing outcomes with colleagues. These efforts cultivate a culture of giving within the organization and support sustainable, mutually beneficial relationships with local communities. Key activities include providing meals for seniors at the Yeongdeungpo 50 Plus Center and organizing movie outings for children from Cheongun Orphanage. Managers play a vital role in motivating employees to engage with and address diverse local issues. Moving forward, we will strengthen community engagement by expanding initiatives rooted in employee participation, reinforcing our commitment to responsible corporate citizenship and ESG-driven management.

Heartfelt Contributions with Sundukwon

Since 2022, we have cultivated a meaningful partnership with Sundukwon, a child welfare facility in Seoul, driven by employee initiatives. Notable activities include our annual "Winter Outings to Snow Sledding Hills," where employees serve as caring "aunties and uncles," creating lasting memories for the children. Ongoing projects such as the New Year donation campaigns, support for Sundukwon's choral festival, and family month drives have helped bring warmth and support to the children's lives. In 2023 and 2024, Sundukwon was selected by employee vote as the recipient of our leftover salary donation program, which funds improvements in living conditions and practical support for adolescents preparing for independence. Several employees have also personally sponsored individual children, extending the spirit of community engagement on a deeper level. Committed to "A Society We Care For Together," we will continue heartfelt activities that promote the healthy development of children and youth.

One Company One School and Youth Financial Education

We actively promote financial literacy nationwide through our "One Company One School" program, partnering with elementary, middle, and high schools. As of 2025, we maintain relationships with 48 schools, providing practical financial education covering basic concepts, fraud prevention, and illegal lending awareness through interactive methods. Our efforts are strengthened by in-house instructor training. We also broaden educational outreach to diverse groups, including youth preparing for independence-for example, Manager Seok-min Noh of the Busan Branch delivered a financial literacy lecture to young adults at Child Welfare Practice SEUM.[1] Additionally, Team Leader Mi-kyung Nam received the Korean Financial Investment Association Award for her contributions to youth financial literacy and instructor development. We remain dedicated to expanding tailored financial education programs to serve various demographics and support their financial independence.

Received the Financial Investment Association Award in the employee category for outstanding performance in financial education under the "One Company, One School" program for financial institutions.

Conducted financial education at Namyangju Branch One Company One School Program

Building Community Connections through Volunteering

Aligned with our commitment to sustainable finance and the Happy Together strategy, we foster employee-driven initiatives to support local communities. For example, senior executives packaged nutritious meal kits during a leadership workshop, which junior employees delivered as part of the "Love Delivery" project, supporting approximately 900 residents in marginalized housing areas near Seoul Station. Additionally, in 2024, we implemented environmental improvement projects and organized volunteer activities at Shinawon-an institution supporting individuals with disabilities-as part of our ESG program for newly promoted employees. These efforts cultivate empathy and shared values through everyday engagement. Moving forward, we will continue to foster sustainable sharing and solidarity, encouraging employees to build meaningful connections and grow alongside the communities we serve.

Delivering meal kits to residents of Seoul Station's jjokbangchon

KRW **245,475,982**[2]

Monetary value of employees' volunteer activities

1) SEUM in 2023

2) Based on SK Securities' average hourly wage of KRW 54,806 and a total of 4,479 volunteer hours

Board of Directors and Governance

At SK Securities, we are committed to maintaining strong governance practices to safeguard Checks and Balances, promote cooperation, and ensure accountability among the Board of Directors (BOD), management, and outside directors. Following the 2025 general shareholders' meeting, our Board consists of seven members: four outside directors, two permanent directors, and one non-executive director. In accordance with Article 12 of the 「Act on Corporate Governance of Financial Companies」, outside directors make up a majority, constituting 57% of the Board. Furthermore, in line with Article 6 of the 「SK Securities' Corporate Governance Regulations」, we strictly separate the roles of the CEO and Chairman of the Board to ensure clear governance and oversight. To prevent concentration of influence from any specific background or occupational group, the Nomination Committee oversees the screening and selection of executive candidates, ensuring transparency and merit-based appointments. SK Securities continuously strives to uphold a transparent, balanced, and stakeholder-oriented governance framework that minimizes conflicts of interest and promotes sustainable corporate oversight.

Board Composition

(Base date : Upon conclusion of the March 2025 general shareholders' meeting)

Name	Gender	Director Type	Recommended by	Initial Appointment Date	Tenure Expiry Date	Assigned Committees	Main Career
Gwang-Chul Go	Male	Outside Director (Chairman of Board of Directors)	Nomination Committee	Mar. 27, 2025	2028 General Meeting of Shareholders	Risk Management Committee Remuneration Committee ESG Committee	• CEO of Hankyung.com • CEO of Hankyung BP • Editor-in-Chief of The Korea Economic Daily, Hankyung
Woo-Jong Jeon	Male	Inside Director (President & CEO)	Nomination Committee	Mar. 24, 2022	2027 General Meeting of Shareholders	Remuneration Committee ESG Committee	• President and CEO, SK Securities (Current) • Head of Management Support Division, SK Securities • Head of Risk Management Office, SK Securities
Joon-Ho Jung	Male	Inside Director (Vice President & CEO)	Nomination Committee	Mar. 25, 2024	2027 General Meeting of Shareholders	Risk Management Committee Internal Control Committee	• Vice President and CEO, SK Securities (Current) • Head of Risk Management Office, SK Securities • Head of Vision Promotion Office and Head of Digital Finance Business Department, SK Securities • Head of Strategic Planning Office, SK Securities
Sung-Ki Jun	Male	Outside Director	Nomination Committee	Mar. 31, 2023	2026 General Meeting of Shareholders	Audit Committee Nomination Committee Risk Management Committee Internal Control Committee	• Outside Director, SPC Samlip (Current) • Vice President, Lead Power • Vice President, Deloitte Anjin Accounting Corporation
Dae-Hong Kim	Male	Outside Director	Nomination Committee	Mar. 31, 2023	2028 General Meeting of Shareholders	Remuneration Committee Internal Control Committee Audit Committee	• Compliance Officer, Shinhan Securities
Jeong-Rim Park	Female	Outside Director	Nomination Committee	Mar. 25, 2024	2027 General Meeting of Shareholders	Risk Management Committee ESG Committee Audit Committee Nomination Committee	• General Division Manager, KB Financial Group and CEO, KB Securities • Head of Capital Markets, KB Financial Group and CEO, KB Securities • WM Vice President, KB Financial Group and WM Group Vice President, KB Kookmin Bank • Vice President of Risk Management, KB Financial Group and President of Risk Management Group, KB Kookmin Bank
Uk-Je Chang	Male	Other Non-Executive Director	BOD	Mar. 25, 2024	2027 General Meeting of Shareholders	Nomination Committee	• CEO, J&W Partners (current) • CEO, Jabez Partners • Vice President, Mirae Asset Securities

Prevention of Conflicts of Interest

In compliance with Article 397-2 of the 「Commercial Act」 and Article 9 of our 「Corporate Governance Regulations」, SK Securities has established robust systems to prevent and mitigate conflicts of interest. The Board and key committees play a central role in overseeing these efforts. Guided by our 「Code of Ethics」 and 「Behavior Guidelines」, all employees are required to be proactive in identifying potential conflicts and are responsible for reporting and avoiding such situations in advance.

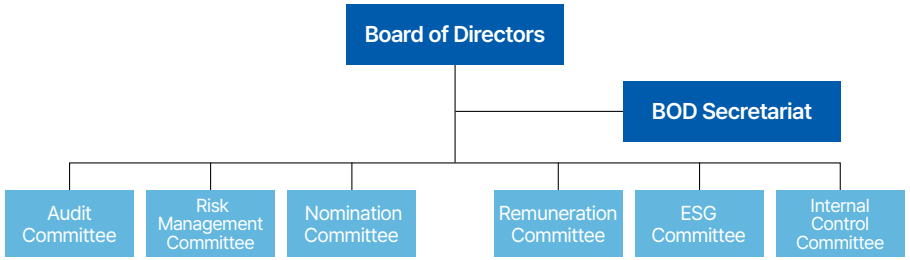
Our Board and audit bodies are primarily composed of outside directors to ensure decision-making processes remain neutral and independent, preventing undue influence from specific interest groups. Additionally, our internal control system prevents conflicts from arising or escalating, through measures such as restrictions on overlapping duties, bans on insider trading, and maintaining transparency in third-party transactions.

When a conflict of interest risk is identified, the Compliance Department and Internal Control Committee conduct real-time reviews and examinations. If necessary, cases are escalated to the Board for resolution, with input from external professionals to ensure fairness and integrity in decision-making.

SK Securities is dedicated to upholding transparency, independence, and fairness in all governance practices to protect stakeholder interests and sustain ethical corporate management.

Committee Structure Under the Board

To enhance Board efficiency and expertise, SK Securities has established six specialized committees under the Board of Directors. The Audit Committee is composed entirely of outside directors, in accordance with Article 19 of the 「Act on Corporate Governance of Financial Companies」. Furthermore, outside directors constitute two-thirds of the total Board members, reinforcing objectivity and fairness in audit and oversight functions. We are committed to maintaining a transparent and effective governance structure, ensuring that all roles and responsibilities uphold the highest standards of integrity and accountability.



Board Committee Roles and Operations

(Base date : Jan. 2024 - Dec. 2024)

Committee	Member[1]	Outside Directors Representation	Key Functions	No. of Convocations
Nomination Committee	Sung-ki Jun (Chairman) Jeong-Rim Park Uk-Je Chang	Majority (67%)	Recommending candidates for CEO, auditors, and outside directors	1 time
Remuneration Committee	Dae-Hong Kim (Chairman) Gwang-Chul Go Woo-Jong Jeon	Majority (67%)	Crafting remuneration policies and structures, and reviewing the suitability of compensation	2 time
Audit Committee	Sung-ki Jun (Chairman) Dae-Hong Kim Jeong-Rim Park	All (100%)	Evaluating and overseeing the internal control system and management performance	8 time
Risk Management Committee	Jeong-Rim Park (Chairman) Gwang-Chul Go Sung-Ki Jun Joon-Ho Jung	Majority (75%)	Developing risk management policies and supervising their execution	6 time
ESG Committee	Jeong-Rim Park (Chairman) Gwang-Chul Go Woo-Jong Jeon	Majority (67%)	Establishing ESG management strategies	3 time
Internal Control Committee	Dae-Hong Kim (Chairman) Sung-Ki Jun Joon-Ho Jung	Majority (67%)	Formulating internal control guidelines and tracking their implementation	-[2]

1) Member status is based on the composition following the March 2025 Regular Shareholders' Meeting
2) No meeting convened in 2024, as the Internal Control Committee was launched in March 2025

Principles and Standards for Governance

To safeguard stakeholders' interests and promote sustainable growth, SK Securities has established a governance framework rooted in stability, transparency, expertise, and diversity. This structure features committees under the Board that regularly oversee, report, and review company decisions and management's execution of responsibilities, ensuring effective oversight. To further strengthen governance integrity, the Board has authority over the appointment and dismissal of the CEO, empowering it to fulfill its critical checking role and uphold accountability. We remain committed to maintaining a transparent and robust governance system that aligns with best practices and stakeholder expectations

Roles and Activities of Committees within the Board of Directors

Stability
Checks and Balances

- Stipulates the Board's authority over CEO appointment and dismissal (Article 31 and Article 35-2 of 「Articles of Incorporation」)
- Outside director-driven Board operation to ensure checks among management, BOD, and outside directors

Transparency
Disclosure of standards and procedures for business operations, along with results

- Conducts annual evaluations of Board and committee operations and discloses the results
- Posts internal regulations and updates regarding executives and shareholder status on our website
- Discloses annual reports on governance and remuneration systems three weeks before the regular shareholders' meeting

Expertise & Diversity
Establishment of efficient governance

- Ensures the Board consists of experts from diverse fields, including banking, management, finance, accounting, and law
- Meets gender diversity standards, applying Article 165-20 of 「Capital Markets Act」

Board Skills Matrix

Name	Area of Specialty				
	Finance	Business management	Legal and Risk Management	Financial Affairs, Accounting, and M&A	ESG and Consumer Protection
Gwang-Chul Go	●	●	●		
Woo-Jong Jeon	●	●	●	●	●
Joon-Ho Jung	●	●	●	●	●
Sung-Ki Jun	●	●		●	
Dae-Hong Kim	●	●	●		
Jeong-Rim Park	●	●	●	●	●
Uk-Je Chang	●	●		●	

Board Member Tenure and Nomination

Our process for selecting CEO candidates emphasizes expertise and leadership in financial investment, while outside director candidates are aligned with our strategic objectives. Audit members responsible for supervisory and auditing roles are appointed through the Nomination Committee, which oversees comprehensive management processes, including verifying executive qualifications in accordance with applicable laws and internal regulations and recommending candidates for shareholders' approval.

- Assessing and publicly disclosing the Nomination Committee's operations from the previous year before the general shareholders' meeting
- Defining the duties related to recommending and registering outside director candidates, including shareholder proposal rights, as stipulated in Article 18 of the 「SK Securities' Corporate Governance Regulations」
- Rigorously evaluating candidates' qualifications based on expertise, job suitability, and reliability, in line with our commitment to responsible governance
- Limiting outside directors' terms to three years each, with a maximum tenure of six years, as outlined in Article 29 of our 「Articles of Incorporation」.

Remuneration System

At SK Securities, executive remuneration is determined through annual performance evaluations aligned with group-level KPIs. The Remuneration Committee, composed primarily of outside directors, is responsible for overseeing the remuneration framework, including reviewing the criteria for performance-based bonuses and making key decisions regarding executive compensation. The committee convenes at least once a year to assess the appropriateness of the remuneration system and to review its overall effectiveness.

- 10-60% of performance-based bonuses are paid entirely in cash, while 40-90% are deferred payments distributed over three to nine years[1)]
- Share price-linked bonuses are paid to some executives to strengthen the connection with long-term performance

Remuneration Details

(Period : Jan. 2024 – Dec. 2024)

Category	Unit	Inside Director[4)]	Outside Director[5)]	Audit Member
No. of Board members compensated[2)]	Headcount	5	3	3
Total remuneration paid[3)]	KRW million	1,787	137	157
Average remuneration per capita	KRW million	357	46	52

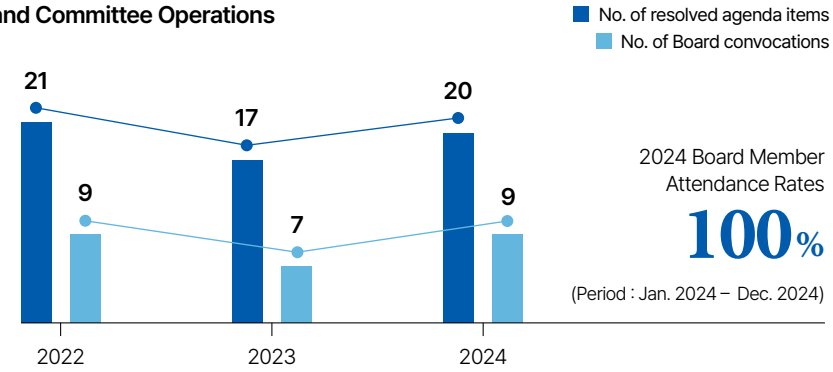
1) In the event of external or internal changes, deferred payments are deducted from total remuneration
2) The no. of Board members paid refers to the no. of incumbent directors and audit members
3) Total remuneration paid includes the total compensation of retired executives (one registered director)
4) Outside directors and Audit Committee members excluded 5) Audit Committee members excluded

*** Annual Total Compensation Ratio**
i) Increase rate of the highest-paid executive compared to the previous year's level (A): -42%
ii) Median increase rate of directors' remuneration (excluding the highest-paid executive) (B): 7%
iii) Ratio (A/B): -6

Board Operations

- The Board Chairman presides over quarterly meetings, with additional meetings held as needed for urgent matters.
- Agenda items are shared with outside directors at least 14 days prior to each meeting to facilitate informed decision-making.
- Outside directors receive advisory support and can consult external professionals in fields such as ESG, banking, accounting, and business strategy upon request.
- Board members participate in ongoing education programs to stay current on regulatory changes, governance best practices, and key industry issues.

Board and Committee Operations



2024 Board Member Attendance Rates

100%

(Period : Jan. 2024 – Dec. 2024)

2024 Board Training

Date	Provided by	Content	Attendance Rate
Jan. 31, 2024	SK Securities	Presentation on Business Plan by Business Division	100%
Mar. 25, 2024	SK Securities	Orientation for Newly Appointed Outside Directors	100%
Jun. 24, 2024	SK Securities	IFRS S2 Understanding and Introduction (ISSB Education)	100%
Aug. 21, 2024	BNZ Partners	SK Securities' Key Achievements in ESG Management and Finance, and Future Tasks	100%
Oct. 16, 2024	EY Hanyoung Accounting Corporation	Evolving Regulatory Environment for Internal Accounting Management Systems	100%
Dec. 9, 2024	SK Securities	Trends in Sustainable Management and Global ESG	100%

Board Operation

Board Resolutions

(Period : Jan. 2024 - Dec. 2024)

Category	Date	Agenda Item	Approval status	Rate of votes in favor
1st	Jan. 31, 2024	• Approval of the 70th financial statements and business report	Passed	100%
		• Approval of the 2024 business plan	Passed	100%
2nd	Mar. 06, 2024	• Approval of the 70th shareholder dividends	Passed	100%
		• Approval of the 70th revised financial statements	Passed	100%
		• Approval of the 2024 issuance limit for non-guaranteed bonds (senior and subordinated)	Passed	100%
		• Recommendation of director candidates	Passed	100%
		• Approval of the 71st limit on director remuneration	Passed	100%
		• Convocation of the 70th regular general shareholders' meeting and decision on agenda items	Passed	100%
3rd	Mar. 25, 2024	• Appointment of the Board of Directors (BOD) Chairman	Passed	100%
		• Appointment of an executive (Chief Risk Officer)	Passed	100%
		• CEO appointment	Passed	100%
		• Committee composition within the BOD	Passed	100%
4th	Apr. 09, 2024	• Approval of the decision regarding SKS MyData	Passed	100%
5th	Jun. 24, 2024	• Approval of MS Savings Bank capital increase	Passed	100%
6th	Aug. 21, 2024	• Approval of PTR Asset Management divestment	Passed	100%
7th	Oct. 16, 2024	• Establishment of internal standards for debt restructuring	Passed	100%
		• Approval of issuance limits for derivative-linked securities and derivative-linked bonds, and submission of universal shelf registration statements for public offering	Passed	100%
8th	Nov. 25, 2024	• Approval of the 2025 safety and health plan	Passed	100%
9th	Dec. 09, 2024	• Appointment of executives (Chief Operating Officer, Compliance Officer)	Passed	100%
		• Approval of MS Savings Bank capital increase	Passed	100%

Board Evaluation

- Conduct written assessments and surveys targeting all directors at least once a year to evaluate Board and committee performance, and incorporate the results into Board policies and operations.
- Evaluation components include: 40% based on outside directors' self-assessment, 30% on Board committee assessments, and 30% on outside directors' overall performance review. The evaluation also considers the proportion of outside directors, their professional expertise, and the effectiveness of the Board meeting process.
- The 2024 Board Evaluation received an 'Excellent' rating, which was reported at the 72nd 1st Board meeting.

Outside Director Evaluation

- Under the leadership of the Board, outside directors are assessed on their Board activities at least once a year.
- Evaluation components include outside directors' self-assessment, job performance assessments conducted by relevant departments, attendance rates, and other key factors.
- Absolute evaluations are performed on criteria such as expertise, fairness, ethics, accountability, and diligence.[1)]

Key Criteria for Board Evaluation

Board composition	Appropriateness of the no. of Board members Proportion of outside directors Job expertise
Board operation procedures	Appropriateness of the convocation process Adequacy of meeting materials Efficiency of meeting duration
Board duties and responsibilities	Employee communication effectiveness Authority of directors

2024 Board Evaluation

Outside directors' self-assessment	Board committee assessment	Outside directors' performance assessment
Excellent	Excellent	Excellent

1) The arithmetic mean is applied to Board assessments to determine final results.

Ethical and Compliance Management

Ethical and Compliance Management Policy and Implementation

As trusted securities practitioners, we uphold strict ethical principles and maintain a zero-tolerance policy for illegal conduct, always prioritizing integrity. Our Code of Ethics is publicly disclosed on our official website.

- We established the Code of Ethics, emphasizing integrity and transparency, and developed the Code of Ethics Practice Guidelines to embed anti-corruption principles across all employees.
- We defined responsibilities toward shareholders and financial consumers within the Code of Ethics and Employee Behavior Guidelines.
- We built an internal control system compliant with internal standards, with a monitoring framework led by the compliance unit.
- We foster a culture of ethics and compliance through annual ethics pledge ceremonies and recognition programs that reward ethical behavior and reinforce responsible management.

Ethics and Compliance Implementation Process

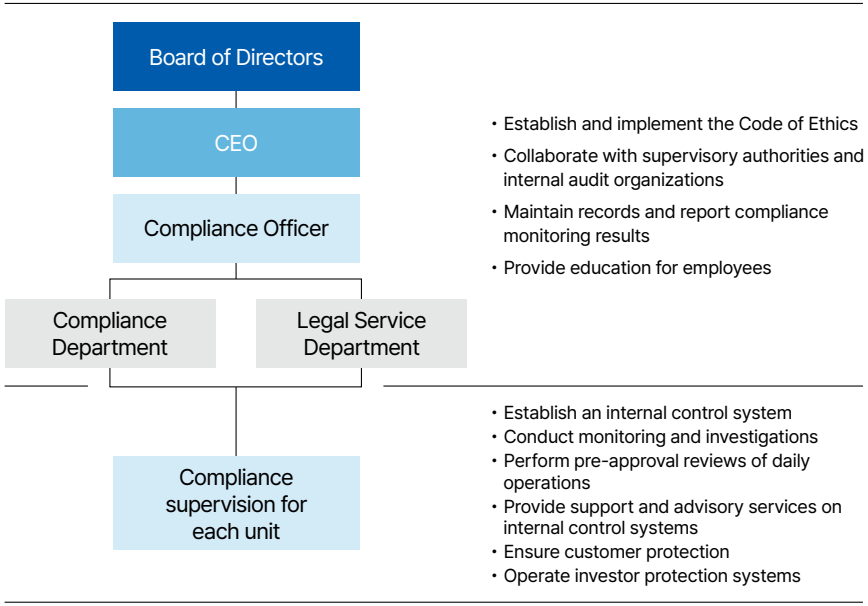
Ethics and Compliance Regulations	Ethics and Compliance Reporting	Ethics and Compliance Infrastructure	Ethics and Compliance Integration
• Code of Ethics • Employee Behavior Guidelines • nternal control standards	• "Guard of the Ethics" reporting • Other violation reporting channels • Voluntary reporting of gifts, entertainment, and convenience	• Ethical Management Committee • Internal Control Committee • Ethics education and evaluation	• "Five Musts and Five Must-Nots" campaign • Self-assessment of occupational ethics • Ethics Management Award • Code of Business Ethics Pledge • Compliance Program

SK Securities Code of Ethics

SK Securities Code of Ethics

① Prioritize the customer's perspective to deliver happiness and maximum value.
② Enhance company value and protect shareholder interests through efficient management.
③ Earn customer trust through fair, transparent practices in an environment encouraging voluntary and enthusiastic employee engagement.
④ Respect a free and fair market economy, seeking mutual growth with partners through trust and cooperation.
⑤ Comply with laws and social norms, practicing transparency and fair competition to earn societal trust as a responsible financial institution.

Governance Structure for Ethics and Compliance



The Triangle of Ethical Management

Socially responsible management
- CSR activities befitting securities industry
- Sustained and voluntary activities
- Development and marketing of CSR CMA

Generate sufficient profits for sustainable management
- Push forward mid- to long-term strategies
- Pursue sustainable management

Integrity and transparency Cohesive ethical management
- BOD-centered management
- Ethical management infrastructure
- Ethical corporate culture
- Internal accounting control system
- Practicing the Code of Business Ethics

Efforts for Ethical and Compliance Management

Internal Control Activities

We have established internal control standards that all employees are required to follow to ensure legal compliance, sound business operations, and protection of shareholders and stakeholders. Led by the Compliance Department, we conduct regular and ad-hoc inspections to verify adherence to these standards. Additionally, the newly formed Internal Control Committee, composed of outside directors and the CEO, enhances our internal control framework by reviewing the system at least semi-annually.

- Clarified the Board's responsibilities for internal control in accordance with the Articles of Incorporation and governance regulations.
- The Compliance Officer develops and manages the compliance program, regularly reporting its status to the CEO, Internal Control Committee, Audit Committee, and the Board.
- The Audit Committee assesses the operation and effectiveness of the internal control system through periodic audits and reports findings to the Board at least once a year.
- Our ongoing focus is to strengthen governance and ensure ethical conduct through rigorous internal control measures.

Embedding Ethics and Compliance into Our Corporate Culture

SK Securities' Internal Control Standards and Activities

System	Activities
Strengthening ethics education	• Enhance online and offline ethics training programs • Include internal control and incident prevention training as mandatory in all courses
Whistle-blowing system	• Operate the "Guard of the Ethics" reporting system for internal and external misconduct • Run the Grievance & Legal Counseling platform for consultations and advice
Transparent procurement	• Revise internal regulations to minimize procurement practices with high potential for unfairness • Conduct the No Holiday Gifts campaign twice a year
Fair competition	• Internalize fair trade compliance through the introduction of the Fair Trade Compliance Program • Enhance risk management via internal control reinforcement • Reinforce monitoring of compliance with rules on report preparation and publication • Strengthen the Compliance Officer's pre-approval process for advertisements • Establish an enterprise-wide AML system based on a risk-based approach (RBA)
Feedback via evaluation, surveys	• Reflect compliance, including internal control activities, and customer return rates in employee KPI evaluations • Use CS monitoring (customer satisfaction surveys) to evaluate branch employees • Apply a demerit system that excludes performance bonuses for employees found responsible in substantiated complaints
Monitoring system	• Advance company-wide compliance system (prevention and detection) • Require regular self-checks by compliance officers of each department • Strengthen on-site inspections to ensure effectiveness of compliance implementation
Management of benefit limits	• Control and monitor financial benefits provided or received via internal system • Operate Compliance Officer's pre-approval system for any provision/receipt of improper financial benefits

Reporting and Handling of Ethics and Compliance Violations

Reporting Violations	How to Report	• Reports can be submitted via mail, email, telephone, in-person visit, or company website.
Receipt and Processing	Handling Reports	• The Secretariat investigates and verifies the facts regarding reported violations. • Verified cases are reported to the Ethics Management Committee. • Cases are referred to the Personnel Committee for disciplinary actions.
Protection and Rewards	Follow-up Measures	• Investigation results and outcomes are communicated to the whistleblower, and both the identity and content of the report are kept strictly confidential. • Rewards is granted in recognition of contributions to the prevention of illegal or high-risk behavior.

Whistleblower Protection System

Confidentiality	The identity of the whistleblower shall not be disclosed or implied in any way without their consent.
Protection of Status	Whistleblowers are protected from any disadvantage or discrimination, such as change of position or department, resulting from their reports or related statements.
Reward	Rewards is granted if the whistleblower's report helps prevent potential risks in advance.

Internal Control Awards

Mar. 2025	Won the "2024 Outstanding Compliance Award (Individual Category)"	Jan. 2016	Won the "2015 Compliance Grand Award"
Mar. 2023	Won the "2022 Great Example Award (Corporate Category)"	Jan. 2015	Won the "2014 Compliance Grand Award"
Mar. 2022	Won the "2021 Compliance Excellence Award"	Jan. 2013	Won the "2012 Compliance Grand Award"
Mar. 2022	Won the "2021 Compliance Great Example Award"	Jan. 2013	Won the "2012 Compliance Grand Award (Individual Category)"
Feb. 2020	Won the "2019 Compliance Excellence Award"	Feb. 2009	Selected as a "2008 Fair Trade Contributor"

※ Compliance Grand Award: An award organized by the Korea Exchange that recognizes outstanding cases based on an evaluation of internal control systems and compliance enhancement efforts by securities and futures companies

Risk Management

Risk Management System

Recognizing risk management as vital to our competitiveness and sustainable growth, we maintain a company-wide risk management structure. The Risk Management Committee, established under the Board of Directors, serves as the top decision-making body. Supporting oversight and operational efficiency, the Risk Management Executive Committee and the Investment Review Committee function under its supervision, enhancing our overall risk management capabilities.

Risk Management Strategy

We identify various internal and external risks and conduct scenario-based stress testing at least annually. The results are reported to the Risk Management Committee and are used to set loss control limits, develop response strategies, and allocate capital effectively.

Risk Management Governance Structure

Decision-making Body	Main Roles
Board of Directors	• Appoint members of the Risk Management Committee • Formulate and revise risk management and committee regulations
Risk Management Committee	• Formulate and revise risk management enforcement rules • Set company-wide risk limits and real estate PF exposure limits • Approve new products that transcend the risk management scope
Risk Management Executive Committee / Investment Review Committee	• Establish and revise risk management guidelines • Review initial transactions of new products approved by the committee • Develop response strategies for potential risks related to sales activities
Risk Management Division	• Implement risk management policies established by the Board and committees • Supervise breaches of risk limits and report risk monitoring results • Make key investment decisions
Risk Management Office: Risk management Investment Analysis Office: Corporation review, Alternative investment review, Investment management	• Execute risk response policies set by the Board and committees • Support decision-making of the Executive Committee and Investment Deliberation Committee • Establish crisis response scenarios and conduct regular stress testing

Type of Risks

Area	Risk Type	Responsible Body
Credit Risk	• Risk of counterparty default and credit rating downgrade	Risk Management Committee • Establish minimum net capital ratio and maximum risk limits • Manage enterprise-wide liquidity risk limits • Oversee asset allocation and measure liquidity ratios Risk Management Executive Committee • Review strategies established by the Risk Management Committee • Report risk management system monitoring results • Establish operational, loss, sensitivity, and stop-loss limits by business unit • Develop early warning systems for counterparty credit risk • Formulate market risk scenarios and corresponding response measures
Market Risk	• Risk arising from stock price fluctuations • Risk from changes in market interest rates • Risk of decline in the value of foreign exchange and related assets and liabilities	
Liquidity Risk	• Risk of impaired marketability • Risk of loss due to asset liquidation	

Crisis Response Task Force (TF) Process

Shareholder Value Enhancement

Tax Policy

SK Securities complies with both domestic and international tax laws, ensuring all transactions strictly adhere to the rules of relevant tax authorities. We prioritize full compliance with tax reporting and payment obligations. The Board of Directors oversees our tax policy, reviewing and deliberating on related matters to ensure integrity and transparency.

Tax Risk Management

- In international transactions with overseas entities, we adhere to OECD Transfer Pricing Guidelines, including the arm's length principle, alongside all applicable domestic and international tax laws. Our transfer pricing policy aims to prevent improper income shifting and tax avoidance by ensuring taxes are proportionate to the value created in each jurisdiction.
- We maintain transparency with tax authorities by submitting required documentation in accordance with legal standards and fulfilling our tax obligations diligently. Corporate income tax information is disclosed annually to stakeholders.
- Our tax professionals strictly observe all relevant laws, consulting external experts when interpretations are unclear, and periodically review our tax filings to enhance legal stability and compliance.

Disclosure of Tax Information

- We disclose corporate tax payment information through our business report, which is available on the Financial Supervisory Service's electronic disclosure system (https://dart.fss.or.kr).
- Details such as corporate income tax expense, statutory tax rate, and effective tax rate are disclosed.

Tax and Tax Rate Status (Separate Basis)

Category		Unit	2022	2023	2024
Korea	Profit before income tax	KRW	5,565,313,699	4,739,290,013	-60,665,661,138
	Income tax expenses	KRW	1,124,765,696	2,604,899,385	-16,108,579,782
	Effective tax rate	%	20	55	27
	Tax paid	KRW	5,670,233,617	0	0

Protection of Shareholder Rights

- Notices of the general shareholders' meeting are issued at least three weeks in advance, providing shareholders ample time to review relevant materials such as the business report and audit report.
- Each share grants one voting right, ensuring equal voting rights for all shareholders.
- An electronic voting system is in place to facilitate shareholder participation.
- Proxy solicitation is extended to all shareholders.
- Dividend amounts are disclosed prior to the record date to help shareholders anticipate their returns

Key Schedule of the 71st General Shareholders' Meeting

Mar. 05, 2025	Mar. 27, 2025	Mar. 31, 2025	Apr. 23, 2025
Board Approval & Meeting Notice	**General Shareholders' Meeting**	**Dividend Record Date**	**Dividend Payment**
Approval of financial statements and determination of dividend amount	Resolutions and reports on meeting agenda	Confirmation of entitled shareholders	Within 1 month from the general shareholders' meeting

71st General Shareholders' Meeting

Agenda Items		Resolution Status
Agenda Item 1 : Approval of the 71st fiscal year financial statements		Approved as proposed
Agenda Item 2 : Partial amendment of the articles of incorporation		Approved as proposed
Agenda Item 3 : Election of directors	Agenda Item 3-1 : Woo-Jong Jeon (Inside Director)	Approved as proposed
	Agenda Item 3-2 : Joon-Ho Jung (Inside Director)	Approved as proposed
	Agenda Item 3-3 : Gwang-Chul Go (Outside Director)	Approved as proposed
Agenda Item 4 : Election of outside director to serve as a member of the Audit Committee	Dae-Hong Kim (Outside Director)	Approved as proposed
Agenda Item 5 : Election of Member of the Audit Committee	Jeong-Rim Park (Outside Director)	Approved as proposed
Agenda Item 6 : Approval of the remuneration limit for directors		Approved as proposed

06.

Appendix

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Key Financial Data Consolidated Statements of Financial Position

(Unit : KRW)

Descriptions	2022 (69th Fiscal Year)	2023 (70th Fiscal Year)	2024 (71st Fiscal Year)
Assets			
I. Cash and due from banks	528,370,402,503	426,379,899,624	440,425,377,099
II. Financial assets at FVTPL	3,752,817,914,379	3,665,816,267,309	3,459,908,029,995
III. Financial assets at FVOCI	159,875,710,783	167,240,703,818	161,651,670,660
IV. Debt Securities at amortized cost	44,430,000	19,998,210,000	2,360,000
V. Investments accounted for using equity method	220,762,695,130	232,441,824,439	235,393,549,508
VI. Derivative financial assets held for trading	74,610,587,275	48,160,103,782	155,076,269,001
VII. Loans at amortised cost	1,211,889,821,047	1,208,147,072,236	1,168,976,010,133
VIII. Property, plant and equipment	34,495,978,067	31,578,576,120	31,930,418,682
IX. Finance lease receivables	19,985,489,207	20,257,321,508	19,136,652,740
X. Right-of-use assets	82,831,712,681	76,593,784,199	66,029,118,608
XI. Investment properties	6,884,027,055	6,800,332,150	2,959,881,306
XII. Intangible assets and goodwill	42,481,365,798	39,489,957,646	30,400,534,910
XIII. Current tax assets	15,573,692,293	14,701,977,643	17,838,357,583
XIV. Deferred tax assets	0	152,341,897	272,194,428
XV. Other financial assets	275,109,541,893	468,119,012,468	296,902,895,046
XVI. Other non-financial assets	39,107,461,810	23,216,386,761	22,392,075,939
Total Assets	**6,464,840,829,921**	**6,449,093,771,600**	**6,109,295,395,638**
Liabilities			
I. Deposits from customers	1,107,136,093,489	1,037,579,483,729	852,200,701,891
II. Financial liabilities at FVTPL	764,488,399,503	952,836,038,800	1,199,667,581,209
III. Borrowings	3,374,192,937,279	3,111,834,437,973	2,951,766,924,635
IV. Derivative financial liabilities	143,197,740,080	107,907,736,938	159,053,730,552
V. Net Defined benefit liabilities	0	0	4,999,143,576
VI. Lease liabilities	87,419,599,271	83,751,091,598	73,726,969,007
VII. Current tax liabilities	0	908,648,985	1,080,515,896
VIII. Deferred tax liabilities	14,512,700,625	19,682,367,999	2,081,570,072
IX. Provisions	7,616,964,260	10,159,099,817	9,007,565,748
X. Other financial liabilities	254,919,569,340	424,718,990,435	249,397,338,066
XI. Other non-financial liabilities	70,023,499,103	52,477,397,092	47,036,759,384
Total Liabilities	**5,823,507,502,950**	**5,801,855,293,366**	**5,550,018,800,036**

Account	2022 (69th Fiscal Year)	2023 (70th Fiscal Year)	2024 (71st Fiscal Year)
Equity			
I.Equity attributable to owners of the parent	631,126,821,432	636,324,143,459	550,995,937,275
II. Issued capital	238,251,342,500	238,251,342,500	238,251,342,500
III. Capital surplus	70,307,527,673	70,336,007,457	70,336,007,457
IV. Elements of other stock holders' equity	-35,448,758,319	-35,448,808,767	-35,543,028,984
V. Accumulated other comprehensive income	111,921,715,268	116,429,908,383	114,686,961,724
VI. Retained earnings	246,094,994,310	246,755,693,886	163,264,654,578
VII. Regulatory reserve for credit loss	9,212,009,461	8,679,921,686	23,420,451,968
VIII. Regulatory reserve for credit loss to be added	-532,087,775	14,740,530,282	12,008,462,396
IX. Non-controlling interests	10,206,505,539	10,914,334,775	8,280,658,327
Total equity	**641,333,326,971**	**647,238,478,234**	**559,276,595,602**
Total liabilities and equity	**6,464,840,829,921**	**6,449,093,771,600**	**6,109,295,395,638**

Key Financial Data Consolidated Statements of Comprehensive Income

(Unit : KRW)

Descriptions	2022 (69th Fiscal Year)	2023 (70th Fiscal Year)	2024 (71st Fiscal Year)
I. Net Fee and commission income	175,007,994,644	172,874,210,756	147,121,203,255
1. Fee and commission income	188,459,105,169	183,800,175,684	155,780,539,274
2. Fee and commission expense	-13,451,110,525	-10,925,964,928	-8,659,336,019
II. Net interest income	54,692,346,914	37,339,328,164	55,504,788,427
1. Interest income	170,316,546,375	204,869,675,108	209,708,272,149
(1) Interest revenue calculated using effective interest method	107,186,066,528	121,679,143,546	112,596,151,351
(2) Interest income on financial assets designated at FVPL	63,130,479,847	83,190,531,562	97,112,120,798
2. Interest expenses	-115,624,199,461	-167,530,346,944	-154,203,483,722
III. Net Gain (loss) from financial instruments	86,082,433,267	84,316,291,971	3,730,428,569
1. Gain from financial instruments	827,394,422,577	712,219,595,827	692,291,303,021
(1) Gain from financial instruments at fair value through profit or loss	824,833,758,527	709,543,970,812	690,795,354,703
(2) Gain from financial instruments at amortised cost	2,560,664,050	2,675,625,015	1,495,948,318
2. Loss from financial instruments	-741,311,989,310	-627,903,303,856	-688,560,874,452
(1) Loss from financial instruments at fair value through profit or loss	-741,281,800,742	-626,896,214,665	-683,026,838,687
(2) Loss from financial instruments at amortised cost	-30,188,568	-1,007,089,191	-5,534,035,765
IV. Dividend income	14,318,990,980	14,559,996,731	18,305,407,841
V. Reversal, allowance account for credit losses of financial assets	0	0	22,434,829
VI. Additional allowance recognized in profit or loss, allowance account for credit losses of financial assets	-40,080,768,717	-38,205,824,264	-78,747,069,930
VII. Other operating income (expense)	-3,305,927,080	-8,621,528,759	2,358,007,239
1. Other operating income	50,195,533,070	29,032,806,271	25,634,518,109
(1) Foreign exchange gain	36,594,169,274	24,005,916,690	17,813,253,128
(2) Miscellaneous other operating income	13,601,363,796	5,026,889,581	7,821,264,981
2. Other operating expenses	-53,501,460,150	-37,654,335,030	-23,276,510,870
(1) Foreign exchange losses	-40,327,468,477	-24,042,575,346	-20,561,569,295
(2) Miscellaneous other operating expense	-13,173,991,673	-13,611,759,684	-2,714,941,575
VIII. Net Operating Income	286,715,070,008	262,262,474,599	148,295,200,230
IX. Selling, general and administrative expenses	-268,830,636,350	-249,164,616,988	-256,171,588,815
X. Operating Profit	17,884,433,658	13,097,857,611	-107,876,388,585
XI. Non-operating Income	13,978,553,704	29,678,241,191	29,249,585,907
XII. Non-operating expense	-21,707,017,759	-36,894,656,437	-20,956,241,685
XIII. Profit (loss) before tax	10,155,969,603	5,881,442,365	-99,583,044,363
XIV. Tax expense (income)	1,546,759,586	2,693,655,515	-16,312,782,580
XV. Profit(loss) for the year	8,609,210,017	3,187,786,850	-83,270,261,783
XVI. Profit (loss), attributable to owners of parent	9,419,890,957	2,551,279,241	-82,546,404,429
XVII. Profit (loss), attributable to non-controlling interests	-810,680,940	636,507,609	-723,857,354
XVIII. Other comprehensive income	21,955,941,031	4,508,193,115	-1,742,946,659
1. Components of other comprehensive income that will not be reclassified to profit or loss, net of tax			
(1) Other comprehensive income, net of tax, gains (losses) on remeasurements of defined benefit plans	6,454,543,151	-1,247,737,502	-1,263,925,275
(2) Other comprehensive income, net of tax, gains (losses) from investments in equity instruments	13,503,532,207	5,815,169,326	-4,297,966,499
(3) Other comprehensive income, net of tax, change in fair value of financial liability attributable to change in credit risk of liability	832,255,334	-665,942,698	3,142,493,949
2. Components of other comprehensive income that will be reclassified to profit or loss, net of tax			
(1) Other comprehensive income, net of tax, exchange differences on translation of foreign operations	1,313,381,769	252,388,190	796,207,675
(2) Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, net of tax	-147,771,430	354,315,799	-119,756,509
XIX. Total comprehensive income	30,565,151,048	7,695,979,965	-85,013,208,442
1. Comprehensive income, attributable to owners of parents	31,375,831,988	7,059,472,356	-84,289,351,088
2. Comprehensive income, attributable to the non-controlling interests	-810,680,940	636,507,609	-723,857,354
XX. Earnings per share			
1. Basic earnings (loss) per share (Unit : KRW)	22.5	6.07	-199.49
2. Diluted earnings (loss) per share (Unit : KRW)	22.48	6.07	-199.49

ESG DATA Economic Performance

Creation of Economic Value

Category	Unit	2022	2023	2024
Operating Income	KRW 1 Billion	17.9	13.1	-107.9
Pre-tax Profit	KRW 1 Billion	10.2	5.9	-99.6
Net Income	KRW 1 Billion	8.6	3.2	-83.3

Distribution of Economic Value

Category		Unit	2022	2023	2024
Shareholders and Investors	Dividends and Interests	KRW 1 Billion	6.3	2.1	0.9
Government	Corporate Tax	KRW 1 Billion	1.5	2.7	-16.3
Employees	Salary	KRW 1 Billion	133.4	123.6	124.5
	Welfare Benefit Expenses	KRW 1 Billion	26.6	23.6	24.2
Community	Community Investment	KRW 1 Billion	0.1	0.1	0.0

Income tax expenses

Category		Unit	2022	2023	2024
Republic of Korea	Profit before income tax	KRW 1 Billion	10.2	5.9	-99.6
	Income tax expenses	KRW 1 Billion	1.5	2.7	-16.3

ESG Finance

Category		Unit	2022	2023	2024
ESG Bond Underwriting	No. of Green Bonds Issued	Cases	12	0	2
	Amount of Green Bonds Underwriting	KRW 100 million	3,811	0	1,109
	No. of Social Bonds*	Cases	61	88	31
	Amount of Social Bonds Underwriting*	KRW 100 million	16,751	31,913	13,494
	No. of Sustainable Bonds Issued	Cases	2	0	0
	Total Sustainable Bond Arranged	KRW 100 million	1,075	0	0
ESG Fund Sales	Cumulative sales amount of ESG Funds	KRW 100 million	4,392	5,509	8,085

*Includes MBS (Mortgage-Backed Securities) issued by Korea Housing Finance Corporation

ESG DATA Environmental Performance

Environmental Investment

Category	Unit	2022	2023	2024
Total Environmental Investment*	KRW 1 million	829	999	3,419
LED Lighting Procurement	KRW 1 million	23	10	5
Replacement of Outdated Facilities	KRW 1 million	3	174	31

*Total Environmental Investment = Construction for environmental improvement + LED lighting installation + Renovation of obsolete facilities

Green Product Procurement

Category		Unit	2022	2023	2024
Eco-friendly Vehicles	Electric Vehicle (EV)	Number	1	1	2
	Fuel Cell Electric Vehicle (FCEV)	Number	0	0	0
	Hybrid Electric Vehicle (HEV)	Number	1	2	4
	Total	Number	2	3	6
Total no. of vehicles		Number	49	40	26
Ratio of Eco-Friendly Vehicles		Number (%)	4.1	7.5	23.1
EV Charging Station		Number	1	1	2

Water Consumption

Category		Unit	2022	2023	2024
Water Usage*	Total Water Consumption	m^3	2,027.0	18,295.0	14,483.8

*Total water consumption of the building x SK Securities' leased area ratio

Resources Consumption

Category		Unit	2022	2023	2024
Paper Usage*	Total Paper Consumption	Ton	7.4	7.8	8.2

*Quantity of A4 paper purchased x Weight per unit

Waste Generation

Category		Unit	2022	2023	2024
General Waste*	Total Volume of Standard Garbage Bag Purchases	Ton	16.9	45.0	22.6

*Total volume of standard garbage bags purchased for the building x SK Securities' leased area ratio

GHG Emissions

Category	Unit	2022	2023	2024
Scope 1 (Direct Emissions)	tCO_2eq	356	317	282
Scope 2 (Indirect Emissions)	tCO_2eq	2,423	1,671	1,590
Scope 3 (Other Indirect Emissions)	tCO_2eq	0	181	184
Total (Scope 1+2+3)	tCO_2eq	2,779	2,169	2,056
GHG Intensity (No. of Employees)	tCO_2eq/person	3.44	2.52	2.54

Energy Consumption

Category		Unit	2022	2023	2024
LNG		TJ	2.14	1.99	2.00
LPG		TJ	0.00	0.01	0.01
Kerosene		TJ	0.01	0.00	0.01
Gasoline		TJ	3.61	3.21	2.67
Diesel		TJ	0.07	0.00	0.00
Steam		TJ	0.00	0.00	0.00
Electricity*		TJ	19.10	13.09	12.46
Total Energy Consumption		TJ	24.93	18.30	17.14
Energy Intensity	No. of Employees	TJ/person	0.03	0.02	0.02
	Total Assets	TJ/KRW 1 trillion	3.86	2.84	2.81

*When calculating energy consumption from electricity, 1MWh = 0.0036TJ was applied instead of the total heating value standard under the Korea Emissions Trading System (9.6MJ/kWh).

Financed Emissions

Category	Unit	2022	2023	2024
Listed Equity and Corporate Bonds	tCO_2eq	40,385	285,370	280,317
Business Loans and Unlisted Equity	tCO_2eq	14,252	10,916	18,955
Project Finance (Electricity Generation)	tCO_2eq	0	0	0
Commercial Real Estate	tCO_2eq	598	478	0
Mortgages	tCO_2eq	0	0	0
Motor Vehicle Loans	tCO_2eq	0	0	0
Private Equity Direct Investments	tCO_2eq	56,764	89,383	13,381
Sovereign Debt*	tCO_2eq	0	0	1,348
Total	tCO_2eq	112,000	386,147	314,000

*Newly calculated in 2024 under the PCAF Methodology.

Environmental Education

Category		Unit	2022	2023	2024
Environmental Education*	No. of education recipients	Persons	-	-	86
	Total education hours per capita	Hours	-	-	0.1
	Ratio of education recipients	%	-	-	10.21**

*Calculations have been made since 2024.
**All 842 employees based on our business support.

Environmental Compliance Breaches

Category		Unit	2022	2023	2024
Environmental Law Violations	Breaches of Law	Cases	0	0	0
	Fines and Penalties	KRW 1 million	0	0	0

ESG DATA Social Performance

Workforce Composition

Category		Unit	2022	2023	2024
Total Workforce*					
Total Employees	Male	Persons	593	541	504
	Male (ratio)	%	61.9	60.7	59.9
	Female	Persons	365	350	338
	Female (ratio)	%	38.1	39.3	40.1
	Total	Persons	958	891	842
Full-time	Male	Persons	499	473	410
	Male (ratio)	%	62.2	60.4	56.8
	Female	Persons	303	310	312
	Female (ratio)	%	37.8	39.6	43.2
	Total	Persons	802	783	722
Fixed-term / Temporary**	Male	Persons	94	68	94
	Male (ratio)	%	60.3	63	78.3
	Female	Persons	62	40	26
	Female (ratio)	%	39.7	37	21.7
	Total	Persons	156	108	120
By Age	Under 30	Persons	95	88	89
	Under 30 (ratio)	%	10	9.9	10.6
	30-49	Persons	581	540	509
	30-49 (ratio)	%	60.6	60.6	60.4
	50 and above	Persons	282	263	244
	50 and above (ratio)	%	29.4	29.5	29

*Registered executives excluded
**Executives, contract professionals, contract sales professionals, temporary contract employees, and part-time employees

Workforce Diversity

Category		Unit	2022	2023	2024
By Job Level	Ratio of female employees to the total workforce	%	38.1	39.3	40.1
	Ratio of female managers to all managers*	%	23.3	25.9	29.3
By Position	Ratio of female employees to all position holders**	%	6.9	8.2	10.8
	Ratio of female executives to all executives	%	6.1	6.5	9.1
By Contract Type	Ratio of female employees to all contract employees	%	39.7	37	21.7
	Ratio of female employees to all full-time employees	%	37.8	39.6	43.2
Female Managers by Age*	Ratio of female employees in their 30s	%	19.7	20	24.5****
	Ratio of female employees in their 40s	%	61.9	62	59.1
	Ratio of female employees in their 50s	%	18.4	18	16.4
Diversity representation among other groups	Ratio of high school graduates***	%	0	0	0
	Ratio of veterans	%	1.5	1.5	1.5
	Ratio of employees with disabilities	%	1.3	1.2	2.3
	Ratio of foreign employees	%	0.8	0.4	0.5

*Manager : Manager level or higher (based on managerial roles and expertise)
**Position holder : Team leader or higher (based on organizational managerial roles and leadership)
***Based on employment for the year
****An employee in their 20s

Employment and Turnover*

Category			Unit	2022	2023	2024
Total no. of New Hires	Total		Persons	139	112	82
	No. of new hires by age	Under 30	Persons	64	68	39
		30-50	Persons	65	30	34
		Above 50	Persons	10	14	9
	No. of new hires by gender	Male	Persons	78	75	57
		Female	Persons	61	37	25
	No. of new hires by contract type	Full-time	Persons	21	12	8
		Contract	Persons	118	100	74
	No. of new hires by other type	High school graduates**	Persons	0	0	0
		Employees with disabilities	Persons	2	0	8
		Foreign employees	Persons	1	2	0
Turnover and Retirement	Total		Persons	166	170	130
	No. of employees leaving or retiring by age	Under 30	Persons	52	55	38
		30-50	Persons	72	68	66
		Above 50	Persons	42	47	26
	No. of employees leaving or retiring by gender	Male	Persons	114	122	90
		Female	Persons	52	48	40
	Voluntary Turnover Rate***		%	48.2	55.9	52.3
Years of Service		Average years of service	Years	11.9	12.4	12.5
		Male	Years	12.1	12.4	11.8
		Female	Years	11.5	12.5	13.6

*All contract employees included
**Based on employment for the year
***Voluntary turnover : Defined as resignations due to personal reasons, excluding retirement or dismissal,
Formula : (No. of employees who left voluntarily / Total no. of employees who left or retired) x 100

Collective Agreement

Category	Unit	2022	2023	2024
No. of employees eligible for labor union membership	Persons	835	744	701
No. of labor union members	Persons	400	382	357
Union membership	%	47.9	51.3	50.9
Ratio of employees covered by collective agreements	%	100	100	100

ESG DATA Social Performance

Employees Receiving Regular Performance Reviews

Category		Unit	2022	2023	2024
Percentage of employees who received regular performance evaluations	Male	%	50.2	49	48.1
	Female	%	49.8	51	51.9

Employee Compensation & Retirement Pension

Category		Unit	2022	2023	2024
Employee Compensation					
Salary for new hires*	Male (staff level)	KRW	35,059,080	35,059,080	38,012,040
	Female (staff level)	KRW	35,059,080	35,059,080	38,012,040
	Male (associate level)	KRW	49,756,560	49,756,560	52,244,400
	Female (associate level)	KRW	49,756,560	49,756,560	52,244,400
Average salary for manager level**	Male	KRW	93,682,134	99,454,163	96,965,268
	Female	KRW	73,875,538	78,124,734	82,229,272
Average salary for all employees	Male	KRW	89,478,522	90,746,911	91,995,099
	Female	KRW	56,615,828	59,861,030	66,148,406
Retirement Pension Management* **					
Amount of retirement pension managed		KRW 100 million	556	554	561
No. of subscribers		Persons	630	738	670

*Based on the annual starting salary for university graduates at the staff/associate levels
**Manager level : Manager and above, average salary for managers refers to the average amount of annual base salary per person in the relevant year
***External reserve ratio : Over 100% as of the end of 2024, pension types: defined benefit (DB) and defined contribution (DC)

Parental Leave Usage

Category		Unit	2022	2023	2024
No. of employees eligible for parental leave	Male	Persons	159	146	124
	Female	Persons	86	81	73
	Total	Persons	245	227	197
No. of employees who took parental leave	Male*	Persons	1	0	2
	Female	Persons	14	14	7
Return-to-work rate after parental leave	Male**	%	100	100	100
	Female	%	100	85	86.7
Retention rate 12 months after return from parental leave	Male ***	%	100	100	100
	Female	%	100	92	81.8

*Counted per child based on the start date of leave
**Year is based on the date of return to work
***Year is based on the date marking one year after return

Employee Grievance Handling

Category	Unit	2022	2023	2024
No. of grievances received from employees	Cases	0	2*	0
Resolution rate of grievances	%	0	100	0

*1 case was closed as unsubstantiated. 1 case was resolved through mediation and adjustment at the request of the victim.

Non-discrimination

Category	Unit	2022	2023	2024
No. of discrimination cases	Cases	0	0	0
No. of corrective actions taken	Cases	0	0	0

Reporting and Handling of Human Rights Issues

Category		Unit	2022	2023	2024
Human rights reports	No. of human rights-related reports	Cases	0	0	0
	No. of human rights-related cases addressed	Cases	0	0	0
Human rights-related violations	No. of violations	Cases	0	0	0
	Administrative fines	KRW	0	0	0
	Fines	KRW	0	0	0

Human Rights Education

Category		Unit	2022	2023	2024
Total time of education		Hours	3,000*	3,148*	2,698
No. of participants		Persons	900*	836*	822
Sexual harassment prevention education	No. of sessions	Cases	1	1	1
	Target participants	Persons	900	836	822
	Education hours	Hours	1.07	1.23	1.05
	No. of completers	Persons	900	836	822
Disability awareness education	No. of sessions	Cases	1	1	1
	Target participants	Persons	900	836	822
	Education hours	Hours	1.10	1.27	1.07
	No. of completers	Persons	900	836	822
Workplace bullying prevention education	No. of sessions	Cases	1	1	1
	Target participants	Persons	900	836	822
	Education hours	Hours	1.17	1.27	1.17
	No. of completers	Persons	900	836	822

*Disclosed based on the actual number of completions, excluding individuals who left the company during the 2020–2023 education period.

ESG DATA Social Performance

Employee Training

Category		Unit	2022	2023	2024
Total training hours		Hours	42,987**	37,149**	46,302
Total training expenses		KRW 1 million	566	393	402
Average training expense per person		KRW 10 thousand	63	44	49
Average training hours per person		Hours	48	41	56
Total training hours by position	Management	Hours	2,496	3,688	2,762
	Manager and above	Hours	21,663	19,401	24,709
	Assistant manager and below	Hours	18,828	14,060	18,831
Total training hours by job category	Sales	Hours	19,904	15,314	20,786
	Support	Hours	23,083	21,835	25,516
Total training hours by gender	Male	Hours	24,002	21,402	25,603
	Female	Hours	18,985	15,747	20,699

*Unit changed from KRW 1 million to KRW 10 thousand
**From 2024, the training data coverage has been expanded, therefore data for 2022–2023 have been recalculated based on the same criteria.

Employee Satisfaction

Category	Unit	2022	2023	2024
Employee satisfaction level*	Points	73.6	70.6	70.1
Employee engagement**	Points	89.1	86.3	82.5

*The satisfaction survey includes items such as overall happiness level, factors affecting happiness, pain points by factor, and issues related to sexual harassment and workplace bullying.
**To measure engagement level, the survey covered awareness and practice of management philosophy, cultural characteristics, and directions for the evolution and development of corporate culture.

Employee Safety and Health

Category		Unit	2022	2023	2024
Health checkup support for employees	No. of employees who completed check-ups	Persons	860	827	789
Occupational accidents	No. of accident cases	Persons	0	0	0
	No. of fatalities	Persons	0	0	0
	Occupational accident rate*	%	0	0	0
Psychological support program	No. of counseling sessions provided	Cases	76	68	58
	No. of persons counseled	Persons	30	21	19
Health and safety training	No. of completers	Persons	-	-	822
	Training hours per employee	Hours	-	-	1.17**
	Participation rate out of all employees	%	-	-	100

*Based on the Korea Occupational Safety and Health Agency's data on workplace accident rates
**It includes mandatory online training and internal broadcast sessions

Digital Asset Management

Category		Unit	2022	2023	2024
Non-face-to-face accounts	No. of accounts opened*	Persons	121,165	57,809	97,127
	No. of customers who opened accounts**	Persons	76,618	29,707	51,345

*Based on the number of accounts opened per individual account
**Based on the number of customers who opened accounts

Consumer Protection

Category		Unit	2022	2023	2024
Mystery shopping evaluation results	No. of evaluations conducted	Cases	3	3	3
	Average score	Points	91	93	84
Violations of labeling and advertising regulations	No. of violations	Cases	0	0	3
	No. of regulatory actions taken	Cases	0	0	3
Training on complete sales process and financial consumer protection*	Total training hours	Hours	14,467	11,456	8,205
	No. of participants	Persons	12,683	9,818	7,685
No. of electronic financial fraud cases		Cases	22	0	2

*Based on official training notifications sent to departments as of the end of each year

Customer Privacy and Data Security

Category	Unit	2022	2023	2024
No. of complaints regarding violations of customer privacy	Cases	0	0	0
No. of personal information leaked	Cases	0	0	0

Customer Satisfaction

Category		Unit	2022	2023	2024
Customer complaint handling	No. of complaints received	Cases	28	29	20
	No. of complaints handled	Cases	28	29	20
	Resolution rate	%	100	100	100
Customer satisfaction survey results*		Points	93.0	92.0	95.2

*Surveyed employees: All members of the branch customer support team, Surveyed customers : Clients who received in-branch or phone-based services, Survey period: May. 13, 2024 – Oct. 2024

ESG DATA Social Performance

Investment and Training on Information Security

Category			Unit	2022	2023	2024
Employees		Total training hours	Hours	5,546	4,974	4,669
		No. of participants	Persons	935	844	767
External/Partner companies		Total training hours	Hours	534	669	588
		No. of participants	Persons	61	77	68
Training on personal data protection	Employees	Total training hours	Hours	1,859	904	1,548
		No. of participants	Persons	935	844	767
Information security training	External / Partner companies	Total training hours	Hours	258	146	136
		No. of participants	Persons	61	77	68
Budget for information security investment*			KRW million	7,431	5,862	4,411
Share of information security investment budget**			%	14.2	14.2	12.0

*Ratio of information security investment budget to total IT budget (based on revised management criteria : submission data to the Financial Supervisory Service)
**Information security investment budget / IT investment budget

Social Contribution Activity

Category	Unit	2022	2023	2024
Contributions	KRW 100 million	1.1	0.5	0.5

Employee Volunteer Activities

Category	Unit	2022	2023	2024
Volunteer participation hours	Hours	1,560	1,858	4,479
No. of participants in volunteer activities	Persons	390	364	641
Volunteer hours per person	Hours	4	5	7

*Participation rate = (Volunteer hours per person / total number of employees during the reporting period) × 100

ESG DATA Governance Performance

Board of Directors

Category			Unit	2022	2023	2024
Independence		Inside director	Persons	3	4	4
		Outside director	Persons	5	5	6
		Restrictions on other roles	Number	1	1	1
Diversity	By gender	Male	Persons	7	8	9
		Female	Persons	1	1	2
	By age	Under 30	Persons	0	0	0
		30-50	Persons	0	0	0
		Above 50	Persons	8	9	11
Expertise		Director with industry experience*	Persons	4	4	5
		Risk expert	Persons	2	4	5
		Finance / accounting expert	Persons	2	2	2
Efficiency		Average tenure	Years	5	2	2
		Attendance rate	%	100	100	100

*Outside directors with more than 5 years of experience in the financial industry

Board Operation

Category		Unit	2022	2023	2024
No. of board meetings held		Cases	9	7	9
No. of agenda items reported and resolved	No. of agenda items discussed	Cases	21	17	20
Attendance rate to the board meeting		%	100	100	100
Board training performance		Cases	1	4	5

Committees within the Board

Category	Unit	2022	2023	2024
No. of Nomination Committee meetings held	Number	2	1	1
No. of Remuneration Committee meetings held	Number	1	2	2
No. of Audit Committee meetings held	Number	7	8	8
No. of Risk Management Committee meetings held	Number	5	4	6

Board Evaluation

Category	Unit	2022	2023	2024
Board Self-Assessment	Y/N	Y	Y	Y

Director Remuneration

Category		Unit	2022	2023	2024
Registered director	No. of directors*	Persons	3	4	4
	Total amount paid	KRW million	2,800	3,199	1,787
	Average remuneration per person	KRW million	933	800	357
Outside director	No. of directors**	Persons	5	8	6
	Total amount paid	KRW million	253	288	294
	Average remuneration per person	KRW million	51	36	49

*Registered / Inside directors
**Registered / Outside directors

Ethical Management

Category		Unit	2022	2023	2024
No. of employees who signed the Code of Business Ethics Pledge		Persons	1,186	1,166	1,150
Ethics training	No. of ethics training recipients	Persons	904	856	808
	Participation rate in ethics training	%	100	100	100
	Total hours of ethics training	Hours	904	835	2,714
Compliance training	Participation rate of the persons in charge of compliance	%	100	100	100
Violation of employee code of conduct	Conflict of interest	Cases	0	0	0
	Securities investment and related activities	Cases	0	0	0
	Receipt of money or entertainment	Cases	0	0	0
	Violation of external activity rules	Cases	0	0	0
	Violation of anti-money laundering policy	Cases	0	0	0
	Other internal control violations	Cases	0	0	0
Actions taken for violations of Code of conduct	Pay cut	Cases	0	1	0
	Reprimand	Cases	0	1	0
	Warning	Cases	0	2	0
	Others	Cases	0	1	0

ESG DATA Governance Performance

Anti-corruption

Category		Unit	2022	2023	2024
Total hours of anti-corruption policy training*		Hours	8,880	6,750	7,417
No. of total participants in anti-corruption policy training**		Persons	925	835	789
Corruption	No. of cases investigated	Cases	0	0	0
	No. of cases handled (disciplinary action, etc.)	Cases	0	0	0
No. of whistleblowing reports		Cases	0	0	0
Existence of whistleblower protection system		Y/N	Y***	Y***	Y***

*Replaced by preventive training on unethical behavior (e.g. fraud, bribery, entertainment, convenience, money laundering, unfair trade), Calculation formula : (AML & CFT training hours + Ethics & Compliance Day training hours) × number of employees

**Replaced by preventive training on unethical behaviors (fraud, bribery, receipt of entertainment or conveniences, money laundering, unfair business practices, unfair trade, etc.). Corruption-related policies and awareness for partner companies are provided via the company website.

***Internal whistleblowing system ("Guard of the Ethics") in place

Compliance

Category		Unit	2022	2023	2024
Violations of laws and regulations in social and economic areas	Total amount of fines for the violations	KRW	0	0	0
	Total no. of non-monetary sanctions for the violations	Cases	0	1	0

*Administrative fines and summary sanctions excluded

Internal Control

Category	Unit	2022	2023	2024
Reports on internal control reviews	Cases	5	5	5

Strengthening of Shareholder Rights

Category		Unit	2022	2023	2024
Facilitation of exercising voting rights	Introduction of electronic voting system	Y/N	Y	Y	Y
	Introduction of written voting system	Y/N	N	N	N
Protection of shareholder rights	Notification of agenda items before general meetings	Y/N	Y	Y	Y
	Notification of an audit report before notice of regular general meeting	Y/N	N	N	N

GRI INDEX

GRI Standards Index – Universal Standards

GRI 1 : Foundation 2021	
Statement of use	SK Securities reports ESG performance and data for the period from January 1 to December 31, 2024, in accordance with the reporting principles of the GRI Standards. Some key performance indicators also include activities conducted during the first half of 2025.
GRI 1 used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable at present (as of the May 2025 reporting period, no sector standard has been published for the industry to which SK Securities belongs)

Topic	No.	Disclosure	Page
GRI 2 : General Disclosures 2021			
Organization and Reporting Practices	2-1	Organizational details	6
	2-2	Entities included in the sustainability reporting within the organization	2,6
	2-3	Reporting period, frequency, and contact point	2
	2-4	Restatements of information	Provided as a separate footnote
	2-5	External assurance	106,107
Activities and Workers	2-6	Activities, value chain, and other business relationships	17
	2-7	Employees	87
	2-8	Non-employee workers	87
Governance	2-9	Governance structure and composition	74, 75, 71st Business Report p.438
	2-10	Appointment and selection of the highest governance body	76, 71st Business Report p.411
	2-11	Chair of the highest governance body	74
	2-12	Role of the highest governance body in overseeing impact management	75
	2-13	Delegation of responsibility for impact management	20, 75, 71st Business Report p.438
	2-14	Role of the highest governance body in sustainability reporting	20, 75
Governance	2-15	Conflicts of interest	74
	2-16	Communication of critical concerns	20, 77
	2-17	Collective knowledge of the highest governance body	75, 71st Business Report p.435, 442, 443
	2-18	Evaluation of the performance of the highest governance body	77
	2-19	Remuneration policies	76
	2-20	Process for determining remuneration	76
	2-21	Ratio of annual total compensation	76
Strategy, Policies, and Practices	2-22	Statement on sustainable development strategy	4
	2-23	Policy commitments	19, 56, 61, 63, 67, 68, 69, 70, 71
	2-24	Embedding policy commitments	19, 56-59, 61-62, 63-66, 67, 68, 69, 70, 71
	2-25	Processes to remediate negative impacts	79, 80
	2-26	Mechanisms for grievance and seeking advice	79
	2-27	Compliance with laws and regulations	71st Business Report p.479-480
	2-28	Memberships in associations	108
Material Topics	2-29	Approach to stakeholder engagement	21
	2-30	Collective bargaining agreements	87
GRI 3 : Material Topics 2021			
Material Topics	3-1	Process for determining material topics	22
	3-2	List of material topics	23

GRI INDEX

GRI Standards Index – Topic Standards

Topic	No.	Disclosure	Page
ESG-Informed Investment Policy Development	3-3	Management of material topics	31, 32
Non-GRI	-	-	-
Strengthening Ethical and Compliance-Based Internal Controls	3-3	Management of material topics	78-79
GRI 205 : Anti-Corruption	205-2	Communication and training on anti-corruption policies and procedures	92
	205-3	Confirmed incidents of corruption and actions take	92
GRI 206 : Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, unfair trade practices, and monopoly practices	71st Business Report p.479, 480
Proactive Risk Management	3-3	Management of material topics	80-81
GRI 207 : Tax	207-4	Country-by-country reporting	81
Establishment of ESG Governance	3-3	Management of material topics	18, 19
Non-GRI	-	-	-
Respect for Human Rights and Non-Discrimination	3-3	Management of material topics	68
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	68, 74, 87
	405-2	Ratio of basic salary and remuneration by gender	88
GRI 406 : Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	88
Greenhouse Gas Emissions Management and Reduction	3-3	Management of material topics	38, 46, 47, 86
GRI 302 : Energy	302-1	Energy consumption within the organization	38, 86
	302-2	Energy consumption outside of the organization	38, 86
	302-3	Energy intensity	38, 86
	302-4	Reduction of energy consumption	47
	302-5	Reductions in energy requirements of products and services	46, 47

Topic	No.	Disclosure	Page
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	86
	305-2	Indirect (Scope 2) GHG emissions	46, 86
	305-3	Other indirect (Scope 3) GHG emissions	46, 86
	305-4	GHG emissions intensity	46, 86
	305-5	Reduction of GHG emissions	46, 47
Establishment of Green Finance System	3-3	Management of material topics	38
GRI 201 : Economic Performance	201-1	Direct economic value generated and distributed (EVG&D)	13, 83-85
	201-2	Financial implications and other risks and opportunities due to climate change	39
Financial Consumer Protection	3-3	Management of material topics	71
GRI 417 : Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information labeling	89, 71st Business Report p.479-480
	417-3	Incidents of non-compliance concerning marketing communications	89, 71st Business Report p.479-480
Information Security and Data Privacy	3-3	Management of material topics	70
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	89
Strengthened Management of Financed Emissions Reduction	3-3	Management of material topics	38, 46-48, 86
GRI 305 : Emissions	305-3	Other indirect (Scope 3) GHG emissions	38, 86
Enhanced Talent Management	3-3	Management of material topics	63-66
GRI 401 : Employment	401-1	New employee hires and employee turnover	63
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	65
	401-3	Parental leave	88
GRI 404 : Training and Education	404-1	Average hours of training per year per employee	89
	404-3	Percentage of employees receiving regular performance and career development reviews	88

GRI INDEX

Non-Material Topics

Topic	No.	Disclosure	Page
GRI 201 : Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	88
GRI 202 : Market Presence	202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	88
GRI 203 : Indirect Economic Impacts	203-1	Infrastructure investments and services supported	72
	203-2	Significant indirect economic impacts	27-30
GRI 303 : Water and Effluents	303-5	Water consumption	86
GRI 306 : Effluents and Waste	306-3	Waste generated	86
GRI 403 : Occupational Health and Safety	403-3	Occupational health services	67, 89
	403-4	Worker participation, consultation, and communication on occupational health and safety	67
	403-5	Worker training on occupational health and safety	67, 89
	403-6	Promotion of worker health	67

*Reason for Non-Materiality : Topics were selected based on priority derived from a double materiality assessment.

Financial Service Sector Supplement

GRI Standard	No.	Metrics and Reporting	Page
Social Performance (GRI 400)			
Financial Services Additional Indicators	FS1	Specific environmental and social aspects applied across the business	18, 19, 27-33
	FS2	Procedures for assessing and detecting environmental and social risks throughout the business	37, 39-43, 51-53, 58
	FS3	Processes for monitoring clients' fulfillment of environmental and social requirements in agreements and transactions	44, 45, 53, 58
	FS4	Procedures to enhance employees' understanding of environmental and social policies implemented across the business	61, 62, 64, 68
	FS5	Interactions with customers, investees, and business partners regarding environmental and social risks and opportunities	27-33, 69-71
	FS7	Monetary value of products and services designed to achieve specific social benefits within defined business sectors	28, 29
	FS8	Monetary value of products and services designed to achieve specific environmental benefits within defined business sectors	28, 38
Indicators for Product Responsibility and Social Activities in Financial Services	FS14	Plans to improve financial service accessibility for economically vulnerable groups	58, 71
Specific Management Disclosure for Financial Services	FS15	Policies for fair design and sale of financial products and services	71
Indicators for Specific Product Responsibility Activities in Financial Services	FS16	Plans to enhance financial literacy by beneficiary type	69

SASB INDEX

We follow the Sustainability Accounting Standards Board (SASB) framework for the Investment Banking & Brokerage sector.

Theme	Code	Accounting Metric	Unit	Page
Employee Diversity & Inclusion	FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	%	87
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	FN-IB-410a.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry	KRW	28
	FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	Numbers, KRW	28
	FN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	n/a	27-33
Business Ethics	FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	KRW	71st Business Report p.479-480
	FN-IB-510a.2	Description of whistleblower policies and procedures	n/a	79
Professional Integrity	FN-IB-510b.1	(1) Number and (2) percentage of licensed employees and identified decisionmakers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Numbers, %	71st Business Report p.479
	FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	Numbers	71st Business Report p.479
	FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	KRW	71st Business Report p.479
	FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	n/a	78-79
Systemic Risk Management	FN-IB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Basis points (bps)	n/a
	FN-IB-550a.2	Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, long term corporate strategy, and other business activities	n/a	80
Employee Incentives & Risk-taking	FN-IB-550b.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	%	Compensation is provided in accordance with the remuneration system and MRTs classification is not applied
	FN-IB-550b.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	%	Compensation is provided in accordance with the remuneration system and MRTs classification is not applied
Activity Metric	FN-IB-000.A	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions ※ Only items applicable to the company are included.	Cases, KRW 100 million	71st Business Report p.33

IFRS S2 INDEX

Category	IFRS S2 Recommendation	Page
Governance	**1. Information about the governance body or individual responsible for oversight of climate-related risks and opportunities**	
	(1) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body or individual	36
	(2) How the body or individual determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities	
	(3) How and how often the body or individual is informed about climate-related risks and opportunities	
	(4) How the body or individual takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies including whether the body or individual has considered trade-offs associated with those risks and opportunities	
	(5) How the body or individual oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets including whether and how related performance metrics are included in remuneration policies	
	2. Management's role to monitor, manage and oversee climate-related risks and opportunities	
	(1) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	36
	(2) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	
Strategy	**1. Climate-related risks and opportunities**	
	(1) Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	37, 39
	(2) Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	
	(3) Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium, or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur	
	(4) Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	
	2. Business model and value chain	
	(1) Description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	37, 39
	(2) Description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated	38
	3. Strategy and decision-making	
	(1) Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making (including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation)	41, 42
	(2) Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 3-(1)	
	(3) Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 3-(1)	

IFRS S2 INDEX

Category	IFRS S2 Recommendation	Page
Strategy	**4. Financial position, financial performance and cash flows**	
	(1) The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	43
	(2) The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects)	
	(3) How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	
	(4) How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	
	5. Climate resilience	
	(1) The entity's assessment of its climate resilience as at the reporting date	
	(A) The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	43
	(B) The significant areas of uncertainty considered in the entity's assessment of its climate resilience	
	(C) The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term	
	(2) How and when the climate-related scenario analysis was carried out	
	(A) Information about the inputs the entity used	40-43
	(B) The key assumptions the entity made in the analysis	
	(C) The reporting period in which the climate-related scenario analysis was carried out	
Risk Management	**1. Monitoring and analyzing climate-related risks and opportunities**	
	(1) The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks	44, 45
	(2) The processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	
	(3) The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	

IFRS S2 INDEX

Category	IFRS S2 Recommendation	Page
Metrics & Targets	1. Climate-related metrics	
	(1) Greenhouse gases relevant to the cross-industry metric categories	
	(A) Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO_2 equivalent	46, 47
	(B) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	
	(C) Disclose the approach it uses to measure its greenhouse gas emissions	
	(D) For Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions	
	(E) For Scope 2 greenhouse gas emissions disclosed its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	
	(F) The categories included within the entity's measure of Scope 3 greenhouse gas emissions	
	(2) Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	41-43
	(3) Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	
	(4) Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	38
	(5) Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	-
	(6) Internal carbon prices	48
	(7) The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations	36
	2. Climate-related targets	
	(1) The metric used to set the target	48
	(2) The objective of the target	
	(3) The part of the entity to which the target applies	
	(4) The period over which the target applies	
	(5) The base period from which progress is measured	
	(6) Any milestones and interim targets	
	(7) If the target is quantitative, whether it is an absolute target or an intensity target	
	(8) How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	

TCFD INDEX

Category		TCFD Recommendation	Page
Governance	a)	Describe the board's oversight of climate-related risks and opportunities.	36
	b)	Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	37-39
	b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	40-43
	c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	a)	Describe the organization's processes for identifying and assessing climate-related risks.	44, 45
	b)	Describe the organization's processes for managing climate-related risks.	
	c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics & 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.	46, 48
	b)	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
	c)	Disclose the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	47, 48

TNFD INDEX

Category		TNFD Recommended Disclosures	Page
Governance	a)	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	50
	b)	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	
	c)	Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	
Strategy	a)	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	53
	b)	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	52, 53
	c)	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	-
	d)	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	-
Risk Management	a (i)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	51-53
	a (ii)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	
	b)	Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities.	
	c)	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	
Metrics & Targets	a)	Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	54
	b)	Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.	
	c)	Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	

UNGC

Theme	Principles	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights; and	56-59, 68, 78, 88
	2. make sure that they are not complicit in human rights abuses.	
Labour	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	56-59, 65, 68, 87, 88
	4. the elimination of all forms of forced and compulsory labour;	
	5. the effective abolition of child labour; and	
	6. the elimination of discrimination in respect of employment and occupation.	
Environment	7. Businesses should support a precautionary approach to environmental challenges;	36-54, 61, 62, 86
	8. undertake initiatives to promote greater environmental responsibility; and	
	9. encourage the development and diffusion of environmentally friendly technologies..	
Anti-Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	78, 79, 91, 92

UN SDGs

SK Securities endeavors to achieve sustainable finance by aligning its business practices with the United Nations' Sustainable Development Goals (SDGs).

UN SDGs	Alignment with Targets	Our Initiatives		Page
1. NO POVERTY	1.4, 1.5	- Operation of a social contribution fund through leftover salary donations - Sponsorship of Seondeokwon	- Volunteer services in Seoul Station Outreach Center	58, 73 SK Securities homepage
2. ZERO HUNGER	2.1, 2.2	- Sharing Love through Kimchi volunteer program - Meal support services for the elderly		73 SK Securities homepage
3. GOOD HEALTH AND WELL-BEING	3.2, 3.7, 3.8	- "Blood Donation Bus" campaign - Occupational safety and health management	- Implementation of family-friendly policies - Employee Assistance Program (EAP) for psychological counseling	65-67, 72 SK Securities homepage
4. QUALITY EDUCATION	4.1, 4.5, 4.7, 4.A	- Financial education for youth - Production of educational coloring books for underprivileged children	- Financial education for young adults preparing for independent living with the Child Welfare Practice SEUM	58, 73 SK Securities homepage
5. GENDER EQUALITY	5.1, 5.4, 5.5	- Fair recruitment practices and defined talent philosophy - Promotion of human rights and diversity	- Maternity protection policies including parental leave programs	58, 63, 66, 68
6. CLEAN WATER AND SANITATION	6.6	- "Cigarette Butt Plogging" for storm drain preservation		SK Securities homepage
7. AFFORDABLE AND CLEAN ENERGY	7.2, 7.A	- Engagement in renewable energy financial advisory and equity investment - Expansion of renewable energy use and transition to decentralized energy sources		27, 28, 46
8. DECENT WORK AND ECONOMIC GROWTH	8.3, 8.5, 8.6	- Fair hiring practices and performance-based evaluation and compensation - Talent development programs		63, 64
9. INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.1, 9.3	- Expansion of digital transformation and digital services - ESG financial services	- Programs to enhance financial accessibility	12, 29, 58, 73
10. REDUCED INEQUALITIES	10.2, 10.3, 10.5, 10.6	- Human Rights Charter - Human rights training and related initiatives	- Disability awareness campaign via arts and culture - Welcome event for the para-sports team - Corporate social responsibility activities	58, 68, 72-73 SK Securities homepage
11. SUSTAINABLE CITIES AND COMMUNITIES	11.6, 11.a	-Regional Innovation Fund -Milk Carton Recycling -CSR Manager Program	- Creation of an "Eco-friendly Learning Center" through the completion of a solar power facility at a local children's center.	29, 62, 72, 73 SK Securities homepage
12. RESPONSIBLE CONSUMPTION AND PRODUCTION	12.5	- Resource recycling campaign for carbon neutrality - Donations to "Beautiful Store"		54, 62 SK Securities homepage
13. CLIMATE ACTION	13.3, 13.a, 13.B	- Declaration of coal divestment and implementation of Coal-Free Investment Guidelines - Climate-concious finance - TCFD&TNFD disclosures / Scope 3 financed emissions management	- In-house environmental campaigners, the "Green Heroes" - Installation of solar energy systems at community child centers and the creation of an "Eco-friendly Learning Center"	27, 31, 32, 36-48, 62, 72
14. LIFE BELOW WATER	14.1, 14.2	- Marine ecosystem protection campaign on Earth Day * Beachcombing activities on Ocean Day	- Biodiversity conservation programs	62 SK Securities homepage
15. LIFE ON LAND	15.4, 15.7, 15.9	- Seed Lending program and forest care programs in collaboration with Seoul Botanic Park - Plogging and cigarette butt cleanup campaigns	- Volunteer work for animal shelter support	54, 62 SK Securities homepage
16. PEACE, JUSTICE AND STRONG INSTITUTIONS	16.5, 16.6, 16.7	- Embedding ethics and compliance into company culture - Internal control initiatives	- Establishment of Internal Control Committee - Risk management	74-81 SK Securities homepage
17. PARTNERSHIPS FOR THE GOALS	17.16	- Active participation in global initiatives including UNEP FI, PCAF, TNFD, TCFD, PRB, and CTCN		108 SK Securities homepage

UNEP FI PRB

		Reporting and Self-Assessment Requirements	Page
Principle 1 : Alignment		**We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.**	
	1.1	Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.	6, 11-13, 17
	1.2	Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	18, 31-32
Principle 2 : Impact and Target Setting		**We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.**	
	2.1	Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements: (a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis. (b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies. (c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates. (d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services	21-25, 37-45, 51-53, 58-59
	2.2	Target Setting: Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targetsShow that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.	37-39, 47, 48, 56, 72
	2.3	Plans for Target Implementation and Monitoring: Show that your bank has defined actions and milestones to meet the set targets. Show that your bank has put in place the means to measure and monitor progress against the set targets.	19, 24, 70, 71
Principle 3 : Clients and Customers		**We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.**	
	3.1	Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers.	31, 32, 69-71
	3.2	Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities.	17, 27-30, 38
Principle 4 : Stakeholders		**We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.**	
	4.1	Describe which stakeholders (or groups/ types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts.	17, 21, 58
Principle 5 : Governance & Culture		**We will implement our commitment to these Principles through effective governance and a culture of responsible banking**	
	5.1	Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.	18, 20, 36, 50, 74-80
	5.2	Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.	20, 63, 64, 78
	5.3	Governance Structure for Implementation of the Principles Show that your bank has a governance structure in place for the implementation of the PRB, including: (a) target-setting and actions to achieve targets set (b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.	31, 32, 36, 44, 45
Principle 6 : Transparency & Accountability		**We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.**	
	6.1	Assurance	105-107
	6.2	Reporting on other frameworks	93-104

Greenhouse Gas Assurance Statement

Introduction

DNV Business Assurance Korea Ltd. ("DNV") has carried out an independent third-party verification of the Greenhouse Gas (GHG) Statement prepared by SK Securities Co., Ltd. (hereinafter referred to as "the Company") and its key consolidated subsidiaries.[1] The preparation of the GHG Emissions Statement is the sole responsibility of the Company, which has compiled it in accordance with ISO 14064-1:2018, the WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard, the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and the 2006 IPCC Guidelines. The Company is fully accountable for the completeness, accuracy, and integrity of the information disclosed in the GHG Statement. In accordance with the terms of the engagement, DNV accepts no liability or responsibility to any third party other than the parties to the verification engagement.

1) Key consolidated subsidiaries as of Dec. 31, 2024

Objective and Scope of Verification

The objective of this verification is to provide an independent assurance opinion on the GHG Statement prepared by the Company. The scope of the verification is as follows :

Organizational boundary	SK Securities and its domestic subsidiaries (SKS Private Equity Co., Ltd, Trinity Asset Management Co., Ltd, MS Mutual Savings Bank)
Operational boundary	Scope 1 (Direct emissions), Scope 2 (Indirect emissions), Scope 3 (Other indirect emissions : Category 1 [paper and water], Category 3, Category 5, Category 6)
Reporting period	January 1, 2024 – December 31, 2024

* Scope 3 emissions have been reported solely for the SK Securities headquarters.

Verification Approach

This verification was conducted in accordance with the principles and requirements set forth in ISO 14064-3:2019, applying a limited level of assurance. DNV designed a verification plan to obtain sufficient and appropriate evidence to support our independent assurance opinion regarding the completeness of the GHG Statement prepared by the Company. The verification was performed using a materiality threshold of 5%.

As part of the verification process, the following were thoroughly evaluated :

- The adequacy and effectiveness of data management, data collection, emission quantification, and reporting procedures related to GHG emissions.
- The GHG inventory, which was compiled based on measured data and inherently contains uncertainties associated with the calculation, estimation, and validation of the reported figures.

Conclusions

Based on our verification of the Company's GHG Statement in accordance with the verification criteria described above, we have found no evidence of improper calculation or material misstatement in the reported data.

We express a reasonable assurance opinion on the accuracy and completeness of the GHG emissions disclosed.

(Unit : ton CO_2eq)

2024	Scope 1 (Direct emissions)	Scope 2 (Indirect emissions)	Scope 3 (Other indirect emissions)	Total
SK Securities and its domestic subsidiaries	281.640	1,589.562	184.477	2,056

* Please note that the reported GHG emissions figures may vary by less than ±1 tCO_2-eq due to rounding applied for reporting purposes.

Country Manager
Jang-Sub Lee
DNV Business Assurance Korea Ltd

Third-Party Assurance Statement

To the stakeholders of SK Securities Co.,Ltd.

Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the SK Securities Sustainability Report 2025 (hereinafter referred to as the "Report"). The Assurer is independent of SK Securities and has no major operational or financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of SK Securities' report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by SK Securities. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.
SK Securities is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to SK Securities only.
The Assurer is responsible for providing SK Securities' management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of SK Securities. The Assurer will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with SK Securities includes the following :

- Report contents during the period from January 1 to December 31, 2024, included in the Report; some data from 2025 are included.
- Major assertions included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of the materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis, and review.
- Confirmation of the Report's compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in the Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website or business annual report.

Assurance Level and Type

The assurance level and type are as follows :

- Moderate level based on AA1000 AS and Type 1 (conformance to the four principles as described in the AA1000 AccountAbility Principles 2018)

Descriptions and Sources of Disclosures Covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by SK Securities

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1~3, 202-1, 203-1~2, 205-2~3, 206-1, 207-4, 302-1~5, 303-5, 305-1~5, 306-3, 401-1~3, 403-3~6, 404-1, 404-3, 405-1~2, 406-1, 417-2~3, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities :

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of the materiality issue analysis process and prioritization, and verifying the results.
- Verification of data generation, collection and reporting for each performance index, and document review of relevant systems, policies, and procedures.
- An assessment of SK Securities' reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit to the HQ of SK Securities to confirm the data collection processes and record management practices.

Limitations and Approach Used to Mitigate Limitations

The Assurer performed limited verification for a limited period based on the data provided by SK Securities. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process, and any additional aspects related thereto.

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social, and environmental management with over 120 years' history in providing independent assurance services globally. No member of the assurance team has a business relationship with SK Securities. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as AA1000AS assurers, have extensive assurance experience, and have an in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain SK Securities' approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.
On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable, and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social, and environmental performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards (Reporting in accordance with the GRI Standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact and the GRI Standards is set out as below.

• Inclusivity : Stakeholder engagement and opinion

SK Securities defines the key stakeholders that have a significant impact on corporate management activities as employees, customers, partners, communities, government, NGOs, and shareholders/investors. Based on the communication channels for each stakeholder, it actively collects stakeholder opinions and reflects them in management activities such as strategy establishment and implementation, in order to gather opinions on the positive and negative effects of corporate activities. In addition, we collect expectations and diverse opinions from each key stakeholder group, reflect the major issues that have been derived in decision-making related to sustainability, and disclose the relevant process in the report.

• Materiality : Identification and reporting of material sustainability topics

SK Securities has established a strategy related to sustainable management and established a process to derive reporting issues and selected 21 issues out of 42 issue pools by applying the materiality assessment method. Based on the results of the evaluation of financial impact and environmental and social impact for each issue, 11 key issues are selected in consideration of the priority of importance, and the relevant process is disclosed in the report.

•Responsiveness : Responding to material sustainability topics and related impacts

SK Securities has established a management process for key reporting issues related to important sustainability topics and related impacts. In order to respond appropriately in a way that reflects the expectations of stakeholders, policies on key reporting issues, task performance status, activity performance, and response performance, including improvement measures, are disclosed through reports.

• Impact : Impact of an organization's activities and material sustainability topics on the organization and stakeholders

SK Securities has established a process to identify and evaluate the impact on organizations and stakeholders related to key reporting issues. The results of the analysis of impact, risk, and opportunity factors on key reporting issues are used to make decisions to establish a response strategy for each issue, and the process is disclosed in the report.

Recommendations and Opportunities for Improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;

- As various global sustainability disclosure standards are announced, relevant global standards such as ESG Principles need to be considered to make the organization's sustainability management more robust.
- SK Securities has established strategies for ESG goals and is monitoring related performance indicators (KPIs). For some of the established performance indicators (KPIs), it is desirable to set and manage them as clearer measurable indicators.

GRI Reporting

SK Securities has self-declared compliance with GRI Standards. Based on the data and information provided by SK Securities, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards indicators. No sector standard is applied.

Issue Date : 20/05/2025

For and on behalf of BSI (British Standards Institution) :

BSI representative

Jong Ho Lee,
Lead Assurer

Seonghwan Lim,
Managing Director of BSI Korea

BSI Group Korea Limited : 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number : SRA 828801

AA1000
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000-4/V3-LVKBB

Major Awards and Association Membership Status

Awards

(As of May 2025)

Date	Institution	Awards
Jan. 16, 2024	Hankyung Magazine, Hankyung Business	Second half of 2023 Golden Bull Awards winner hosted by Hankyung
Jan. 24, 2024	DealSite	Award in the DCM Lead Manager category at the 2nd DealSite IB Awards
Jan. 26, 2024	The bell (Money Today Group)	2024 Korea Capital Market the bell League Table Awards, Best Bond Deal
Jan. 30, 2024	Money Today	2023 Korea Best Report Award, hosted by Money Today
Apr. 5, 2024	New York Festival, Korea Master Brand Awards Korea Operation Committee	First place in the ESG Management category at the 15th Korea Master Brand Awards
Jun. 13, 2024	Money Today Network(MTN)	Research Center awarded Special Prize in the Small Cap Category at the 15th Korea Analyst Awards
Jul. 13, 2024	Money Today	Grand Prize at the 2024 First Half Korea Best Report Awards
Sep. 4, 2024	LACP	Gold Prize at the U.S. LACP Vision Awards for SK Securities Sustainability Report
Sep. 3, 2024	Korea Internet & Security Agency (KISA)	Commendation from the President of KISA
Oct. 30, 2024	Money Today	Excellence Award in Customer Service at the 12th Best MTS Awards for Joopasoo 3
Nov. 29, 2024	Korea Internet & Security Agency (KISA)	Commendation for Contributions to Blockchain Technology by KISA
Dec. 3, 2024	Korea Chamber of Commerce and Industry, Ministry of Trade, Industry and Energy	President's Award from the Korea Chamber of Commerce and Industry at the 31st Corporate Innovation Awards
Dec. 10, 2024	Ministry of Environment, Korea Environmental Industry & Technology Institute	Minister of Environment Award at the 2024 Green Management and Green Finance Excellence Awards
Dec. 10, 2024	Ministry of Trade, Industry and Energy, Ministry of SMEs and Startups	2024 Ministerial Commendation for Sustainable Management from the Ministry of Trade, Industry and Energy
Jan. 14, 2025	Hankyung Magazine, Hankyung Business	First Place in Smartphones & Telecom Equipment Sector at the 2024 Second Half Best Analyst Awards
Jan. 15, 2025	Money Today	Best Report in the Second Half IPO Category at the 2024 Korea Best Report Awards
Jan. 16, 2025	Korea Electric Power Corporation	Won-tae Yoon, Head of Asset Strategy Department receiving a Plaque of Appreciation from Korea Electric Power Corporation
Jan. 23, 2025	Yonhap Infomax	First place in the Shipbuilding, Heavy Industry, and Machinery Sector at the 14th Yonhap Infomax Finance Awards
Jan. 24, 2025	DealSite	Best House Award in the DCM Lead Manager category at the 3rd DealSite IB Awards
Feb. 18, 2025	Money Today	Excellence Award in ECM at the 22nd Korea IB Awards
Feb. 26, 2025	Financial Supervisory Service, Korea Financial Investment Association, general Insurance Association of Korea	Outstanding Financial Company Employee for One Company One School Financial Education
Mar. 26, 2025	Korea Exchange	Outstanding Individual Award at the 2024 Compliance Excellence Awards
Apr. 2, 2025	New York Festival, Korea Master Brand Awards Korea Operation Committee	Grand Prize in the ESG Management category at the Korea Brand Awards for three consecutive years
May 2, 2025	Minister of Health and Welfare	Ministerial Commendation from the Ministry of Health and Welfare on commemorating the 103rd Children's Day
May 21, 2025	Korea Management Association Consultants	Recognized as an Excellent Call Center in the 2025 Korean Service Quality Index (KSQI)

Association Membership Status

(As of May 2025)

CDP	TCFD
CTCN	TNFD
PCAF	UNEP FI
SBTi	UNGC
Korea Financial Telecommunications & Clearings Institute	
Financial Information Protection Council	
Korea Emissions Market Association	
Financial Security Institute	
Korea Scale-up Tips Association	
Korea Credit Information Services	
Korea Chamber of Commerce and Industry	
SEOUL IB FORUM	
Seoul Bar Association	
Seoul Financial Forum	
Credit Information Companies Association	
Korea Capital Market Institute	
Korea Federation of Banks	
Association of Compliance Officers (ACOF)	
Association of Securities Company Audit Lead	
Korea Business Council for Sustainable Development (KBCSD)	
Korea Exchange	
Korea Enterprises Federation	
Securities Friday Conference of the Korea Financial Investment Association	
Korea Listed Companies Association	
Audit Conference of the Korea Listed Companies Association	
Korean Securities Law Association	
Korea Payment & Settlement Association	

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