

SK D&D ESG Report

Ver. 2025.07.23

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Our ESG Approach

- CEO Message
- ESG Strategy
- Materiality Assessments
- Risk Management



CEO Message

CEO Message

GRI 2-22

"SK D&D aims to grow as a space development partner that builds sustainable cities and a living solutions partner that enhances urban life, taking responsibility for the happiness of our shareholders, business partners, employees, and city residents."

"We build a sustainable tomorrow on untouched land. Between the gray tones of the city, we add color through the value of space. Every space imagined by urban dwellers-SK D&D brings it to life."

Do-hyun Kim
CEO, SK D&D



In 2024, despite complex external challenges such as prolonged high interest rates and declining asset prices that led to a contraction in transactions, SK D&D was able to generate tangible results by leveraging the funding capabilities and strategic partnerships we have steadily strengthened in investment management. These synergies played a crucial role in driving our performance throughout the year. In particular, we contributed to enhancing shareholder value by spinning off our energy business, and we are continuously pursuing management initiatives to expand future revenue and advance our business model by building differentiated competitiveness across the entire value chain — from development and asset management to operations and solutions.

In the office space business, we successfully completed and sold office assets in Chungmuro and Myeongdong. To mitigate the risk of oversupply in the knowledge industry center market, we converted the Yeongdeungpo Knowledge Industry Center development into an office project and secured pre-demand. Furthermore, we entered into a mixed-use development project in Songpa and Bokjeong with a major corporate partner, recording our first performance in the public offering market, and identifying new business opportunities even in a sluggish market.

In the residential space business, we successfully launched 'Episode Yongsan 241' and made progress with the Gongdeok Station mixed-use complex and the Episode Namsan project. We also established a strategy to enter the senior housing market — our future growth engine — and signed a co-investment agreement with Warburg Pincus, one of the world's top ten private equity firms, to expand our presence in this area. Through these efforts, we are diversifying our residential portfolio and exploring various new opportunities.

In the operations and solutions business, we aim to secure a portfolio of approximately 10,000 managed units by the end of 2025, positioning ourselves as a market leader. In July 2025, we will open 'Episode

Sinchon Campus,' the eighth branch of the 'Episode' brand, to introduce a new residential concept for young adults where they can share space, tastes, and knowledge and grow together. Furthermore, through the mergers and acquisitions of D&D Property Solutions — our specialized real estate management subsidiary — and Local Stitch, South Korea's leading co-living company, we plan to achieve both quantitative and qualitative growth by strengthening our brand, expanding our operating assets, and internalizing operational capabilities. From a solutions perspective, we are also enhancing residential convenience and accessibility by developing digitally tailored products, expanding online and offline residential services, and introducing simple payment systems. We plan to launch an integrated online/offline platform to firmly establish ourselves as a living solution partner.

We also made meaningful progress in ESG management. SK D&D received external recognition for its sustainability management system and execution by earning an overall A rating and an A+ in the social category from the Korea Corporate Governance Service (KCGS). We are also committed to workplace safety and health, pursuing RE100 to achieve Net Zero, and have created the Uljin Jigwanseoga (Geumgang Pine Forest Cultural Archive), a multi-functional cultural and ecological space, to promote environmental protection and humanities engagement. Additionally, we continue to fulfill our social responsibility through a variety of stakeholder-focused social contribution programs.

2024 marked the 20th anniversary of SK D&D — a meaningful milestone. As a next-generation developer redefining and realizing the value of cities, we are embarking on a new decade of challenges. We regard real estate not merely as an asset, but as a “space” that holds people's lives and values, and we aim to create sustainable cities through this perspective. These achievements were made possible thanks to the unwavering trust and support of our customers, investors, partners, and employees.

In 2025, SK D&D will turn changes — such as the government's expansion policy for enterprise-type rental housing, the structural imbalance in housing supply in the Seoul metropolitan area, and the entry of global investors into the Korean market — into opportunities. Through proactive responses and strategic execution, we will secure new growth engines. We will further strengthen the organic integration of the full real estate value chain — development, asset management, operations, and solutions — and solidify our foundation for sustainable growth, even in uncertain market conditions.

We will continue to grow together with our stakeholders as a development partner that builds sustainable cities and a living solution partner that delivers better urban living, advancing toward a more sustainable future. We sincerely appreciate your continued interest and support.

Do-hyun Kim
CEO, SK D&D



ESG Strategy

Company Overview

[GRI 2-1](#)

Organization Information

Category	Language	Content
Company Name	Korean	에스케이디앤디주식회사
	English	SK D&D Co., Ltd.
Core Business		Since its establishment in 2004, SK D&D has grown into a comprehensive real estate company with a focus on real estate development and operations. The company has built a full value chain across the real estate sector, encompassing the development of commercial spaces-such as offices, knowledge industry centers, and logistics hubs as well as residential spaces like rental housing. This is complemented by its capabilities in asset management, real estate investment, and furniture and spatial solutions. In a recent strategic move, SK D&D spun off its energy business, transferring its renewable energy operations to a newly established subsidiary, SK Eternix. The company continues to expand its user-centric approach to space development and operations by leveraging IT-based solutions and platforms.
Headquarters		332 (Sampyeong-dong), Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea
Business Region		Domestic operation

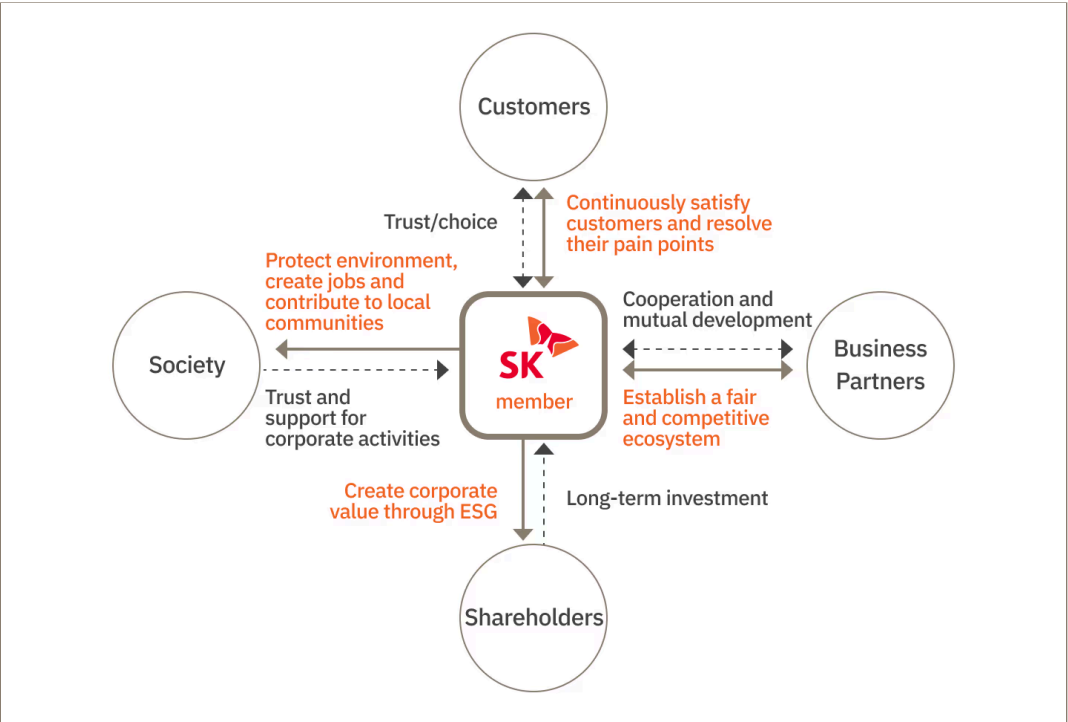
[SK D&D Company Overview](#) [SK D&D Core Business](#)

ESG Management System

SKMS (SK Management System)

The SK Management System (SKMS), the management philosophy of the SK Group, was first established in 1979. Since then, it has served as a foundation for unifying the efforts of all SK members and enhancing management standards, based on a common understanding of the essence of corporate management. SK D&D aims to pursue the happiness of all stakeholders surrounding the company, in line with SK’s management goal of ‘sustainable happiness for members.’ SK D&D strives to achieve harmony and balance in the happiness of both internal and external stakeholders and will continue to create both social and economic value for all stakeholders in the long term, thereby developing and strengthening trust relationships with them.

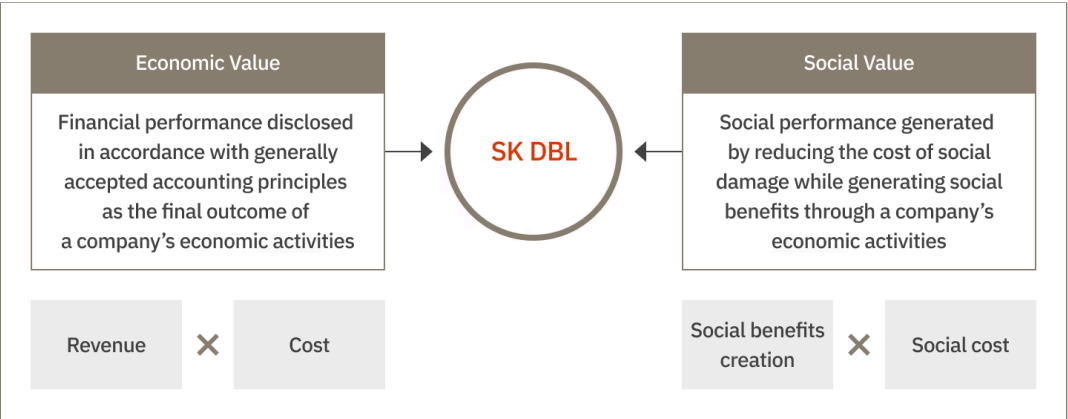
Relationships and Roles between SK and Stakeholders



SK DBL

SK DBL (Double Bottom Line) represents the starting point of business model innovation and enhancement of corporate value, embodying SK’s strategic management approach to growing alongside society. It signifies the pursuit of both Economic Value (EV) and Social Value (SV) throughout its business operations. Through initiatives in business, social contribution, and economic indirect contributions, SK DBL aims to create social value, thereby maximizing happiness among all society members based on stakeholder trust.

DBL(Double Bottom Line)

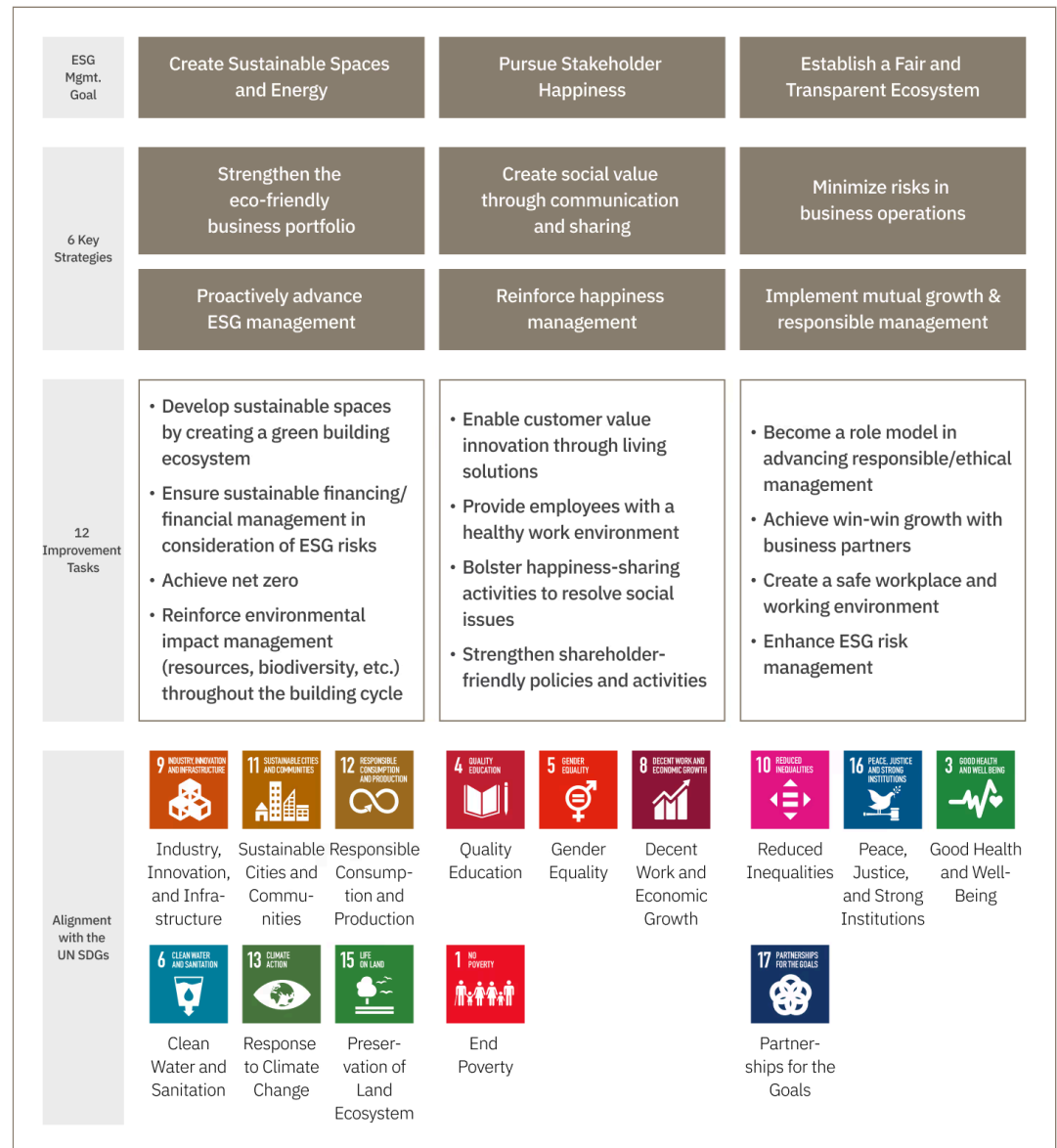


SK D&D ESG Strategy

SK D&D strives to pursue SK Group’s management philosophy and DBL management strategy, while also establishing ESG management goals aimed at the happiness of stakeholders and promoting sustainable management. Based on six key strategies, we have set 12 improvement tasks and are actively

implementing them to engage in addressing global challenges that require international cooperation and further contribute to the United Nations Sustainable Development Goals (UN SDGs).

ESG Management Implementation System



ESG Governance

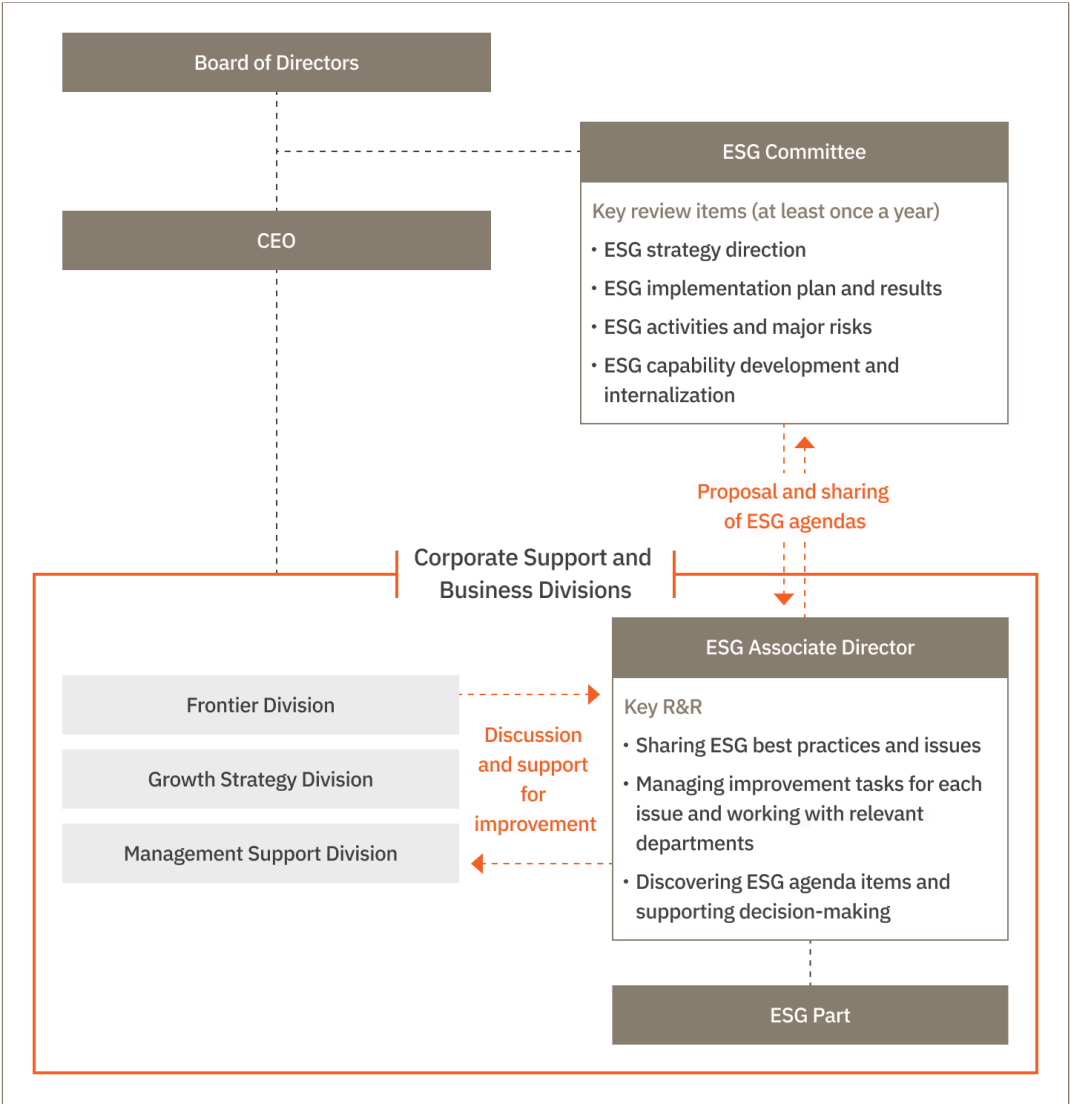
[GRI 2-12](#) [GRI 2-13](#) [GRI 2-14](#) [GRI 2-16](#)

SK D&D has established and operates an ESG committee under its board of directors. The ESG committee regularly reviews and oversees plans, activities, and progress in key ESG management issues such as climate change, carbon neutrality, human rights, supply chain, community engagement, and information protection. In addition, the committee identifies and reviews on potential ESG risks and opportunities in business operations, following reporting and approval procedures for material issues, to strengthen ESG risk management at the board level.

Furthermore, the ESG Associate Director and the ESG part, empowered by the board with responsibility and authority for ESG management, measure, review, and identify initiatives to improve overall ESG performance. They conduct double materiality assessments to support board-level reviews and decisions on material topics, reporting ESG materiality to the ESG Committee. Moreover, the Space Strategy Committee under the CEO applies the ESG risk review process during major business and investment activities to advance risk management and supports the SHE management activities led by the Chief Safety Officer (CSO) to enhance ESG standard in business operations.

[ESG Committee Activities Status](#)

ESG Governance



Materiality Assessments

Double Materiality Assessment

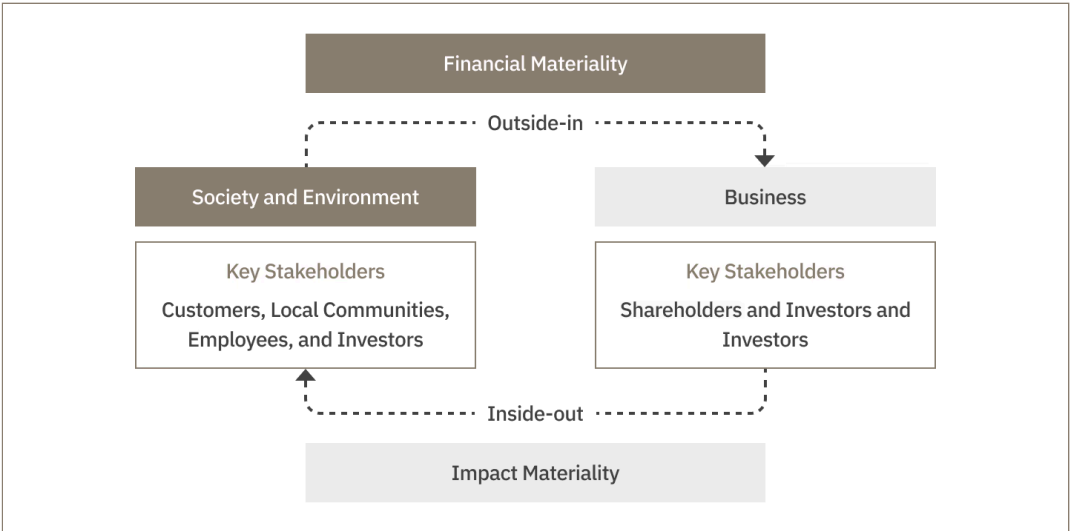
[GRI 2-14](#)

SK D&D conducts an annual materiality assessment to identify key issues in corporate sustainability management and establish ESG strategies that align with the needs of our internal and external stakeholders. In 2024, SK Discovery, a group company, conducted an assessment on a consolidated basis

that included its main member companies. SK D&D also participated in the assessment to systematically evaluate and review its sustainability issues.

The assessment methodology was based on the double materiality concept of the European Sustainability Reporting Standards (ESRS) and the Materiality Assessment Implementation Guidance, a practice guideline from the European Financial Reporting Advisory Group (EFRAG).

Double Materiality Assessment Results



The double materiality assessment is a process for identifying a company's actual and potential impacts, risks, and opportunities related to sustainability issues, to determine material topics. ESRS requires that if the impacts, risks, and opportunities (IROs) are material in terms of impact materiality or financial materiality, the relevant information should be fully disclosed through a materiality assessment that considers the entire value chain. To meet the requirements of the ESRS, SK D&D proceeded with a four-step assessment process: (1) understanding the sustainability context, (2) identifying sustainability issues, (3) assessing impacts, risks, and opportunities, and (4) selecting and reporting material issues. First, we analyzed our organizational boundaries and value chain to set the scope of the materiality assessment, and then, based on the Topic List provided by ESRS, we collected material issues for each of our business sectors, and then derived a pool of issues by considering industry-related metrics.

Double Materiality Assessment Process

 [GRI 3-1](#)

Step 1. Understanding the sustainability context (Understand)

To understand the sustainability context, we considered the nature of our business—real estate development and operation—and activities across the value chain, identifying key stakeholders and relevant sustainability topics.

Step 2. Identifying sustainability issues (Identify)

Based on the ESRS Topic List, we developed a comprehensive topic pool, and through quantitative evaluation, derived a shortlist of topics highly relevant to our business portfolio.

Step 3. Assessing impacts, risks, and opportunities (Materiality Analysis)

Based on the determined issue pool, we evaluated impact materiality (Outside in), which considers the positive and negative impacts of each issue, and financial materiality (Inside out), which considers the financial impact of risks and opportunities. Impact materiality evaluates the severity and likelihood of social and environmental impacts per issue, and financial materiality evaluates the scale and likelihood of financial quantitative* and qualitative** factors.

* Quantitative assessment: The case in which it is expected to exceed 1% of revenues at the end of the previous year (e.g., penalties, compensation for damage, losses due to business interruption, etc.)

** Qualitative assessment: The case in which it is difficult to quantify but expected to have a significant financial impact (e.g., lower revenue due to reputational risk).

Step 4. Selecting and reporting material issues (Materiality Management)

We quantified the results of the impact materiality and financial materiality assessments and set thresholds for each assessment to select material issues to be reported. Additionally, we reflected on additional material issues in a top-down manner in consideration of their linkages to material topics at the group level. The final material topics were reviewed by the ESG Committee and approved by the Board of Directors. These topics are disclosed in detail throughout this sustainability report.

Material Topic and Issue Selection Results

 [GRI 3-2](#)

Double Materiality Assessment Outcomes

● High◐ Medium○ Low

Category	Material Topics	Specific Issues within Material Topics	Impact Materiality*	Financial Materiality**	Double Materiality
Environment	Climate Change	Climate Change Adaptation	◐	●	●
		Climate Change Mitigation	●	●	●
		Energy	◐	●	●
Society	All Employees	Talent Management, Safety and Health Management (Work environment)	◐	◐	◐
		Human Rights Management (Equal treatment and opportunity for all)	●	-	◐
	Workers in the Value Chain	Safety and Health Management (Work environment)	◐	-	○
Governance	Business Conduct	Ethical Management (corporate culture, corruption and bribery, etc.) Compliance	○	-	○

* Impact Materiality: Assessed based on severity and likelihood

** Financial Materiality: Assessed based on the scale (quantitative and qualitative) and likelihood of financial impact

*** In 2024, SK D&D conducted two materiality assessments, one at the corporate level and another at the group level. We reflected the results of the corporate-level assessment in the previous year's report and those of the group assessment in this report. Accordingly, the material topics and issue names in this report differ from those in the previous year's report. In the previous year's report, we reported a total of five material topics, including Climate Change Response and Energy Efficiency, Workplace Safety and Health, Green Building Development and Operation and Customer Value Innovation, and Human Rights Management. In this year's report, we added new material topics - Workers in the Value Chain and Business Conduct.

Material Topic Management

[GRI 3-3](#)

Material Topic Management

Topic	Specific Issues	Key ESG Strategy Challenges and Response Status	Indicators and Goals	Link to GRI	
E1	Climate Change Adaptation	<ul style="list-style-type: none">• Operate dedicated Net Zero governance and review the implementation management of the emission reduction roadmap• Analyze climate change scenarios and determine financial impacts	<ul style="list-style-type: none">• Measure and verify emissions on a consolidated basis (Scope1, 2)• Establish and introduce internal carbon pricing guidelines	GRI 201-2 GRI 305-1~5	
	Climate Change Mitigation	<ul style="list-style-type: none">• Establish a foundation/capacity to respond to mandatory domestic and international disclosures related to climate change• Establish and implement strategies to transform the eco-friendly business portfolio			
		Energy	<ul style="list-style-type: none">• Review renewable energy conversion (RE 100) and efficiency strategies/activities to reduce GHG emissions• Develop green buildings, obtain certification, and promote green remodeling	<ul style="list-style-type: none">• Achieve RE 100 on a consolidated basis• Identify additional energy efficiency improvement initiatives	GRI 302-1~5
S1	All Employees	Talent Management, Safety and Health Management (Work environment)	<ul style="list-style-type: none">• Expand the target scope of human rights impact assessment	GRI 401-1~3 GRI 403-1~9 GRI 405-1~2	
		Human Rights Management (Equal treatment and opportunity for all)			<ul style="list-style-type: none">• Establish human rights management governance• Conduct human rights impact assessment• Establish human rights due diligence guidelines
S2	Workers in the Value Chain	Safety and Health Management (Work environment)			
G1	Business Conduct	Ethical Management (corporate culture, corruption and bribery, etc.)	<ul style="list-style-type: none">• Secure ethical management system• Strengthen internal capabilities, including additional anti-corruption training in addition to legally mandated training	<ul style="list-style-type: none">• Comply with laws related to fair trade• Achieve a 100% participation rate in ethics training	GRI 205-1~3 GRI 206-1

Stakeholder Engagement

[GRI 2-29](#)

Stakeholder-Centric Management

SK D&D defines stakeholders as individuals and groups who are either affected by our corporate activities or who have the potential to influence them. The main stakeholders consist of employees, business partners, customers, communities, shareholders, and investors.

SK D&D pursues stakeholder-centered management to create value not only for shareholders but for all stakeholders, fostering sustainable growth and development for the company and its stakeholders. SK D&D respects its stakeholders as partners in its commitment to social and environmental responsibility, actively incorporating stakeholders' needs into its management activities to strengthen cooperation and trust.

In particular, when developing ESG management strategies and directions, SK D&D actively incorporates stakeholders' opinions through double materiality assessments and transparently discloses sustainability management performance on the company's website to meet stakeholders' expectations. Moreover, by establishing and implementing a mid-to-long-term roadmap for expanding stakeholder participation in our human rights impact assessment process, we aim to respect the human rights of key stakeholders in our value chain, comply with the laws and codes of conduct, and fulfill our corporate social responsibility.

Stakeholder Communication

SK D&D continuously communicates with stakeholders by operating various communication channels per stakeholder to listen to the voices of its key stakeholders. Feedback collected on a regular and ad-hoc basis is actively reflected in the company's strategic planning and decision-making processes. SK D&D strives to develop and implement diverse collaborative programs and projects that address stakeholder needs.

Information on key issues in which stakeholders may be interested is disclosed through our Sustainability Report and the company website. We continuously update our communication and disclosure channels to strengthen stakeholder accessibility to the disclosed information.

Communication Channels and Key Issues for Stakeholders

Stakeholder	Communication Channel	Frequency	Main Issues
Employees	ABCD (A Better Company D&D)* Open Talk*	Monthly	<ul style="list-style-type: none">• Business goals• Employee performance appraisal and remuneration• Main PJT news and other issues• New Year's message from the CEO
	Company-wide communications (All Hands Meeting)	Quarterly	<ul style="list-style-type: none">• Diversity expansion• Safety and Health
	Counseling/reporting channels for ethical management and human rights issues	Ad-hoc	<ul style="list-style-type: none">• Employee growth and happiness• Affiliate transactions review
	Internal grievance handling channel (Communication hotline)	Ad-hoc	<ul style="list-style-type: none">• Human rights and internal grievances
Business Partners	Customer inquiry channel on the website	Ad-hoc	<ul style="list-style-type: none">• Fair transaction
	Safety supervision meetings	Quarterly	<ul style="list-style-type: none">• Win-win cooperation• Ethical management
	Counseling/reporting channels for ethical management and human rights issues	Ad-hoc	<ul style="list-style-type: none">• Safety and health of partner companies
Customers	Customer satisfaction surveys	Once a year	<ul style="list-style-type: none">• Customer satisfaction enhancement
	Customer center (skcenter@sk.com)	Ad-hoc	<ul style="list-style-type: none">• Information security and privacy
	Counseling/reporting channels for ethical management and human rights issues	Ad-hoc	<ul style="list-style-type: none">• Product/service safety
Local Communities	Local governments (economy, social, welfare, education, etc.)	Ad-hoc	<ul style="list-style-type: none">• Community engagement/development
	Counseling/reporting channels for ethical management and human rights issues	Ad-hoc	<ul style="list-style-type: none">• Social contribution• Social value and impact monitoring
Stakeholders and Investors	Stakeholder meetings	Regularly	<ul style="list-style-type: none">• Stakeholder-friendly management
	IR (Investor Relations)	Ad-hoc	<ul style="list-style-type: none">• ESG information disclosure

* A Better Company D&D (ABCD) Open Talk is a monthly company-wide forum that facilitates communication between executives and employees. It serves as a platform to discuss and share a wide range of important topics, including the company's business strategies and performance, employee work environment, and compensation systems.



Risk Management

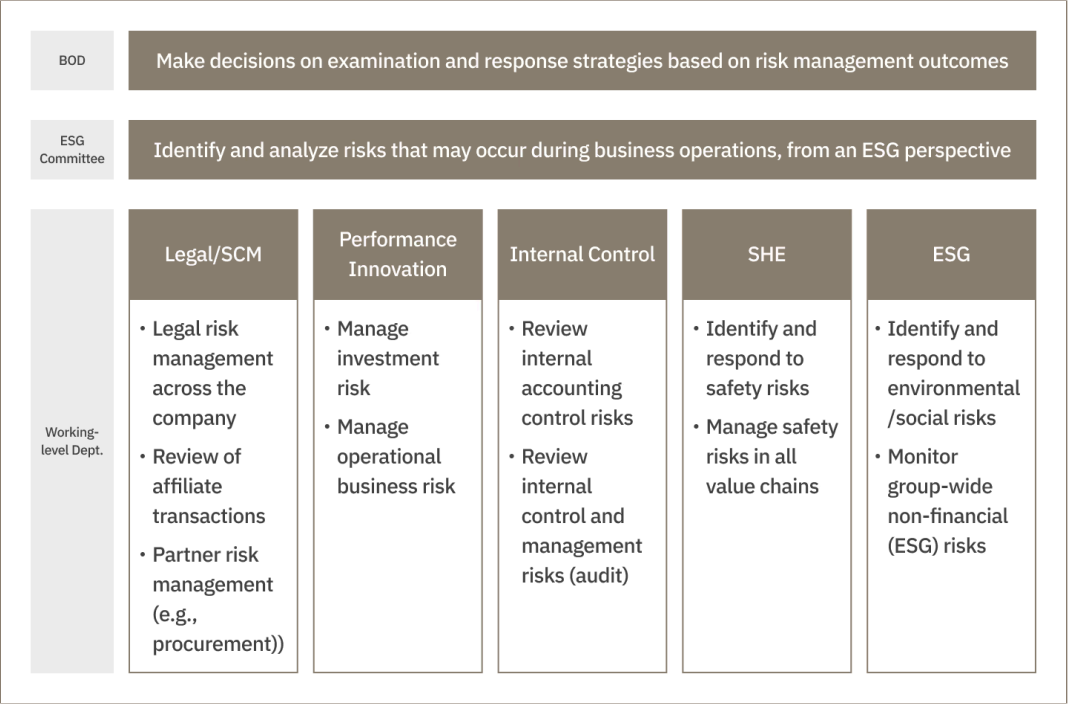
Risk Management Framework

GRI 2-12 GRI 2-13 GRI 2-14

Risk Management System

SK D&D systematically manages both financial and non-financial risks across its operations to ensure sustainable growth. Robust oversight and decision-making frameworks are in place at the departmental level to facilitate continuous risk monitoring. Non-financial risks, particularly those associated with environmental and social factors, are regularly reviewed by the ESG Committee. In addition, the company adopts a proactive and strategic approach to addressing risks arising from changes in business domains, market dynamics, and stakeholder expectations.

Risk Management System



Risk Management Organization and Procedures

The Board of Directors makes decisions on investigations and response strategies based on risk management outcomes and through the ESG Committee under the Board, identifies and analyzes risks arising from corporate operations. Each operational department identifies and mitigates actual and potential risks linked to their functions for strategic risk management and response planning, regularly reporting to the Board and the relevant Committees.

The Legal/SCM part, serving as the compliance officer support organization and the company-wide compliance lead, manages legal risks related to investments, developments, and ongoing projects across the enterprise. In this role as the Secretariat of the Board of Directors, it reports on major company-wide risks and corresponding countermeasures to the Board. Additionally, to promote mutual growth with business partners, it conducts annual fair trade compliance surveys, including subcontracting practices, and manages actual and potential risks associated with business partners.

The performance innovation part, responsible for company-wide management strategy and operations, has established an Enterprise Risk Management (ERM) system. Based on close collaboration with project execution departments, it manages risks arising throughout the project and business implementation processes.

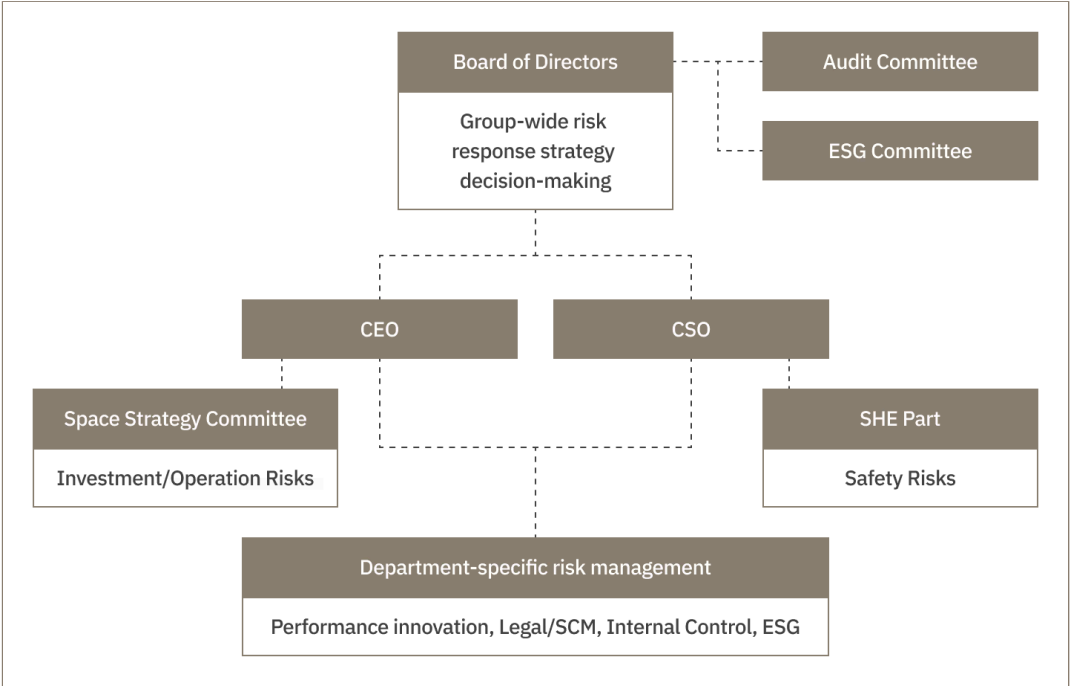
The internal control part, beyond overseeing financial and non-financial risks arising from the consolidated internal accounting system and performing audit functions, conducts activities to raise ethical awareness among employees, thereby managing corporate ethics and corruption-related risks. As a support organization to the Audit Committee, it carries out comprehensive audit-related tasks and regularly reports annual audit plans and results to the committee.

The Safety, Health, and Environment (SHE) part, a dedicated company-wide safety and health organization under the Chief Sustainability Officer (CSO), manage risks related to safety, health and environment

according to guidelines such as the Project Management Directive and Emergency Response Protocol. It establishes an annual safety and health plan and reports the results of site inspections and progress on corrective actions to the Board of Directors.

The ESG part identifies ESG-related risks within the annual investment process, collaborates with relevant departments on each risk area, and implements improvement measures. It regularly reports on the progress of ESG improvement initiatives and the annual action plan to the ESG Committee.

Risk Management Reporting Structure



Risk Management Activities

Sector-specific Risk Management

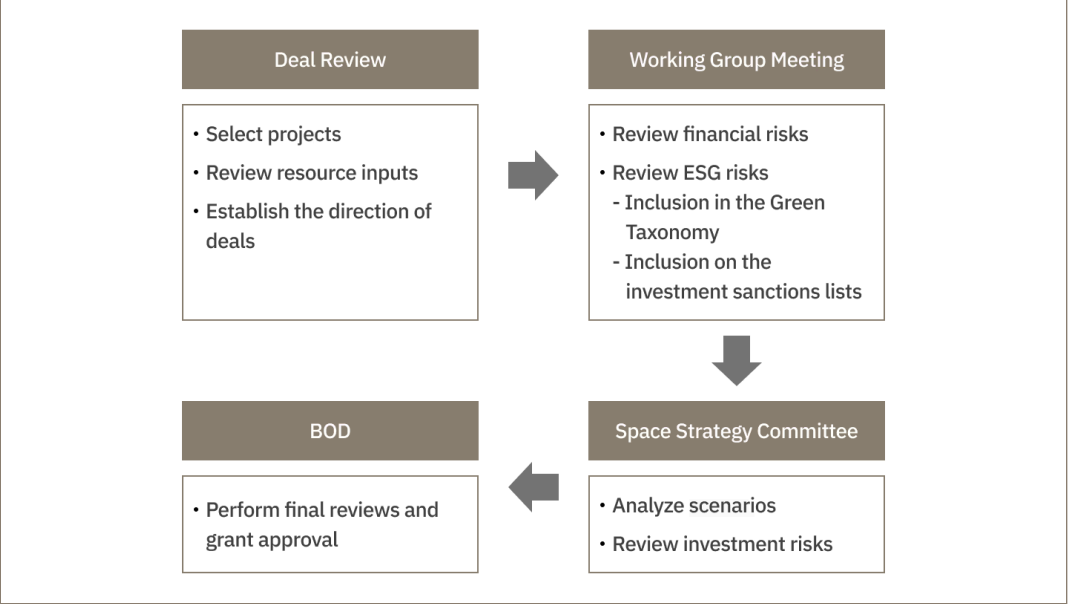
Investment Risk Management

SK D&D has adopted a process to comprehensively review ESG risks and opportunities when making investments, aiming to minimize potential ESG risks across the entire value chain and establish a sustainable supply network. To mitigate anticipated ESG risks during business operations and reduce negative external impacts, we follow an ‘ESG Risk Review Process’ when identifying investment targets or new projects. This involves assessing potential ESG risks in advance and formulating mitigation plans. Subsequently, at the working-level organization, Working Group Meeting evaluates the severity and impact of financial risks (costs, procurement, etc.), legal risks, and ESG risks associated with actual investments, discussing necessary actions and improvement strategies.

For investment decisions, the Space Strategy Committee, attended by the CEO, convenes to share and analyze outcomes of investment reviews at work level. The Committee considers anticipated profitability and long-term sustainability and comprehensively reviews plans to mitigate and address potential ESG

risks associated with investment targets. Depending on the scale and scope of projects, final decisions are subject to the Board of Directors’ review and approval as necessary.

Investment Risk Management Process



Risk Management in Real Estate

SK D&D analyzes the results of its annual double materiality assessment to identify the company’s key sustainability issues. It evaluates the impact, risks, and opportunities associated with business activities according to risk categories such as policy and legal, market, reputation, products and services. To minimize the scale and impact of potential risks arising during business operations and to maximize opportunities, SK D&D establishes and implements corresponding response directions and strategies. Additionally, the ESG Committee under the Board of Directors actively participates in identifying ESG issues and reviewing response strategies to manage both potential and actual risks effectively.

Impacts, Risk, and Opportunities of Real Estate Development and Operation

Category	Impact on business	R	O	Response Directions
Policies and legal	<ul style="list-style-type: none"> Strengthening the response to climate change, ESG best practices and disclosure standards Need to comply with the criteria set forth in the Green Classification System. 	○		<ul style="list-style-type: none"> Annual disclosure of climate change response status through the publication of a sustainability report Development, investment, and operation of buildings and spaces reflecting social change and sustainability
Market	<ul style="list-style-type: none"> Increased development costs due to new materials and facilities in line with the spread of eco-friendly buildings Increased brand value of real estate products by meeting market requirements 	○	○	<ul style="list-style-type: none"> Application of environmentally and economically sustainable technologies through continued research on eco-friendly buildings Securing status as an irreplaceable developer by actively fulfilling certification obligations such as green building certification
Reputation	<ul style="list-style-type: none"> Decline in corporate reputation due to non-compliance with disclosure of eco-friendliness information and climate change response activities 	○		<ul style="list-style-type: none"> Participating in global initiatives such as SBTi and TCFD to actively respond to climate change
Products and Services	<ul style="list-style-type: none"> Increased real estate product value through the development of eco-friendly, zero-energy buildings Providing safe products and services as a preemptive response to climate change-related disasters 		○	<ul style="list-style-type: none"> Raising internal real estate development standards through application of various eco-friendly technologies and design Preemptive response to climate change risks, such as conducting environmental impact assessments and strengthening safety to prevent damage from natural disasters

Response to Disasters and Serious Incidents

SK D&D operates an emergency response system to effectively manage disasters and emergencies, such as serious incidents and natural disasters. For major buildings managed by D&D Property Solutions (DDPS), a subsidiary of SK D&D, we have established and implemented a comprehensive response manual covering the composition of our disaster response organization and division of roles, which is reviewed and improved annually. As extreme weather events and natural disasters become more frequent due to climate change, we operate a proactive monitoring and response system to systematically minimize damage to our assets. In emergencies, we apply response methods based on crisis-specific risk levels to prevent further damage and promote rapid recovery.

Key Contents of Emergency Response Guidelines

Stage	Unexpected events	Work standards	Responses
Caution	<ul style="list-style-type: none">Prediction of possibility of disaster by entering an indirect impact area of natural disaster	<ul style="list-style-type: none">Work as usual	<ul style="list-style-type: none">Weather situation monitoring by SHE part / HQ support part
Warning	<ul style="list-style-type: none">Occurrence of injuries threatening life in the workplaceIssuance of national alert by entering a sphere of direct influence	<ul style="list-style-type: none">Operation of hot channel at Emergency Situation RoomConfirmation of cooperation system with related institutions	<ul style="list-style-type: none">Preparation of damage recovery equipment and securing necessary materialsSuspension of construction in areas expected to suffer damage
Severe	<ul style="list-style-type: none">Occurrence of serious crisisDirect loss of more than KRW 10 million at business sites due to fire, collapse, and other causes	<ul style="list-style-type: none">Operation of Emergency Situation RoomFormation of emergency work team and implementation of emergency workOperation of cooperation system with related institutions	<ul style="list-style-type: none">Declaration of emergency and operation of emergency response proceduresCrisis response and disaster prevention activitiesIdentification of damage status and establishment of damage restoration measures

Governance

- Board-Centric Management
- Shareholder-Friendly Management
- Ethical Management
- Compliance
- Information Security



Board-Centric Management

SK D&D implements a “board-centric management” approach to enhance stakeholder interests and well-being and to innovate its governance structure. To strengthen the role and responsibilities of the board of directors, which is the highest decision-making body, the company has composed the majority of the board with independent directors. To improve the expertise and efficiency of board operations, SK D&D operates several committees under the board, including the HR Committee, Independent Director Recommendation Committee, ESG Committee, and Audit Committee.

To ensure the board’s practical authority, SK D&D continuously establishes and revises regulations for the board and its committees, making these regulations publicly available on its website. Furthermore, SK D&D has established and disclosed a Governance Charter to realize transparent and accountable management and to establish sound corporate governance. Through this charter, the company expands the responsibilities of the board and supervisory bodies, enhances communication with shareholders by providing governance information, and aims to achieve long-term stability and growth.

[Corporate Governance Charter](#)

Board Composition and Roles

Current Board Composition

[GRI 2-9](#) [GRI 2-11](#)

SK D&D’s Board of Directors serves as the highest decision-making body responsible for decision-making and oversight of the company’s overall management. As of May 2025, the board consists of six members: one executive director, four independent directors, and one other non-executive director. To strengthen objective and independent decision-making, the roles of CEO and Board Chairperson are separated. Furthermore, independent directors make up more than 50% of the board, and experts from diverse fields such as finance and management have been appointed to incorporate a variety of perspectives and expertise into the board’s decisions. The board also operates various committees and internal support organizations to maintain substantive expertise, independence, and efficiency.

Board Composition*

Category		Number / Ratio
Number of Executive Directors		1 Person
Number of other Non-executive Directors		1 Person
Number of Independent Directors		4 Persons
(Legal Minimum Requirement) Number of Independent Directors		2 Persons
Ratio of Independent Directors		66.7%
Target Ratio of Independent Directors on Board		50%
Gender	Male	5 Persons
	Female	1 Person
Age Group	30 to under 50	1 Person
	50 to under 60	4 Persons
	60 and over	1 Person

* As of May, 2025

Board Composition Status*

Category		Number of People
ESG Committee	Director	4 Persons
	Independent Director	2 Persons
Audit Committee	Director	3 Persons
	Independent Director	3 Persons
	Financial Experts	1 Person
HR Committee	Director	4 Persons
	Independent Director	3 Persons
Independent Director Recommendation Committee	Director	4 Persons
	Independent Director	4 Persons

* As of May, 2025

Board Members*

Category	Name	Area of Expertise	Role & Committee Involvement	Initial Appointment Date	Term Expiry Date	Attendance Rate (2024)
Executive Director	Do-hyun Kim	Corporate Management	CEO, ESG Committee	2022.03.23	2028.03.25	100%
Independent Director	Jun-cheol Kim	Accounting/Audit (CPA)	Chair of the Board, ESG Committee, HR Committee, Independent Director Recommendation Committee (Chair), Audit Committee(Chair)	2021.03.30	2027.03.30	100%
	Kyung-min Kim	Environment/Data	HR Committee, Independent Director Recommendation Committee, Audit Committee	2022.03.23	2028.03.25	100%
	Mo-doom Kim	Corporate Management (Lawyer)	ESG Committee, HR Committee, Audit Committee, Independent Director Recommendation Committee	2024.03.26	2027.03.26	100%
	Jung-yeon Noh**	Corporate Management (Attorney)	Independent Director Recommendation Committee, ESG Committee (Chair)	2025.03.25	2028.03.25	-
Non-executive Director	Jae-min Kim	Business Management / Finance & economics	ESG Committee, HR Committee	2018.11.15	2027.03.30	100%

* As of May 2025

** Since the director was newly appointed in March 2025, the attendance rate for 2024 is not applicable.

Board Members' Background and Appointment Rationale

Name	Appointment Rationale	Key Career Highlights
Do-hyun Kim	Based on his experience in proactively entering the asset management sector by establishing D&D Investment (DDI), a REIT AMC, to develop SK D&D into a comprehensive real estate company and successfully launching the innovative urban residential brand 'Episode,' he is expected to contribute to the development of new businesses and stable revenue generation.	Chemical Engineering, Sogang University [Current] CEO, SK D&D [Concurrent] Non-Executive Director of PROPTIER Inc. [Former] Head of Management Support Division /RESI Solution Operation & Development Division, SK D&D [Former] Head of Planning & Operations, SK ecoplant (formerly SK E&C)
Jun-cheol Kim	As a financial expert who has successfully managed the company's financial and accounting risks as Chair of the Audit Committee, he is expected to contribute to SK D&D's growth and the protection of shareholder value by enhancing the independence and transparency of the Audit Committee and the Board.	Business Administration, Seoul National University (SNU) / Master of Business Administration, SNU [Current] Accountant at Dasan Accounting Corporation [Current] Adjunct Professor at Deoksung Women's University [Current] Independent director of YUHAN Corporation [Former] Deputy Director, Deloitte Anjin LLC
Kyung-min Kim	We expect him to contribute to providing a business strategy direction and reviewing the feasibility of business development based on his specialized knowledge and extensive experience in real estate development, our main business area.	[Current] Professor, Graduate School of Environmental Studies, Seoul National University [Former] Senior Researcher at Property & Portfolio Research, Inc
Mo-doom Kim	With extensive experience in M&A, corporate crime, environmental regulations, and labor issues, he is expected to contribute to advancing the company's ESG-focused management and enhancing its governance narrative. His expertise in real estate development is also anticipated to support business risk assessment and strategic decision-making.	[Current] Independent director of Didim E&F Inc [Current] Lawyer at DONGJIN Law Firm [Former] Lawyer at DAEHO Law Firm
Jung-yeon Noh	With strong ethical standards and rigorous fact-based analysis grounded in fairness and objectivity, she is expected to play a key role in enhancing the Board's transparency through independent decision-making. By offering advisory support on compliance and risk management, she is expected to contribute to the company's sustainable growth and the enhancement of shareholder value.	Bachelor of Law, Ewha Womans University 25th Class, Judicial Research and Training Institute [Current] Attorney, Noh Jung-Yeon Law Office [Former] 54th Chief Prosecutor, Daegu High Prosecutors' Office [Former] 35th Chief Prosecutor, Busan High Prosecutors' Office [Former] 40th Chief Prosecutor, Changwon District Prosecutors' Office
Jae-min Kim	With analytical experience in various markets, he is expected to guide the company's growth direction and contribute to streamlining our operations, which includes strengthening investment asset management, advancing our financial strategy, and responding to the uncertain economic environment.	Chemical Engineering, Yonsei University [Current] VP, Hahn & Company [Former] Director of H&Q Asia Pacific Korea

Board Responsibilities and Roles*

Board Responsibilities
<ul style="list-style-type: none">• Establish and review the company's goals and business strategies to achieve the happiness of employees and stakeholders and ensure sustainable growth• Consider ESG management policies in decision-making, such as management resources and capital allocation• Examine and review the company's purpose, values, and strategies to ensure alignment with a sustainable corporate culture
Board Roles/Functions
<ul style="list-style-type: none">• Set business goals and strategies• Conduct reviews on accounting transparency and sustainability• Appoint the CEO and oversee management• Evaluate management performance and review compensation levels• Determine the direction of ESG policies• Make other decisions that significantly impact the company or involve external trust relationships

* SK D&D Board responsibilities and roles are set out in the Corporate Governance Charter

Board Committees

 [GRI 2-9](#)

To enhance the efficiency of its management decision-making system, SK D&D’s Board of Directors has established and operates several committees, including the Audit Committee, the HR Committee, the ESG Committee, and the Independent Director Recommendation Committee. The Board delegates authority to each of these committees, and the committee bylaws specify the required proportion of independent directors to ensure their independence. The Audit Committee and the Independent Director Recommendation Committee are composed entirely of independent directors, while the HR Committee and the ESG Committee are also staffed with at least 50% independent directors.

Composition of Board Committees*

Committee Name	Key Functions	Members	Supporting Organization
Audit Committee	<ul style="list-style-type: none"> Report on directors' violations of laws and articles of incorporation Evaluate the operation of the internal accounting control system Establish evaluation criteria and procedures for selecting external auditors Other matters stipulated by laws, Articles of Incorporation, or Board regulations 	Jun-cheol Kim (chair**/ID) Kyung-min Kim (ID) Mo-doom Kim (ID) Jung-yeon Noh (ID)	Internal Control Part
HR Committee	<ul style="list-style-type: none"> Evaluate the CEO and decide on reappointment Propose CEO dismissal and appointment Recommend CEO Candidates Review the appropriateness of individual executive directors' remuneration 	Kyung-min Kim (chair/ID) Jae-min Kim (NED) Jun-cheol Kim (ID) Mo-doom Kim (ID)	People & Culture Part
ESG Committee	<ul style="list-style-type: none"> Review and revise annual business plans Review mid-to-long-term ESG plans and key improvement tasks Oversee ESG policies, plans, activities and performance (including climate change, environmental management, human rights management) 	Jung-yeon Noh (Chair/ID) Do-hyun Kim (ED) Jae-min Kim (NED) Jun-cheol Kim (ID)	Performance and Innovation Part, ESG Part
Independent Director Recommendation Committee***	<ul style="list-style-type: none"> Recommend independent director candidates for the general meeting of shareholders Review other matters related to recommending independent director candidates 	Jun-cheol Kim (Chair/ID) Kyung-min Kim (ID) Mo-doom Kim (ID) Jung-yeon Noh (ID)	Board Secretariat

* As of May 2025

** Audit Committee Chairman Mr. Jun-cheol Kim qualifies as a Type 1 expert (Certified Public Accountant) under the corporate disclosure form preparation standards, thereby meeting both the basic qualification and tenure requirements stipulated in the Enforcement Decree of the Commercial Act.

Board Expertise

[GRI 2-10](#) [GRI 2-15](#) [GRI 2-17](#)

SK D&D discloses a Board Skill Matrix (BSM), which comprehensively evaluates the expertise and competencies of board members across various dimensions. The BSM comprises eight key areas: leadership; business development and strategy; finance/accounting and risk; legal/regulatory affairs; ESG; core industries (real estate, living solutions, energy); global experience; and M&A/capital markets. It presents the proportion of board members who possess expertise in each area. Based on this matrix, SK D&D reviews the composition of its board and forms a body capable of generating synergy, thereby promoting decision-making grounded in professional competence.

Board Competency Matrix*

Category	Do-hyun Kim	Jun-cheol Kim	Kyung-min Kim	Mo-doom Kim	Jae-min Kim	Proportion
Leadership	●	●	●	●	●	100%
Business Development & Strategy	●	-	-	-	●	40%
Finance/Accounting & Risk	-	●	-	-	●	40%
Legal & Regulatory	-	-	●	●	-	40%
ESG	●	-	-	●	-	40%
Core Industries**	●	-	●	-	-	40%
Global	●	●	●	-	●	80%
M&A/Capital Markets	●	●	-	●	●	80%

* As of May 2025. Detailed information on Director Jung-yeon Noh, newly appointed in March 2025, will be reflected at a later date.

** Refers to core industries including real estate, living solutions, and energy.

Board Diversity and Expertise

Category	Unit	2022	2023	2024
Number of directors aged 50 or below	Persons	0	0	1
Number of directors aged over 50	Persons	8	8	5
Number of financial experts on the Board	Persons	2	1	1
Number of financial/accounting experts on the audit committee	Persons	1	1	1

Director Training Support

To strengthen the expertise of independent directors, SK D&D conducts regular training programs specifically tailored for them. In 2024, the company focused on providing training for all independent directors and Audit Committee members, with an emphasis on risk management and internal control enhancement in response to changes in the business environment. Additionally, SK D&D supports the professional development of Audit Committee members by facilitating participation in training programs offered by external expert organizations, such as audit firms and Audit Committee forums.

2024 Independent Director Training Outcomes

Training Date	Organizer	Key Training Topic	Attendance Rate
2024. 11. 25	Samil PwC	Responding to Business Uncertainty in 2024	100%

Audit Committee Training Outcomes

Training Date	Training Provider	Key Training Topic	Audit Committee Attendance
Jan 08, 2024	Korean Institute of Certified Public Accountants (KICPA)	2023 K-IFRS Amendments and Revisions Seminar	1/3
Jan 15, 2024	KICPA	Tax Issues in Revenue Recognition Timing for Real Estate Sales and Construction	1/3
May 16, 2024	KICPA	Introduction to the Exposure Draft of the Korea Sustainability Standards Board (KSSB) Standards	1/3
Aug 31, 2024	Samil PwC	Audit Committee School Introductory Course	1/3
Aug 31, 2024	Samil PwC	Corporation Director School 2024	1/3
Sep 06, 2024	EY Korea (Ernst & Young Han Young)	5th Accounting Transparency Seminar	1/3
Oct 29, 2024	KICPA	FSS H1 2024 Accounting Review and Audit Findings	1/3
Nov 15, 2024	Korean Accounting Association	2024 1st Audit Committee Seminar	1/3
Nov 25, 2024	Samil PwC	Responding to Business Uncertainty in 2024	3/3
Nov 26, 2024	Financial News	16th Financial News International Accounting Forum	1/3
Nov 29, 2024	Audit Committee Forum	2024 2nd Regular Forum	1/3
Dec 20, 2024	Financial Supervisory Service (FSS)	2024 Accounting Issues Briefing	1/3

Support and Protection for Directors' Activities

SK D&D appoints competent directors and protects their activities and decision-making by subscribing to Directors and Officers (D&O) liability insurance at the company's expense, which is renewed annually. In addition, independent directors may, when necessary, receive support or advice from the company's employees or external experts at the company's expense and may request the provision of information required for the performance of their duties from relevant company personnel. These provisions are stipulated in the company's Governance Charter, and SK D&D actively supports independent directors in carrying out their responsibilities.

Board Independence and Transparency

[GRI 2-10](#) [GRI 2-15](#) [GRI 2-17](#)

Director Appointment Process

Since establishing the Independent Director Recommendation Committee in June 2021, SK D&D has safeguarded shareholders' rights by recommending independent director candidates through this committee for approval at the general meeting of shareholders. The background, reasons for recommendation, and any potential conflicts of interest with the company are transparently disclosed in the notice of the general meeting of shareholders.

The Independent Director Recommendation Committee, which is entirely composed of independent

directors, excludes influence from controlling shareholders or management during the director appointment process. This ensures fairness and impartiality.

When identifying and recommending independent director candidates, the committee rigorously reviews disqualification criteria set forth in the Commercial Act and its Enforcement Decree. It also verifies candidates' experience and expertise. The board considers a balanced composition in terms of expertise, diversity, and independence to avoid concentration in specific backgrounds or professional fields. Directors serve a fixed term of three years. The CEO nominates candidates through the HR Committee, and appointments are finalized following shareholder approval.

Director Independence and Transparency

SK D&D ensures the independence of its board of directors by stipulating in its Corporate Governance Charter and committee regulations that each board committee must be composed of a majority of independent directors. Furthermore, to maintain fairness and independence in board decision-making, directors with conflicts of interest are restricted from exercising voting rights on matters such as remuneration determination and director candidate recommendations. In addition, SK D&D transparently discloses the composition of its board by reporting appointments, dismissals, or early resignations of independent directors to the Financial Services Commission and the Korea Exchange.

Board Operations and Activities

Board Activities

 [GRI 2-16](#)

SK D&D's Board of Directors holds regular monthly meetings in accordance with the Articles of Incorporation and Board Regulations, and convenes extraordinary meetings as needed. The Board is responsible for reviewing the company's objectives and management strategies to promote the well-being of its members and stakeholders and to drive sustainable growth. It also systematically oversees both financial and non-financial risks, including ESG-related risks, and is accountable for making and executing strategic decisions.

To oversee related-party and intra-group transactions, SK D&D's Board Regulations require Board approval for transactions between directors and the company, as well as internal transactions among affiliates and related parties.

In 2024, the Board convened a total of 12 meetings, achieving a 100% attendance rate.

 [Articles of Incorporation](#)  [Regulations of the Board of Directors](#)

Board Activity Overview

Category		Unit	2022	2023	2024
Number of meetings held		Times	13	14	12
Number of agenda items submitted		Cases	31	36	35
Number of agenda items resolved		Cases	31	36	35
Number of agenda items approved		Cases	22	18	35
Number of agenda items rejected		Cases	0	0	0
Number of agenda items amended		Cases	0	0	0
Number of agenda items abstained		Cases	0	0	0
Number of agenda items deferred		Cases	0	0	0
Number of agenda items passed		Cases	31	36	35
Number of agenda items reported		Cases	22	18	19
Attendance	ExecutiveDirectors	Cases	13	14	12
	Non-executive Directors	Cases	39	42	20
	Independent Directors	Cases	52	56	39
Average Board Attendance Rate		%	100	100	100

Overview of Key ESG Agenda Discussions by the Board*

Meeting No.	Date	Agenda Case	Resolution Type
24-1	January 5, 2024	Appointment of Compliance Officer	Approved
24-2	January 24, 2024	Amendment of Board Regulations	Approved
		Establishment of CEO KPIs	Report
		2024 Health and Safety Plan	Report
		Compliance Activities Report	Report
24-3	February 28, 2024	Approval of Cash Dividend and Record Date	Approved
24-5	March 11, 2024	Report on Internal Accounting Control System Operation	Report
		Evaluation Report on Internal Accounting Control System	Report
24-6	April 2, 2024	Appointment of Board Chair	Approved
		Appointment of Committee Members within the Board	Approved
24-10	July 25, 2024	Amendment of Internal Accounting Control Regulations and Guidelines	Approved
		Mid-Year review of CEO KPIs	Report
24-11	November 24, 2024	Final Evaluations of CEO KPIs	Approved
		Report on HR Committee Results (CEO appointment)	Report
		2025 Executive Appointments Report	Report
		Amendments to Internal Accounting Regulations/Guidelines	Report
24-12	December 12, 2024	Individual Compensation for executive directors	Approved
		Establishment of CEO KPIs	Report
		2024 Health and Safety Review and 2025 Plan	Report
25-2	February 10, 2025	Appointment	Approved
		Approval of cash dividend and record date	Approved
		Compliance Activities Report	Report
25-3	March 10, 2025	Report on Internal Accounting Control System Operation	Report
		Evaluation Report on Internal Accounting Control System	Report

* As of April 1, 2025

Board Committee Activities

[GRI 2-16](#)

Board committees operate in accordance with their respective regulations and convene regularly. Key activities of each committee are disclosed in detail through the company's business report and official website.

Committee Activity Status

Category		Unit	2022	2023	2024
ESG Committee	Meetings held	Times	4	5	2
	Agenda Cases (Resolutions)	Cases	1	0	0
	Agenda Cases (Reports)	Cases	5	5	2
	Attendance Count	Times	16	28	24
	Attendance Rate	%	100	100	100
	Independence Director Attendance Rate	%	100	100	100
HR Committee	Meetings held	Times	5	5	1
	Agenda Cases (Resolutions)	Cases	1	0	0
	Agenda Cases (Reports)	Cases	10	8	1
	Attendance Count	Times	19	20	19
	Attendance Rate	%	100	100	93.75
	Independence Director Attendance Rate	%	91.66	100	90.91
Audit Committee	Meetings held	Times	10	10	10
	Agenda Cases (Resolutions)	Cases	6	6	8
	Agenda Cases (Reports)	Cases	20	25	16
	Attendance Count	Times	40	30	30
	Attendance Rate	%	100	100	100
	Independence Director Attendance Rate	%	100	100	100
Independent Director Recommendation Committee	Meetings held	Times	1	0*	1
	Agenda Cases (Resolutions)	Cases	1	0	2
	Agenda Cases (Reports)	Cases	0	0	0
	Attendance Count	Times	4	0	6
	Attendance Rate*	%	100	-	100
	Independence Director Attendance Rate	%	100	-	100

* The independent director candidate recommendation committee was not convened in 2023 as no independent directors' terms expired that year.

ESG Committee

The ESG Committee plays a vital role in enhancing the company's ESG governance at the board level by reviewing ESG management strategies and directions, regularly monitoring performance, and proposing improvements. In setting business strategies and ESG-related objectives, the committee takes into

account environmental management and social responsibility policies and reviews and oversees detailed implementation plans.

The committee provides advisory functions by deliberating on key environmental management issues such as Net Zero implementation, climate change risk management, establishment of eco-friendly business directions, and greenhouse gas emissions control—ensuring these matters receive active oversight at the board level. Additionally, it identifies ESG risks and opportunities throughout the entire business value chain and develops and executes frameworks to address them effectively.

The ESG Part, as the company’s ESG operational unit, conducts materiality assessments to identify key sustainability issues, including their impacts, risks, and opportunities. It reports best practices and improvement plans to the ESG Committee. To establish and implement targeted improvement initiatives, the ESG Part collaborates with relevant departments across environmental, social, and governance areas and regularly shares progress and results with the ESG Committee.

[Regulations of the ESG Committee](#)

ESG Committee Activity Overview*

Meeting No.	Date	Agenda Case	Resolution Type
24-1	January 19, 2024	2024 Business Plan Report	Report
		2023 ESG Management Review & 2024 Plan	Report
		Appointment of ESG Committee Chair	Approved
24-2	July 18, 2024	Mid-Year Review/Second-half plan for ESG disclosure initiatives	Report
		Report on Materiality Assessment and ESG disclosure outcomes	Report
		Environmental Management performance and climate response status report	Report
25-1	January 13, 2025	2025 Business Plan Report	Report
		2024 ESG Management Review and 2025 plan	Report

* As of March 2025

HR Committee

The HR Committee assumes the comprehensive functions of the Compensation Committee by reviewing matters such as the evaluation and reappointment of the CEO, and the appropriateness of compensation for executive directors. It also receives reports on the evaluation and compensation results of key executives.

Furthermore, the HR Committee evaluates the CEO’s management activities and performance, and monitors the fulfillment of KPIs by the CEO and key executives. Through these efforts, it supports the management team in carrying out their duties with a strong sense of responsibility toward ESG management.

[Regulations of the Nomination and Compensation Committee](#)

HR Committee Activity Overview*

Meeting No.	Date	Agenda Case	Resolution Type
24-1	January 23, 2024	Report on individual compensation of executive directors	Report
		Report on proposed CEO KPI establishment	
		Report on Key Executives' Compensation	
24-2	July 18, 2024	Mid-term review of CEO KPI	
		Mid-term review of key executives' KPIs	
24-3	November 21, 2024	Report on key executives evaluation results	
		Report on CEO evaluation (proposal)	
		Decision on CEO reappointment	
24-4	December 10, 2024	Report on individual compensation of executive directors	
		Report on Proposed CEO KPI establishment for 2024	
		Compensation for key executives	

* As of March 2025

Audit Committee

The Audit Committee oversees all audit-related responsibilities, including financial audits, the appointment of external auditors, and evaluations of the internal control over financial reporting (ICFR) system. It also functions as a supervisory body for ethical management and anti-corruption efforts.

To ensure independence, the committee is composed entirely of three independent directors who meet the eligibility requirements stipulated under the Commercial Act. The committee chair is appointed based on expertise in accounting and finance.

To strengthen the committee's audit capabilities, monthly training sessions are held on relevant laws such as the Act on External Audit and internal control systems. The Internal Control Part supports the committee's operational tasks, while regular communication with external auditors is maintained to facilitate effective oversight.

[Regulations of the Audit Committee](#)

Audit Committee Activity Overview*

Meeting No.	Date	Agenda Case	Resolution Type
24-1	January 16, 2024	Finalization of Agenda Cases and Document Review Opinions for 1st Extraordinary General Meeting 2024	Approved
		Pre-determination of acting chairperson role for the 1st EGM of 2024	Approved
24-2	February 26, 2024	Report on 2023 Fiscal Year Audit Results by External Auditor	Report
		Report on 2023 ICFR Operations	Report
		Report on 2023 Internal Audit Results and 2024 Plan	Report
		Finalization of Agenda Items and Document Review Opinions for the 20th Annual General Meeting (AGM)	Approved
24-3	February 28, 2024	Pre-determination of Acting Chairperson Role for AGM	Approved
		Finalization of 2023 ICFR Evaluation Report	Approved
		Finalization of Audit Committee's Audit Report	Approved
		Report on 2024 External Audit plan	Report
24-4	April 25, 2024	Report on Prior Auditor's Audit Quality Evaluation	Report
		Report on 2024 ICFR Review Plan	Report
		Report on 2024 Audit Committee Chair	Report
		Reappointment of Audit Committee Chair	Resolution
		Communication with External Auditor (Q1 2024 Review Results)	Report
24-6	June 19, 2024	Report on key changes due to spin-off	Report
		Report on engagements of Non-audit services by external auditor	Report
24-7	July 25, 2024	ICFR Regulations and Guidelines	Approved
24-8	August 30, 2024	Communication with external auditor (H1 2024 Review results)	Report
		Report on change management and design evaluation of 2024 ICFR	Report
24-9	September 30, 2024	Report on H1 2024 Internal Audit and Ethics Management Activities	Report
24-10	November 11, 2024	Communication with External Auditor (Q3 2024 Review Results)	Report
		Report on Amendments to ICFR Regulations/Guidelines	Report
		Report on Approval of Deferral for Consolidated ICFR	Report
25-1	January 22, 2025	Progress Report on 2024 ICFR Evaluation	Report
25-2	March 4, 2025	Report on 2024 Fiscal Year Audit Results by External Auditor	Report
		Report on Independent Evaluation of 2024 ICFR Operations	Report
		Report on 2024 ICFR Operations	Report
		Approval of 2024 Internal Audit Results and 2025 Plan	Approved
		Finalization of Agenda Items and Document Review Opinions for the 21st AGM	Approved
25-3	March 10, 2025	Pre-determination of Acting Chairperson Role for AGM	Report
		Finalization of 2024 ICFR Evaluation Report	Approved
		Finalization of Audit Committee's Audit Report	Approved

* As of March 2025

Independent Director Recommendation Committee

The Independent Director Recommendation Committee is composed entirely of independent directors to ensure fairness and independence in the nomination and operation of independent directors, in accordance with relevant provisions of the Commercial Act and the company’s Independent Director Recommendation Committee Regulations.

The committee holds the authority to recommend candidates for independent directorships to be appointed at the general shareholders’ meeting. To this end, it conducts preliminary reviews and verifications to ensure candidates have no disqualifying factors, possess relevant expertise, and maintain no significant conflict of interest with the company or its affiliates.

[Regulations of the Independent Director Recommendation Committee](#)

Independent Director Recommendation Committee Activities*

Meeting	Date	Agenda Case	Resolution Type
24-1	February 28, 2024	Agenda Item No. 1: Recommendation of a Candidate for Independent Director (Nominee: Mo-doom Kim)	Approved
		Agenda Item No. 2: Recommendation of a Candidate for Independent Director to Serve as Audit Committee Member (Nominee: Jun-cheol Kim)	Approved
25-1	March 10, 2025	Agenda Item No. 1: Recommendation of a Candidate for Independent Director (Nominee: Kyung-min Kim)	Approved
		Agenda Item No. 2: Recommendation of a Candidate for Independent Director (Nominee: Jung-yeon Noh)	Approved

* As of March 2025

Board Evaluation and Remuneration

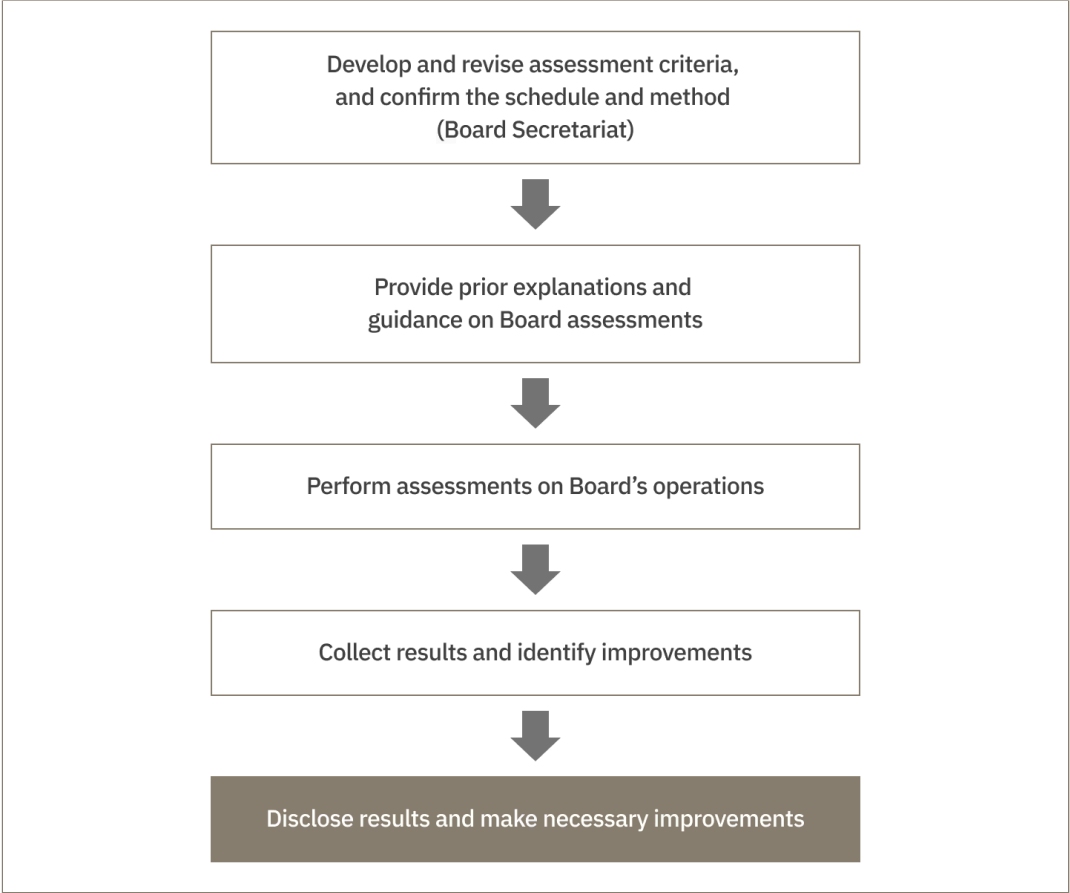
Board Evaluation

[GRI 2-18](#)

SK D&D conducts annual evaluations of the Board of Directors and its committees through the Board Secretariat. The evaluation is carried out as a self-assessment limited to independent directors and covers five key areas: board composition, board operations, board responsibilities, board roles, and committees. The results are reported to the Board each year and are used to identify areas for improvement in the following year. These findings are also disclosed to external stakeholders through the business report and sustainability report.

In March 2025, the evaluation of 2024 Board activities was conducted for three individual independent directors. The results showed improved scores compared to the previous year in the areas of “Board Composition,” “Board Operations,” “Board Responsibilities,” and “Board Roles.” The overall average score also increased to 4.96 out of 5. Based on these results, SK D&D plans to establish or enhance board-related policies and pursue actions such as linking evaluation outcomes to compensation.

Board Assessment Process



Board Evaluation Criteria

Category		Evaluation Items
Board Composition		Appropriateness of board size, directors' expertise and experience, independence
Board Operations		Adequacy of meeting frequency, timeliness of agenda items, usefulness of management materials, director participation, appropriateness of discussions, provision of education, access to information
Board Performance	Board Accountability	Involvement in setting the company's vision and strategy, appropriateness of authority scope, advising management, enhancing corporate value, risk management
	Board Role Fulfillment	Oversight of management performance, confidentiality compliance, corporate governance, corporate social responsibility
Committees		Composition of committees and members, division of roles and responsibilities, frequency of meetings, timeliness and adequacy of information and discussion

Board Evaluation Results

Category		Unit	2022	2023	2024
Board Composition		Points	4.92	5	4.67
Board Operations		Points	4.8	4.94	5
Board Performance	Board Accountability	Points	4.8	4.94	5
	Board Role Fulfillment	Points	4.88	4.9	4.93
Committee Activities		Points	5	4.94	4.93
Overall score*		Points	4.89	4.94	4.96

* Out of a maximum score of 5.00

Board Remuneration

[GRI 2-19](#) [GRI 2-20](#) [GRI 2-21](#)

The remuneration of directors is determined by a resolution of the Board of Directors within the total remuneration limit approved at the General Meeting of Shareholders. It comprehensively considers the director's position (role), expertise, and contributions to the company.

Performance-based bonuses are awarded based on both quantitative evaluations—such as revenue and operating profit—and qualitative assessments, including the achievement of strategic goals and leadership competencies. In the case of executive director, non-financial performance indicators are also reflected in the final remuneration amount.

Directors' Remuneration in 2024

Category		Unit	2024
Total remuneration for registered directors	Executive directors	KRW million	1,152
	Non-executive directors	KRW million	0
	Independent Directors	KRW million	303
Registered Directors (Excluding independent directors and audit committee members)	Number of recipients	Persons	1
	Total remuneration	KRW million	1,152
	Average remuneration per person	KRW million	1,152
Independent Directors (Excluding audit committee members)	Number of recipients	Persons	0
	Total remuneration	KRW million	16
	Average remuneration per person	KRW million	16
Audit Committee Members	Number of recipients	Persons	3
	Total remuneration	KRW million	287
	Average remuneration per person	KRW million	96

CEO-to-Employee Pay Ratio

Category		Unit	2022	2023	2024
CEO	Total annual compensation	KRW million	1,502	1,267	1,152
Employee*	Average compensation	KRW million	105	110	112
CEO-to-employee pay ratio		Times	14.3	11.5	10.3

* Excludes the CEO (Executive Director)

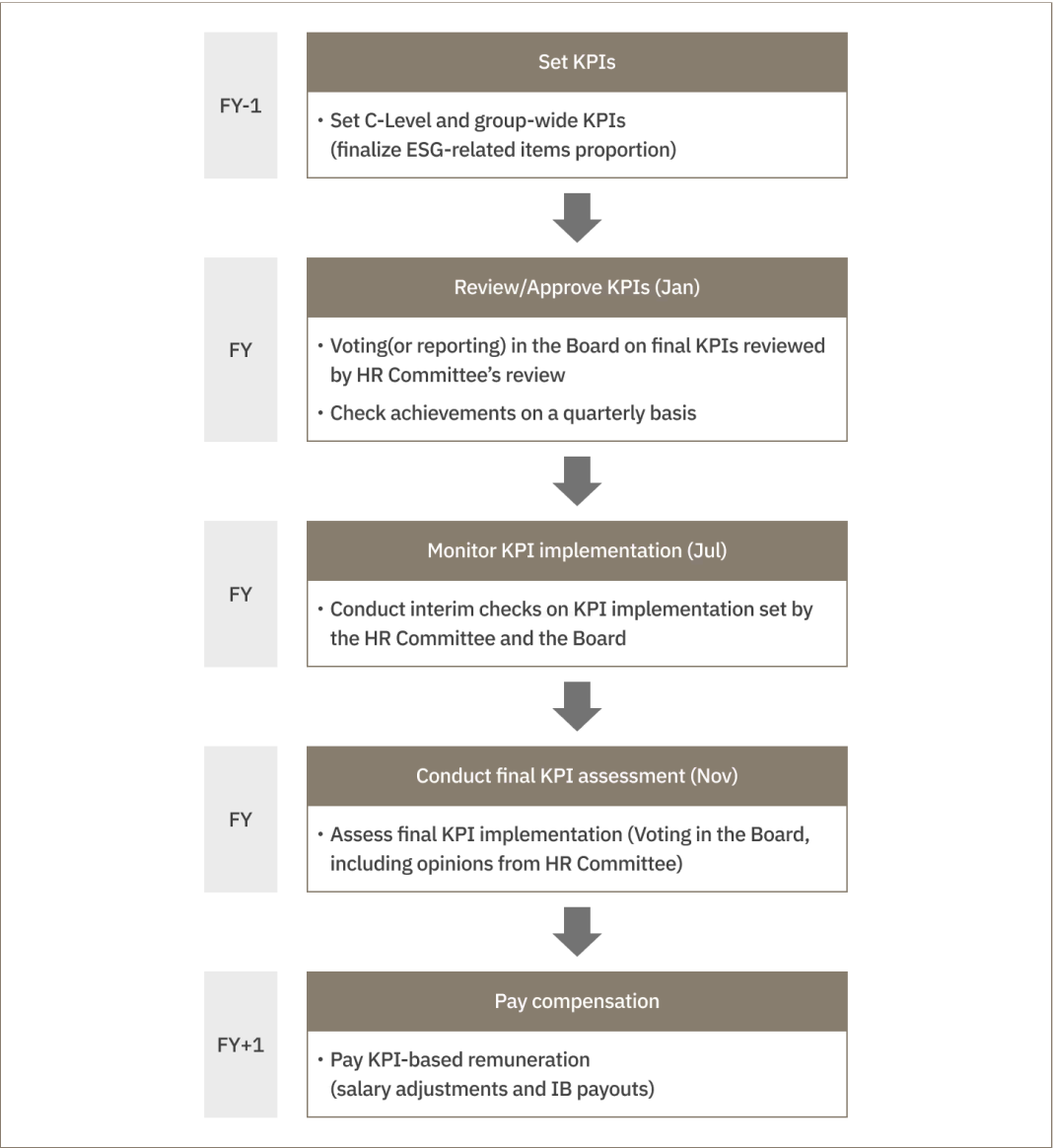
CEO and Executive KPI Evaluation

[GRI 2-18](#) [GRI 2-20](#)

SK D&D incorporates ESG management indicators—established based on ESG materiality reviewed by the ESG Committee— into the KPI framework for all executives, including the CEO, in addition to financial and strategic/operational indicators. The KPI items for C-level executives are established in the previous year and finalized through review by the HR Committee and resolution of the Board of Directors in January of the current year. To ensure KPI achievement, SK D&D conducts quarterly and interim performance reviews, and ties KPI outcomes to executive compensation for the following year based on final evaluations.

In 2024, the KPI framework includes targets such as building a group-level climate change response system in line with the expanding regulatory requirements for sustainability disclosures, and implementing RE100 initiatives as part of the Net Zero goal. For business unit executives, KPIs also include developing ESG-compliant Future ESG Workspace Design that reflect environmental considerations in real estate development. Through these measures, SK D&D assesses the execution of ESG-related KPIs by the CEO and executives and reflects the results in compensation decisions, thereby reinforcing accountability for creating social value at the leadership level.

CEO and Executive KPI Evaluation & Compensation Decision Process



2024 CEO KPI Composition

Category	Task
ESG	Establish a response system for mandatory climate-related disclosures Implement RE100 to achieve Net Zero
Strategy/Operations	Strengthen business model (BM) competitiveness (in terms of BM transition), launch new services and solutions, establish new business plans and structure, implement corporate spin-off and stabilization, manage on-site risks
Finance	Improve company-wide profitability, enhance corporate value, ensure financial liquidity and stability



General Shareholders’ Meeting: Convening and Results

Convening and Operation of the General Shareholders’ Meeting

Shareholder-Friendly Management

To encourage shareholder participation, SK D&D holds its general shareholders' meeting on a different date from those of the company's major affiliates. In addition, to facilitate various methods of exercising voting rights, the company adopted an electronic voting system starting from the 17th Annual General Shareholders' Meeting in 2021, and allows proxy voting as stipulated in its Articles of Incorporation.

The shareholders' meeting is announced on the company's website two weeks prior to the meeting date, along with detailed information on the agenda items, enabling shareholders to review proposals in advance. For important matters such as the appointment of executives or amendments to the Articles of Incorporation, each item is separated and disclosed individually.

In particular, when the agenda includes the appointment of outside directors or audit committee members, the company discloses detailed information on each candidate's professional background and reasons for nomination. This ensures transparency in board appointments and safeguards shareholders' rights in the decision-making process.

Shareholder Composition

Category		Unit	2022	2023	2024
Total Shares	-	Shares	24,190,164	24,190,164	18,617,382
Minority Shareholders	Common Shares	Shares	5,240,624	7,935,054	6,968,876
	Preferred Shares	Shares	0	0	0
Treasury Shares	Common Shares	Shares	640	0	11,291
	Preferred Shares	Shares	0	0	1

Voting Rights Status

Category		Unit	2022	2023	2024
Total Number of Issued Shares	Common Shares	Shares	22,190,164	22,190,164	18,617,382
	Preferred Shares	Shares	2,000,000	2,000,000	1
Shares without voting rights*	Common Shares	Shares	640	0	11,291
	Preferred Shares	Shares	2,000,000	2,000,000	1
Voting Rights Excluded by Articles of Incorporation	Common Shares	Shares	0	0	0
	Preferred Shares	Shares	0	0	0
Voting Rights Excluded by law	Common Shares	Shares	0	0	0
	Preferred Shares	Shares	0	0	0

* Treasury Shares (Acquisition of Fractional Shares)

Results of the General Shareholders' Meeting

[GRI 2-10](#) [GRI 2-18](#) [GRI 2-20](#)

At the 21st Annual General Shareholders' Meeting held on March 25, 2025, a total of 11,835,473 shares (63.6% of shares with voting rights) were represented through in-person attendance, electronic voting, and proxy voting. Excluding the shares held by the largest shareholder and related parties, the number of

shares represented was 6,004,168, accounting for 32.3% of the company's total voting shares. All six agenda items presented at the meeting met the required conditions for resolution and were approved as originally proposed.

Results of the 21st General Shareholders' Meeting

Agenda No.	Resolution Type	Approval Status	Total voting shares issued(①)	①Voting Shares exercised(A)**	Votes in Favor(B) (Ratio, %)**	Agenda Item Opposed/Abstained(C) (Ratio, %)**
1	Ordinary	Approval of FY2024 Financial Statements (incl. Statement of Appropriation of Retained Earnings) and Consolidated Financial Statements	Approved	18,617,382	11,831,783	11,824,894 (99.91) 6,844 (0.09)
2-1	Ordinary	Appointment of Executive Director (Nominee: Do-hyun Kim)	Approved	18,617,382	11,831,783	11,801,504 (99.71) 30,234 (0.29)
2-2	Ordinary	Appointment of Independent Director (Nominee: Kyung-min Kim)	Approved	18,617,382	11,831,783	11,801,379 (99.71) 30,359 (0.29)
2-3	Ordinary	Appointment of Outside Director (Nominee: Jung-yeon Noh)	Approved	18,617,382	11,831,783	11,801,693 (99.71) 30,045 (0.29)
3	Ordinary	Appointment of Audit Committee Member (Nominee: Kyung-min Kim)	Approved	18,617,382	1,304,598	1,274,465 (97.41) 30,133 (2.59)
4	Ordinary	Approval of Director Remuneration Limit	Approved	18,617,382	11,831,783	11,766,427 (99.42) 65,311 (0.58)

* For agenda items related to the appointment of outside directors as audit committee members, the number of shares excludes those with restricted voting rights.

** $A = B + C$

*** Favorable Vote Ratio (%) = $(B \div A) \times 100$

**** Opposed/Abstained Vote Ratio (%) = $(C \div A) \times 100$

Protection of Shareholder Rights

Shareholder Communication and Information Disclosure

Disclosure and Accessibility Enhancement

SK D&D has established disclosure management regulations to ensure the accuracy, completeness, fairness, and timeliness of disclosed information that may impact stakeholders. The company designates disclosure officers and evaluates and monitors disclosure risks. Additionally, SK D&D provides training to disclosure officers and responsible departments to comply with disclosure-related laws and obligations, aiming to enhance the professionalism and efficiency of disclosures.

SK D&D publishes mandatory disclosure information such as financial data, disclosure information on the electronic disclosure system, and announcements related to shareholder meetings or external auditor appointments on its website. Besides regular disclosures, the company also discloses matters that could significantly affect corporate value, such as settlement announcements and stock consolidations due to corporate splits. Since 2022, SK D&D has published a sustainability management report to clearly communicate ESG management performance to various stakeholders and has built a web-based ESG report to increase accessibility and publicly share sustainability management outcomes.

SK D&D Disclosure status

Category	Unit	2022	2023	2024
Voluntary Disclosures	Cases	5	1	4
Investor Relations (IR)*	Cases	4	5	3

* The number of Investor Relations (IR) sessions reflects the disclosed meetings held for analysts and domestic and international institutional investors. In addition, more than two sessions per month are conducted for a broader range of stakeholders.

Shareholder Returns

Dividend Policy and History

SK D&D is committed to enhancing shareholder value by returning profits to shareholders through both cash and stock dividends, as stipulated in its Articles of Incorporation. The company reviews and announces its dividend policy on a three-year cycle to ensure consistency and transparency. All matters related to dividends and payments are transparently disclosed through regular reports (such as annual and quarterly reports) and on the company website following resolutions by the Board of Directors and the General Meeting of Shareholders. Dividends are paid to shareholders within one month of final approval at the General Meeting.

Since 2022, SK D&D has implemented interim dividends to strengthen its shareholder-friendly management approach. In 2024, the company continued its progressive dividend policy of gradually increasing dividends per share (DPS) as part of its shareholder return strategy. Furthermore, for year-end dividends, SK D&D ensures a transparent and accountable process by finalizing the dividend amount in advance of the record date (March 31, 2025). Specifically, the dividend amount was confirmed on February 10, 2025, and formally approved at the regular General Meeting of Shareholders held on March 25, 2025.

SK D&D Dividend Policy

Improve the stability of dividends

Pursue gradual increases in the dividend policy while determining dividends based on performance

Introduce and pay interim dividends

Bolster shareholder-friendly management by making interim dividend payments from 2022 onwards along with year-end dividends

Perform regular policy reviews

Review the dividend policy every three years and announce the policy as such to improve shareholder value

Dividend History

Category		Unit	2020	2021	2022	2023	2024
Common Shares	Number of Shares Eligible for Dividend	Thousand Shares	18,990	22,190	22,190	22,190	18,606
	Dividend per Share	KRW	600	800	800	800	600
	Dividend Yield	%	1.41	2.56	3.51	3.12	8.33
Preferred Shares	Number of Shares Eligible for Dividend	Thousand Shares	5,200	2,000	2,000	2,000	-
	Dividend per Share	KRW	1,022	1,022	1,022	1,022	-
Payout Ratio		%	25.35	14.85	25.83	19.20	25.26
Total Dividend Amount		Million KRW	16,708	19,769	19,769	19,769	11,164



Ethical Management

Ethical Management System

Ethical Management Implementation System

SK D&D upholds not only its economic and legal responsibilities, but also its ethical and philanthropic obligations, by establishing a Code of Ethics that serves as a foundation for decision-making and conduct across all business activities. This Code is regularly reviewed by the Internal Control Part and revised through discussions with relevant business support departments and final approval from the CEO. All employees of the domestic headquarters and subsidiaries are required to participate in the "Code of Ethics Compliance Pledge" in accordance with Article 22, Chapter 4 of the Code. SK D&D conducts its business honestly, fairly, and transparently with all key stakeholders, including customers, employees, and business partners.

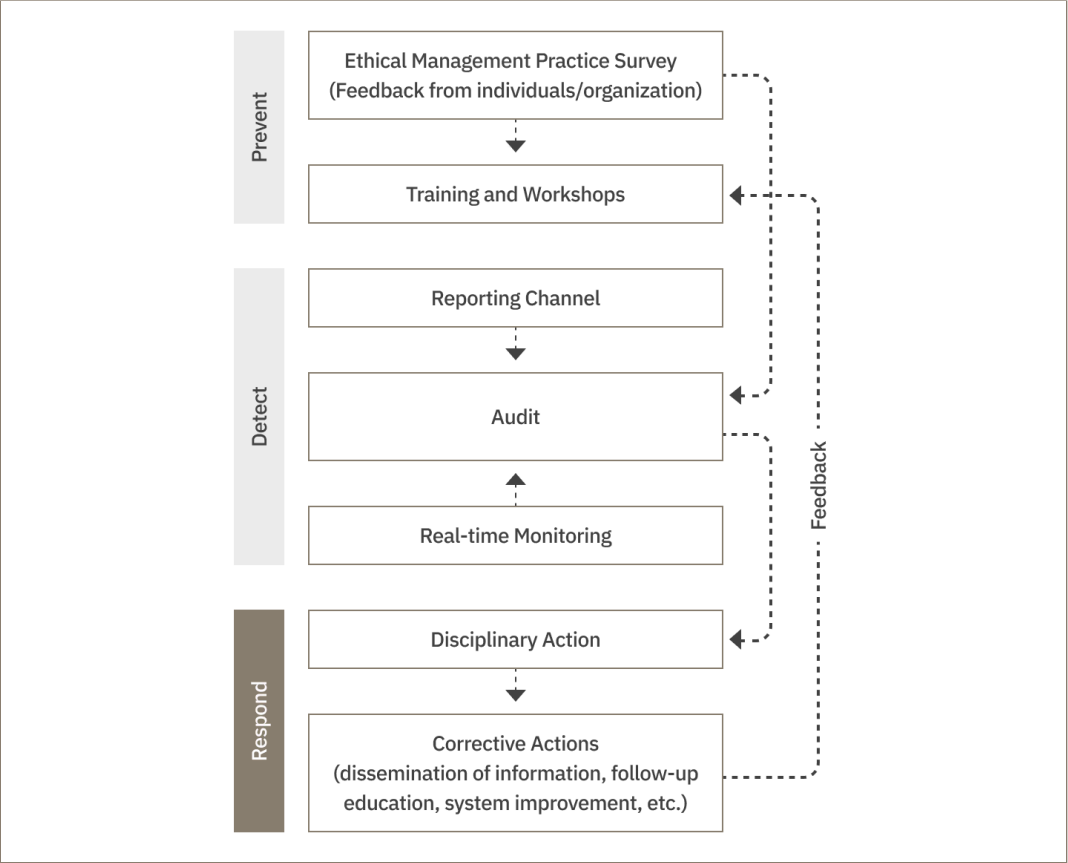
To manage ethical risks effectively, SK D&D operates a comprehensive “Prevent-Detect-Respond” framework. This process aims to prevent ethical risks in advance, monitor continuously, and respond promptly to any issues that may arise.

 [Code of Ethics](#)

Key Contents of the Code of Ethics

<div>Ch. 1</div> <div>Code of Ethics</div>	<div>Ch. 2 - Art. 2, 4</div> <div>Responsibilities and obligations to customers and the company</div>	<div>Ch. 2 - Art. 3</div> <div>Fair transaction with suppliers</div>	<div>Ch. 3 – Art. 8, 12</div> <div>Prohibition of employee bribery, solicitation, and self-serving behavior</div>
<div>Ch.3 – Art. 18</div> <div>Compliance with laws related to fair trade</div>	<div>Ch. 4 – Art. 20, 21</div> <div>Procedures for reporting and addressing illegal/unethical behavior</div>	<div>Ch. 4 - Art. 22</div> <div>Requirement for all employees to sign Ethical Management Practice Pledge</div>	<div>Ch. 4 - Art. 23</div> <div>Disciplinary procedures and standards of conduct for ethics violations</div>

Ethical Management Governance Structure



Ethics Management Organization

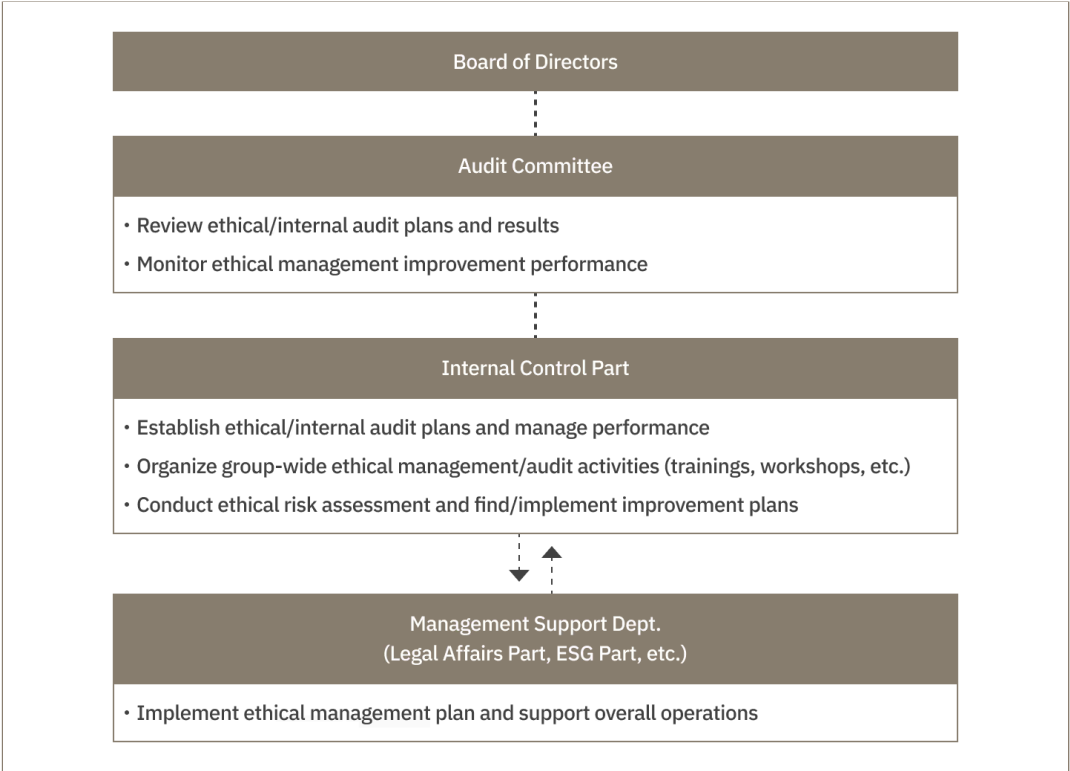
SK D&D promotes ethical awareness and integrity among its members through the Internal Control Part, the department responsible for driving ethical management initiatives. Each year, the company conducts ethics training, ethical management workshops, and collects signed pledges of ethical commitment from employees. These efforts are aimed at fostering and strengthening a culture of ethics across the organization.

As a department under the Audit Committee, the Internal Control Part also oversees external audits, the

internal accounting management system, internal audits, and related risk assessments. An annual audit plan—covering both internal and ethics/anti-corruption audits—is developed and reported to the Audit Committee under the Board of Directors.

The Audit Committee reviews the overall plans and outcomes of ethical management activities, monitors the implementation of improvement measures, and contributes to the establishment and advancement of a transparent and accountable ethical management culture.

Ethical Management Organization



Internalization of Ethics Management

Ethics Management Training

[GRI 205-2](#)

Ethics Management Training Program

SK D&D promotes a sound ethical culture across the company by operating ethics and anti-corruption training programs for all employees, including contract workers.

In addition to mandatory annual legal trainings—such as disability awareness, workplace harassment prevention, and sexual harassment prevention—SK D&D offers a wide range of training curricula. These include guidance on using the SK Ethics Management Reporting System, case studies, and discussions on workplace misconduct. All employees participate in ethics training with a 100% completion rate each year, reinforcing the company’s ethical management awareness.

SK D&D also holds an annual Ethics Management Workshop to strengthen ethical awareness among all employees.

These workshops facilitate cross-hierarchical and cross-functional discussions on proper decision-making in ethically challenging situations. In 2024, the workshop was conducted for 178 employees and executives by level and department, with approximately 96% participation. Additionally, to cultivate shared values and promote ethical practices, the company distributes a quarterly Ethics Management Letter and implements awareness campaigns such as prohibiting the exchange of gifts with business partners during holidays.

2024 Ethics Management Training and Achievements

Category	Frequency	Activity Description	Participation Rate
Ethics Management Letter	4 times/year	Quarterly updates on ethics management plans and performance	100%
Ethics Practice Pledge	Once/year	Signing the pledge to adhere to the ethics code and ethical conduct guidelines	100%
Online Ethics Management Training	Once/year	Guidance on workplace harassment cases and how to use the reporting channel (“Communication Hotline”)	100%
Mandatory Ethics Education	5 times/year	Training on disability awareness, prevention of workplace sexual harassment and bullying, data privacy	100%
Ethics Practice Workshop	Once/year	Enhancing ethical decision-making skills by rank and department; sharing feedback on internal policies and issues	96%
Holiday Ethics Compliance Notice	Twice/year	Encouraging ethics compliance and gift reporting during holidays for employees and partners (including updates on anti-graft laws)	100%

Ethics Risk Monitoring and Audit

Ethics Risk Monitoring

 [GRI 205-1](#)

Ethics Risk Detection System

SK D&D operates a self-regulation system across its headquarters and subsidiaries to prevent corruption and unethical behavior in business activities. Departments responsible for key business areas autonomously monitor the current status of ethics risks.

Ethics and Anti-Corruption Audit

SK D&D conducts regular annual ethics and anti-corruption risk audits at all operating sites, including headquarters and subsidiaries. In 2024, audits focused on the prevention and management systems for ethics and corruption risks within subsidiaries, including reviews of regulations, roles and responsibilities, and processes. When ethics or anti-corruption risks are identified through internal audits, the findings are reported to the Audit Committee. The Internal Control Part then implements corrective actions or works collaboratively with relevant departments to address and mitigate these risks.

Ethics Management Practice Survey

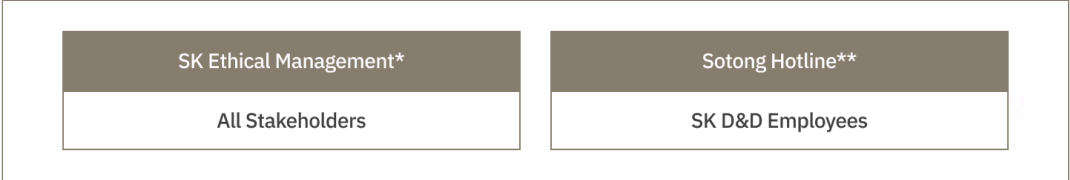
To assess and improve the level of ethics management practices, SK D&D conducts an annual ‘Ethics Management Practice Survey’ for all employees and business partners. Since its introduction in 2015, the survey evaluates ethics practice levels, organizational ethics culture and systems, and types of unethical conduct. Based on the survey results, key areas for improvement are identified and used to enhance the company-wide ethics management framework and related activities. In addition, a ‘Supplier Ethics Management Survey’ is regularly conducted with business partners. In 2024, SK D&D reviewed ethics violations related to purchasing contracts among employees of 69 major suppliers and found no significant issues.

Ethics Management Reporting Channels

[GRI 2-26](#) [GRI 205-3](#)

SK D&D operates two primary ethics reporting channels: the SK Group-wide ethics reporting system, “SK Ethics Management,” which is accessible to all stakeholders, and the "Sotong Hotline," dedicated to investigating unethical behavior such as lack of respect for the dignity of internal employees. These channels allow anonymous reporting of unethical conduct by employees, unfair trade practices, and other issues, while strictly protecting the identity and confidentiality of the whistleblower. SK D&D ensures that whistleblowers do not suffer any disadvantage or discrimination due to their legitimate reports by maintaining a comprehensive whistleblower protection system. Notably, the "Sotong Hotline" is managed by an independent third-party organization, minimizing contact between employees to ensure objective and transparent investigations.

SK D&D Whistleblowing Channel



* SK Ethical Management: SK D&D Internal Control Part / skdnd.ethics@sk.com

** Sotong Hotline: SK D&D People & Culture Part

[SK Ethical Management](#) [Sotong Hotline](#)

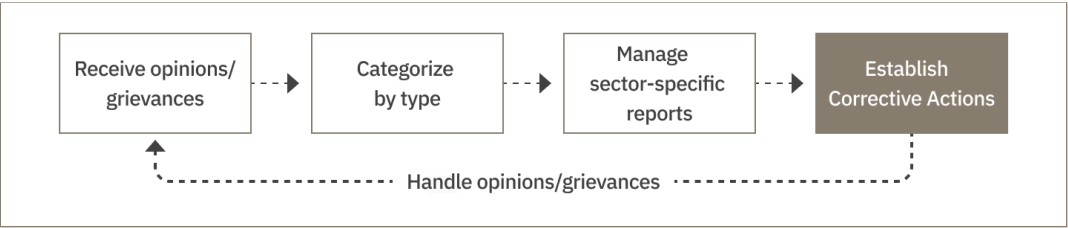
Types of Whistleblowing

Misconduct and bullying of business partners
Acceptance of money/entertainment, personal requests, equity investment, unfair instructions, verbal/physical abuse, etc.
Lack of respect for colleague(s)
Verbal/physical abuse, sexual harassment, outcasting, unfair exclusion from business responsibilities, demand for personal errands, etc.
Conflicts of interests in business relationships
Side job, excessive care of personal needs on the job, monetary transactions between colleagues, investment using inside information, transaction with related parties, etc.
Improper business conduct
False reporting, alteration of performance data, unlawful marketing practice, illegal use of company fund, asset, unauthorized disclosure of corporate information, etc.
Damage to social values
Non-compliance with environment/safety/health/quality regulations, human rights violations, disregard of socially disadvantaged group, unauthorized disclosure of customer data, disclosure of false information to customer

Whistleblower protection program

The informant(s) will not be subject to unfavorable status or discrimination due to filing a report.
If the informant(s) suffer unfavorable disposition due to their report, the informant(s) may request ethical management team for rectification and protection and the ethical management team will take all measures in its power to minimize his/her disadvantages.
The informant's identity and reporting details will be kept completely confidential to prevent disclosure against his/her will.
Individuals who cooperated with investigation by making statements or providing evidence to help with fact-finding steps will be entitled to equal protection.
If an individual volunteers to report his/her engagement in unethical or unlawful conduct, applicable disciplinary actions may be waived accordingly.

Whistleblowing procedure



Status of Ethical Management Reports and Resolutions

In 2024, SK D&D received a total of nine reports related to ethical management. These included cases involving unfair practices and abuse of power toward partner companies, lack of mutual respect among employees, improper handling of work duties, legal non-compliance, violations of internal regulations, and other customer-related complaints. Each report was thoroughly investigated through internal procedures, and appropriate actions were taken to address the issues. All reported cases were resolved and formally closed following the implementation of the necessary corrective measures.

Status of Ethical Management Reports

Category			Unit	2022	2023	2024
Reporting	Type of Report	Unfair practices and abuse toward partners	Cases	1	1	2
		Lack of respect among employees	Cases	0	0	2
		Conflict of interest in job duties	Cases	0	0	0
		Improper job handling	Cases	0	4	2
		Undermining of social value	Cases	0	0	0
		Legal compliance violations	Cases	0	0	1
		Violation of internal ethics regulations	Cases	0	0	0
		Others (e.g, civil complaints, non-managed)	Cases	7	4	1
	Number of Violations by reporting channel*	Number of Violations	Cases	-	-	8**
		Number of cases addressed	Cases	-	-	8
	Subject of Report*	Employee	Cases	-	-	5
		Partner company	Cases	-	-	3
		Customer	Cases	-	-	0
		Other	Cases	-	-	1
	Category of Report*	Other reports received	Cases	-	-	2
		Discrimination and Harassment cases	Cases	-	-	2***
		Anti-corruption cases	Cases	-	-	5
Disciplinary actions	Dismissal	Cases	0	0	0	
	Suspension	Cases	0	0	1	
	Salary Reduction	Cases	0	0	0	
	Reprimand/Warning	Cases	1	5	1	
	Under Investigation	Cases	0	0	0	
	Transferred	Cases	0	0	1	
	Others	Cases	7	4	6	
Processing Rate			%	100	100	100
Status of Anti-Corruption Measures	Results of Anti-Corruption Measures	Contract Termination	Cases	0	0	0

* Items newly disclosed and managed from 2024; no data available for 2022–2023.

** Of the total nine cases, one was closed and excluded due to "lack of investigation authority."

*** The two cases reported as discrimination/harassment pertain to the same matter and have been resolved with disciplinary action by the HR Committee.



Compliance

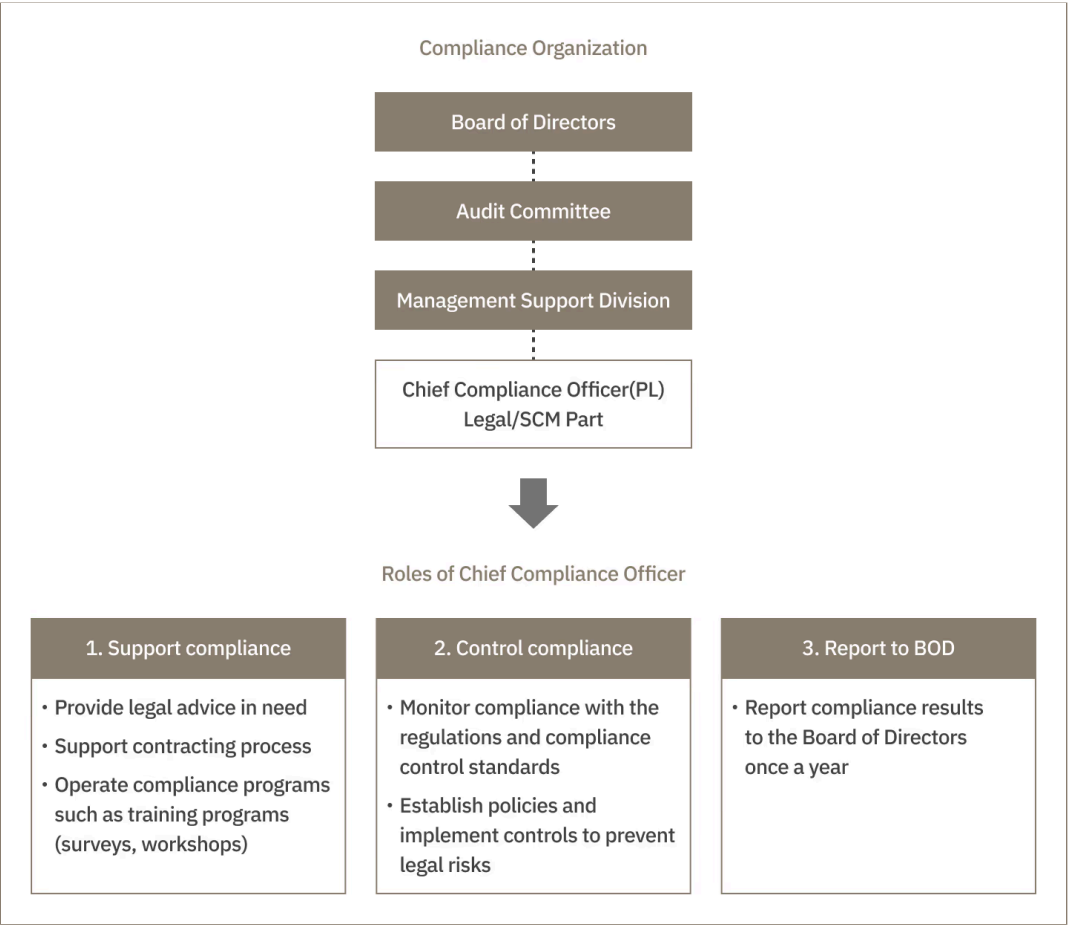
Compliance Framework

Compliance Organization

SK D&D strictly adheres to laws and regulations to uphold corporate ethics and ensure transparency and fairness in business operations. To this end, the company operates an Audit Committee under the Board of Directors, along with a Chief Compliance Officer and a compliance support organization (Legal/SCM Part).

The Audit Committee not only oversees the company’s accounting and financial audits but also supports compliance with corporate law by enhancing the legality and appropriateness of directors’ and management’s duties. The Chief Compliance Officer continuously monitors legal risks arising from business activities and operations, providing review opinions on adherence to compliance control standards to the Board of Directors. The compliance support organization, comprising the Legal/SCM Part, supports overall compliance activities through internal process audits, manages business and investment-related risks, reviews inter-affiliate transactions, and contributes to improving corporate governance.

Compliance Governance Structure and Role of the Chief Compliance Officer



2024 Compliance Control Standards Compliance Review Activities

Review Areas	Review Details
Compliance Risk Management	Conducted compliance reviews across all business operations of the company. <ul style="list-style-type: none">Implemented risk prevention measures through seminars on construction contract structures and payments.
Compliance (Fair Trade)	Conducted regular Compliance Surveys for partner companies. <ul style="list-style-type: none">Checked for any violations of ethical management by partner company employees involved in procurement.Monitored partner-related risks.Assessed unethical behavior and contract performance during contract evaluations.
Compliance (Ethical Management)	Reviewed activities related to ethical management practices. <ul style="list-style-type: none">Conducted Ethical Management Practice Surveys and reflected results in 2025 activity planning. Conducted internal audits and operated whistleblower channels. <ul style="list-style-type: none">Requested cooperation from relevant departments to strengthen procurement management and provided separate training.Handled whistleblower reports on ethics violations. Conducted fund management reviews. <ul style="list-style-type: none">Performed self-inspections of processes and internal systems to prevent fund misappropriation risks.

Internal Accounting Control System





SK D&D has established internal accounting control regulations and operates an internal accounting control system to enhance the reliability of its financial statements by ensuring compliance with laws related to financial disclosures. The Internal Accounting Control Officer, appointed as an executive with expertise in accounting or internal controls, oversees the design and operation of the system and assesses its effectiveness. This officer reports directly to the Board of Directors and the Audit Committee. The Audit Committee evaluates the operational status of the internal accounting control system and reports its findings to the Board of Directors. The CEO holds ultimate responsibility for managing and operating the internal accounting control system and reports the results to the General Meeting of Shareholders, the Board of Directors, and the Audit Committee. Detailed regulations and operational results are publicly disclosed through the electronic disclosure system (DART) and the company’s website via business reports and internal accounting control system reports.

Fair Trade

Four Major Fair Trade Guidelines

SK D&D has adopted and implemented the four major fair trade guidelines recommended by the Fair Trade Commission to establish reasonable and fair trading practices with its partners. These guidelines consist of the establishment and operation of an internal review committee, contract execution, issuance and retention of written documents, and the selection and management of partners. Through the Legal/SCM Part, SK D&D ensures compliance with these four guidelines by conducting fair

partner selection and contract management. The company also autonomously monitors adherence to fair trade laws and regulations to proactively prevent any unfair trade practices with its partners.

-  [Guidelines for the Establishment and Operation of the Internal Screening Committee](#)
-  [Guidelines for Sound Contract Practices](#)
-  [Guidelines for Issuance and Retention of Documents](#)
-  [Guidelines for Vendor Selection and Management](#)

Four Major Fair-Trade Guidelines

Guidelines for establishing and operating the internal review committee	Guidelines for proper contract execution	Guidelines for proper issuance and retention of written documents	Guidelines for partner selection and management
Contribute to establishing a fair trade order and build a win-win cooperation system based on trust with partners.	Minimize violations of laws such as the Subcontracting Act and establish rational and fair trading practices.	Raise awareness regarding written document issuance under the Subcontracting Act and promote a fair subcontracting trade order.	Ensure autonomy, transparency, and fairness in partner selection and the management of partner pools.

Fair Trade Strengthening Activities

 [GRI 206-1](#)

Fair Trade Compliance Management

SK D&D conducts annual assessments to ensure compliance with fair trade-related compliance control standards, aiming to prevent unfair trade practices and establish a robust internal compliance system. Through interviews with responsible personnel, contract reviews by type, and legal examinations, identified improvement tasks are implemented collaboratively with relevant departments.

Additionally, SK D&D proactively manages fair trade compliance by conducting prior reviews of contract amount increases in the business support sector and providing legal support for new business initiatives. As a result of these proactive fair trade risk management activities, no violations of fair trade laws or monetary penalties related to such violations have occurred in the past three years.

In response to increasing societal demands for ESG management, SK D&D plans to introduce a Fair Trade Compliance Program (CP). This includes reviewing relevant laws, analyzing risk factors, and refining internal operating regulations and training systems. The company aims to design and pilot an internal monitoring program for compliance in the near future.

Fair Trade Violations and Sanctions Status

GRI 2-27

Category	Unit	2022	2023	2024
Number of Unfair Trade Practices (e.g., anti-competitive acts, monopolies)	Cases	-	-	0
Number of Violations Due to Unfair Trade Practices	Cases	0	0	0
Monetary Fines Due to Unfair Trade Practices	Million KRW	0	0	0
Number of Non-Monetary Sanctions Due to Unfair Trade Practices	Cases	-	-	0
Number of Lawsuits Due to Unfair Trade Practices	Cases	-	-	0
Number of Monetary Sanctions Due to Legal or Regulatory Violations	Cases	0	0	0

Fair Trade Violations and Sanctions Status for Subsidiaries (DDI, DDPS)

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Fair Trade Violations and Sanctions Status for Subsidiaries (DDI, DDPS)	Cases	0	0	0	0	0	0
Monetary Fines Due to Unfair Trade Practices	Million KRW	0	0	0	0	0	0
Number of Monetary Sanctions Due to Legal or Regulatory Violations	Cases	0	0	0	0	0	0

Fair Trade Training

SK D&D leads efforts to establish a culture of voluntary compliance with fair trade by conducting annual fair trade training not only for the purchasing department but for all employees across the organization. In 2024, to enhance employees’ awareness of fair trade, training was provided to all staff covering topics such as ESG supply chain management, fair trade compliance, and legal adherence.

Fair Trade Training Performance

Target Group	Training Content	Unit	2022	2023	2024
All Employees	Supply Chain ESG Management (Anti-corruption, Fair Trade, Compliance, etc)	Total Training Hours	58	258.75	77
		Training Hours per Person	0.22	10	0.43



Information Security

Information Security System

Information Security Policy

SK D&D is establishing data governance as part of its goal to build a robust IT infrastructure solution and become a leading platform business. In line with this objective, the company has implemented an information security policy and system based on applicable laws and regulations. By complying with

national information security standards and ethical codes, SK D&D aims to mitigate cybersecurity risks and enhance trust with external stakeholders, thereby effectively managing potential risks.

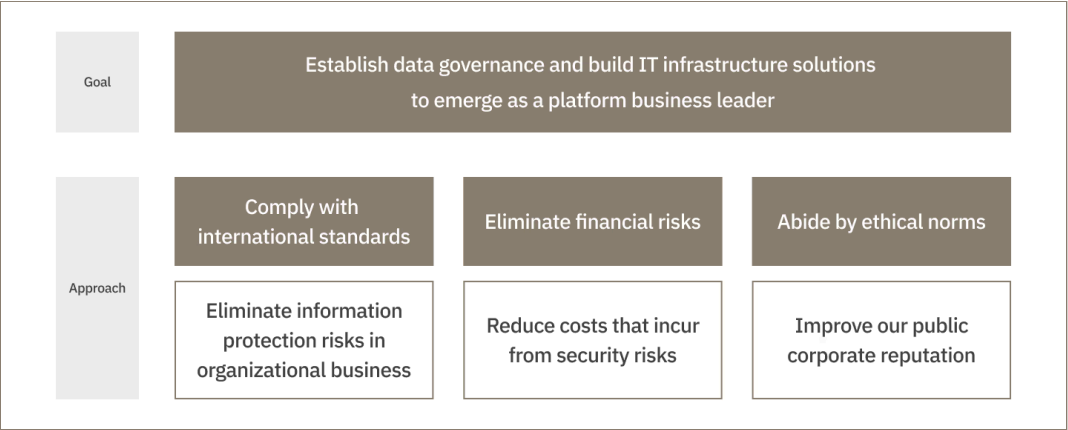
The information security policy and related regulations are posted on the company’s groupware bulletin board, ensuring that all employees are aware of and have access to them. Additionally, the privacy policy—which outlines how customer information is used, managed, and protected—is made publicly available on the company website for all customers to review.

To further enhance its internal policies and strengthen its information security framework, SK D&D acquired and maintains ISMS (Information Security Management System) certification* as of November 2023, covering its official website and the EPISODE brand website. By voluntarily obtaining this certification, the company has created a safer service environment for customers and will continue to strive for improved trust in its information security practices.

* ISMS (Information Security Management System) Certification: A certification system administered by the Korea Internet & Security Agency (KISA) that verifies organizations have established and operate an appropriate information security management system in accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection.

[Information Protection Policy](#)

Information protection policy



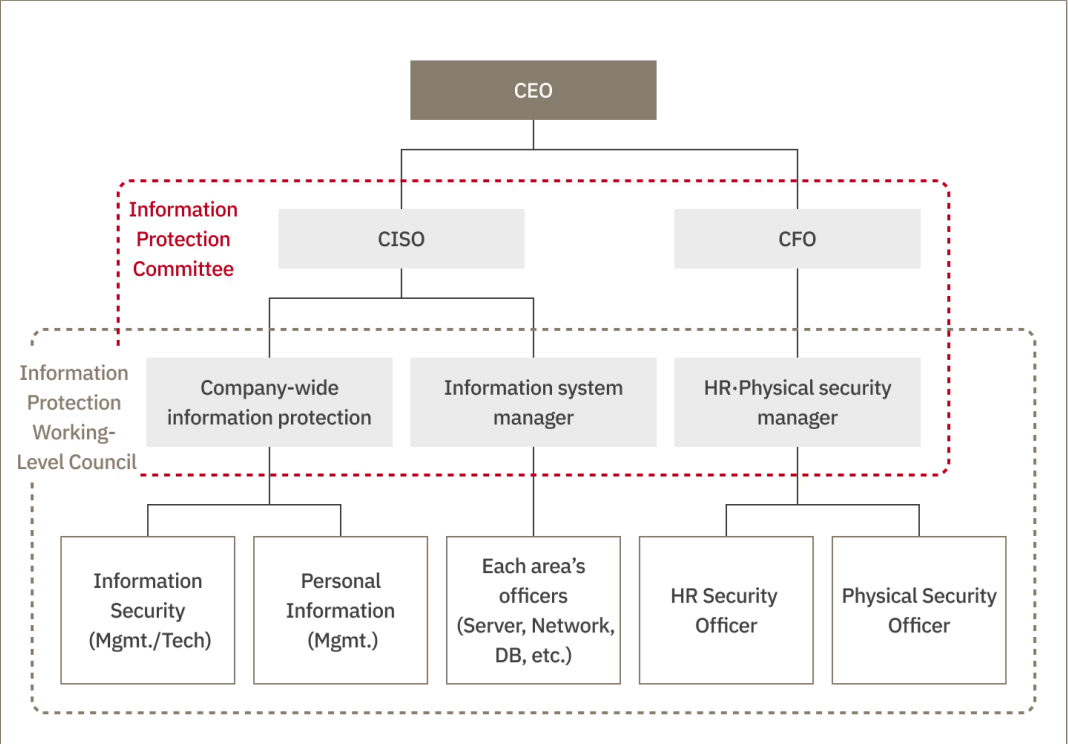
Information Security Governance Organization

SK D&D operates an Information Security Committee as its highest decision-making body to systematically implement information security management activities. Through this committee, the company reviews and decides on key issues related to the establishment of information security policies and control procedures, as well as the operation of corporate confidential information security, at least once a year. The Information Security Committee is composed of IT and information security experts, with the Chairperson appointed as the Chief Information Security Officer (CISO). The CISO is a C-level executive delegated by the CEO with the authority to review and approve policies, responsible for formulating information security strategies and ensuring prompt responses. The CISO reports the committee’s deliberations and decisions directly to the CEO.

To enhance the efficiency of information security operations, SK D&D holds a quarterly Information Security Working Group. Chaired by the Information Security Manager, this group includes practitioners responsible for information security, personal data protection, and personnel/physical security, working collaboratively to strengthen the company-wide information security framework. The DX Planning & Operations Part, which is responsible for information security, implements the annual information security

plan, conducts inspections and follow-up management to prevent security incidents, and collaborates with relevant departments such as Compliance and Business units as needed to promote internal information security activities.

Information Security Governance Organization Chart

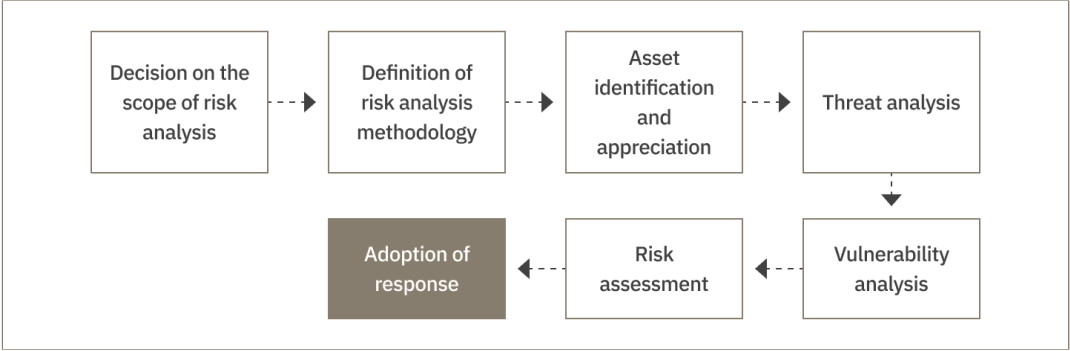


Information Security Risk Analysis and Evaluation

SK D&D conducts regular information security audits to maintain the required level of protection as stipulated by its information security policies, aiming to proactively prevent security breaches. In 2024, in accordance with ISMS-P certification standards, the company evaluated risks and vulnerabilities not only in enterprise-wide information security but also within its personal information management system. The assessment identified a total of 33 deficiencies—24 related to information security and 9 related to personal data. Mitigation measures have been fully implemented for all identified issues by the respective departments. An effectiveness evaluation of the current operations resulted in a score of 85.7, classified as an "Excellent" security level, reflecting a decrease in deficiencies compared to the previous year while maintaining a high standard of security.

Additionally, the personal information management system evaluation yielded a score of 72.7, also rated as "Excellent." SK D&D continues to address deficiencies and carry out ongoing monitoring activities to safeguard customer personal information.

Risk analysis process



2024 Information Security Risk Analysis Results

Inspection Area	Total	Completed	Remaining	Improvement Rate
ISMS/ISMS-P	33	31	2	93.9%

2024 Information Security Level Improvement Performance

Category	2023	2024	Remarks
Information Security Level	86.4	85.7(Excellent)	-
Personal Information Protection Level	-	72.7(Excellent)	New entry

Information Security Compliance

Category	Unit	2022	2023	2024
Number of information security violations/incidents*	Cases	0	0	0
Total fines or penalties related to information security	Million KRW	0	0	0

* Excludes violations/incidents related to personal information protection

Subsidiaries (DDI, DDPS) Information Security Compliance

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Number of information security violations/incidents	Cases	0	0	0	0	0	0
Total fines or penalties related to information security	Million KRW	0	0	0	0	0	0

Embedding Information Security Awareness

Information Security Best Practices

SK D&D conducts regular checks on everyday security practices to enhance employees’ awareness of information security. Any identified vulnerabilities or security incidents are promptly communicated to all staff. Quarterly, the company distributes guidelines on everyday security and information protection best practices to foster a strong security culture. Additionally, the results of internal security assessments related to the workplace environment are shared with employees. In the event of spam email influx or vulnerabilities related to Office tools, SK D&D promptly notifies employees to ensure appropriate responses can be taken, thereby preventing significant information security incidents.

10 Rules for information Protection

Do not leave work-related documents unattended	Turn off PCs after working time
Change password on a regular basis basis	Carry out regular updates
Do not open e-mail from unknown sources	Refrain from visiting untrustworthy websites
Encrypt sensitive data	Download apps from official markets
Do not use commercial e-mail for company work	Do not store files on personal PCs

Information Security Investment and Training

As SK D&D continues to expand its IT/data-driven solutions and platform businesses, the company has been increasing its investment in the information technology sector while also reinforcing its enterprise-wide information security framework. In line with this, SK D&D has consistently allocated annual investments specifically for information security. In 2024, information security expenditures accounted for 7.1% of the company’s total IT investment. SK D&D remains committed to protecting both customer and corporate information through continued investment in information security.

In addition, SK D&D provides annual information security training to ensure that all employees understand the importance of cybersecurity, recognize their responsibilities, and strengthen their security capabilities. In 2024, company-wide online security training was conducted, delivering a total of 338 hours of instruction. Furthermore, in accordance with internal information security policies, all employees are required to sign an annual Information Security Pledge, reaffirming their commitment to complying with relevant laws and internal regulations, and to practicing strong security behaviors.

Information security investment details

Category	Unit	2022	2023	2024
Total IT Investment	Million KRW	13,120	14,108	13,267
Information Security Investment	Million KRW	1,101	667	944
Information Security Investment as a % of Total IT Investment	%	8.4	4.7	7.1

Prevention and Response to Security Incidents

SK D&D conducts annual security training programs—such as simulated phishing campaigns and penetration testing exercises—as part of its ongoing efforts to prevent security incidents and strengthen information protection. The simulated phishing training is carried out company-wide to prevent incidents such as data leaks or business disruptions caused by spam emails or ransomware, and to raise employees' awareness of security risks. Penetration testing is conducted on enterprise-wide systems, applications, and IT infrastructure related to business operations, aiming to prevent security breaches and enhance overall security awareness.

In addition, SK D&D operates an IT help desk channel that allows employees to report IT and security issues as they arise, with prompt feedback and support. To further prevent and respond quickly to information security incidents, the company has implemented a Business Continuity Plan (BCP) and corresponding response procedures. Moreover, SK D&D conducts mock BCP drills and crisis response training at least twice a year to regularly assess and improve the effectiveness of its incident response processes.

2024 Simulated Phishing Training Results

Period	Participants	Result	Improvement Measures
1st Half	173	Click Rate: 12% (20 Individuals)	Enhanced security awareness through written training on malicious email trends
2nd Half	179	Click Rate: 26%(46 Individuals)	

Personal Information Protection

 [GRI 418-1](#)

Personal Information Protection Activities

In accordance with Article 30 of the Personal Information Protection Act, SK D&D has established and publicly disclosed its Personal Information Processing Policy, which details the rights and responsibilities of data subjects as well as the contact information of the company's data protection officers and personnel. The policy is regularly reviewed and revised in response to changes in laws, regulations, policies, or security technologies. To ensure transparency, all versions of the Personal Information Processing Policy,

along with the effective dates and details of amendments, are archived and made accessible on both the company’s official website and the ‘Episode’ website.

[SK D&D Webpage](#) [Episode Webpage](#)

SK D&D’s DX Planning and Operations Part, responsible for personal information protection, conducts mandatory training on personal data protection and prevention of data breaches. Each year, the company collects signed consent forms from employees regarding personal information processing, demonstrating its commitment to safeguarding employee data. Furthermore, regular system audits based on SK Group’s security guidelines are conducted to identify and remediate vulnerabilities. Investments in data masking and encryption technologies are made to prevent personal information leaks. Additionally, to prepare for any potential customer data breaches arising from the Episode rental housing business, SK D&D maintains and annually renews personal information protection liability insurance.

Personal Information Protection Compliance*

Category	Unit	2022	2023	2024
Number of Information Security Violations/Incidents Related to Personal Information	Cases	0	0	0
Total Fines or Penalties Related to Personal Information Protection	Million KRW	0	0	0
Number of Complaints Related to Customer Personal Data Violations or Data Loss	Cases	0	0	0
Verified Cases of Customer Data Leakage, Theft, or Loss	Cases	0	0	0
Number of Customers Affected by Data Breaches	Persons	0	0	0

* No complaints, data leaks, thefts, or losses related to personal information protection were reported.

Environmental

- Environmental Management and Performance
- Climate Change Response
- Green Building and Real Estate Development

Environmental Management and Performance



Environmental Management System

Environmental Management Policy

SK D&D is committed to minimizing the potential negative environmental impacts of its business activities by establishing an environmental management system aimed at promoting sustainable real estate development and expanding green buildings. In line with our commitment to creating a sustainable future where people, society, and the environment coexist in harmony, we have established and disclosed an Environmental Management Policy that reflects both our corporate values and strategic direction.

SK D&D's Environmental Management Policy applies to all business sites, including the headquarters and subsidiaries. It is periodically reviewed and revised under the review and approval of the CEO, who holds ultimate responsibility for environmental management.

To promote systematic environmental management, SK D&D has developed and implemented an Environmental Management System (EMS) Manual. We conduct internal reviews of environmental compliance and performance to ensure systematic environmental management and continuous improvement of our environmental initiatives.

Environmental Management Policy

SK D&D aims to contribute to the expansion of sustainable spaces that support national greenhouse gas reduction goals and generate social value. In line with the national 2050 carbon neutrality target, the promotion of eco-friendly buildings in the construction sector, in response to growing concerns around supply chain issues and the importance of energy security, we are working to diversify our business structure. This includes shifting from a traditional development-and-operations model toward customer-centric product development and expanding into the solutions market.

SK D&D is committed to minimizing environmental risks and enhancing the level of environmental management by establishing and internalizing robust management infrastructure. At the same time, we actively seek to expand our environmentally friendly business initiatives. We pledge the following:

1. SK D&D actively responds to the climate crisis.
2. SK D&D officially supports and adheres to international environmental declarations, standards, and regulations.
3. SK D&D pursues continuous innovation across all areas of business to deliver eco-friendly products and services.
4. SK D&D transparently discloses environmental management information to stakeholders in accordance with global standards.
5. SK D&D strives to minimize negative environmental impacts arising from its business activities.
6. SK D&D continuously advances its environmental management strategies and implementation systems.
7. SK D&D complies with all applicable environmental laws and regulations and fosters a culture of environmental responsibility.

Kim Do-hyun
Chief Executive Officer, SK D&D

[Environmental Management Policy](#)

Environmental Management System Certification Status

Category	Unit	2024
Number of ISO 14001 Certified Sites	Sites	2

[Environmental Management System Certificate\(ISO 14001\)](#) [Environmental Management Manual](#)

Environmental Management Governance Structure

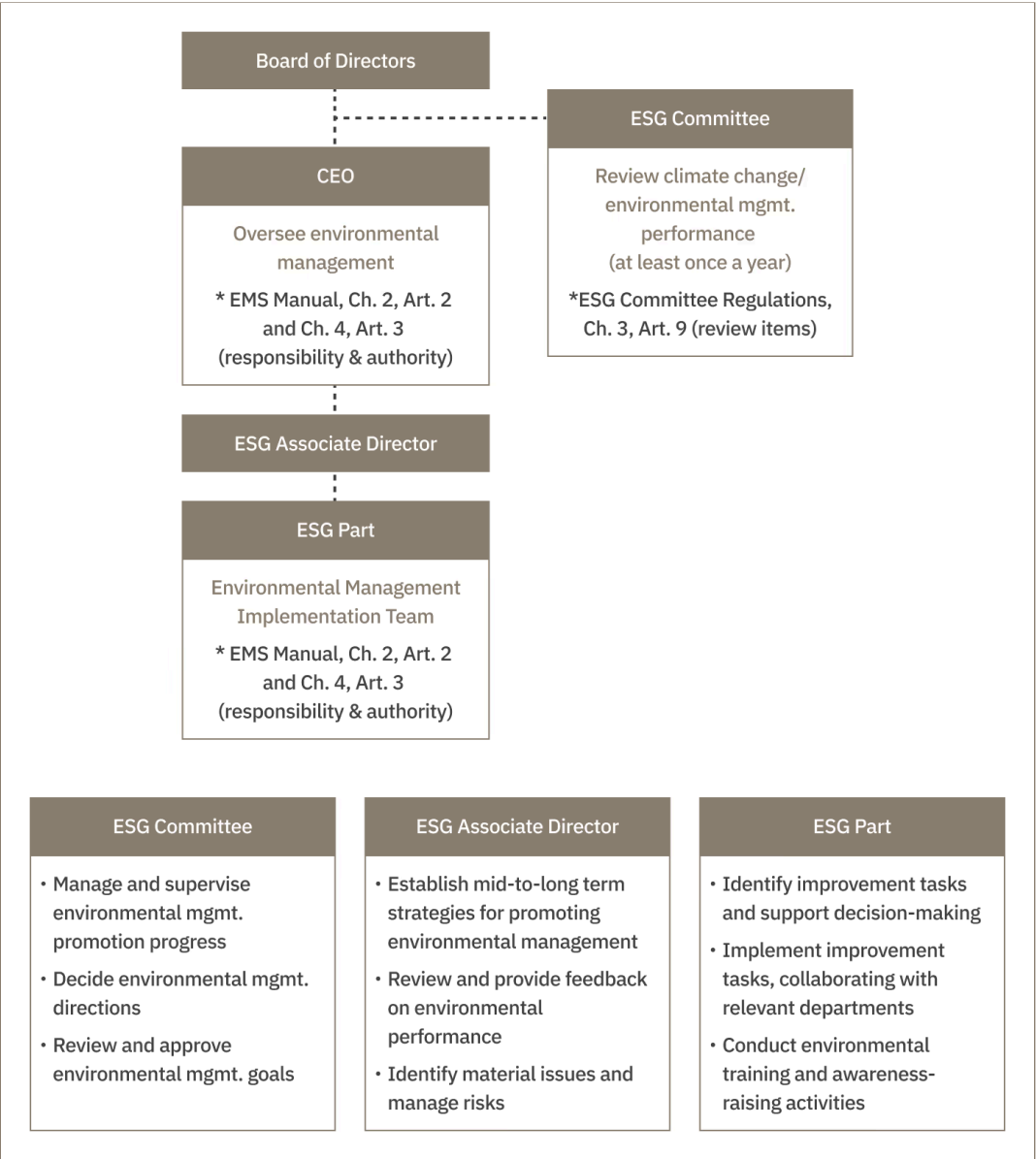
To effectively implement environmental management at the enterprise level, SK D&D has established a dedicated organizational structure driven by the active involvement of the CEO and the Board of Directors. As the ultimate authority for environmental management, the CEO oversees the company’s Environmental Management System by expressing a firm commitment to environmental responsibility, approving environmental policies, and supervising performance outcomes.

The Board of Directors, through the ESG Committee, conducts an in-depth annual review of SK D&D’s environmental management plans, implementation strategies, and performance. The Committee also monitors the performance and effectiveness of corrective actions taken to mitigate environmental risks.

The ESG Part, which serves as the dedicated environmental management department, regularly monitors environmental regulations and conducts environmental impact assessments. Based on these activities, it revises the company’s environmental policies and guidelines. Drawing from environmental data collected across business sites, the department sets strategic objectives, action plans, and improvement tasks, collaborating closely with relevant departments to implement initiatives and improvements.

To promote the internalization of environmental management practices, SK D&D conducts training programs to raise awareness among employees, thereby minimizing the risk of environmental incidents. Key environmental issues, risks, and performance outcomes identified through these efforts are regularly reported to the ESG Committee to support the Board’s decision-making process.

Environmental Management Organization



[ESG Committee Activities Status](#)

Environmental Management Performance

Environmental Performance Management

To embed environmental management into the core of its business, SK D&D assigns KPIs related to environmental performance to the CEO, executives, and heads of each business division. These KPIs are linked to the company’s compensation and incentive systems, driving continuous improvement in environmental outcomes. In addition, company-wide environmental KPIs are established annually, aligned with overall business objectives and key initiatives, and implemented through a structured process.

In 2024, SK D&D set environmental KPIs with the goal of "establishing a foundational system to respond to mandatory sustainability disclosures," specifically through the development of a climate change response framework based on consolidated accounting standards. All associated tasks were successfully

completed.

To further enhance its environmental management, SK D&D consistently identifies and implements initiatives to improve environmental performance across all business areas—from acquiring eco-friendly certifications during real estate development to promoting environmentally conscious practices during operations. Particularly in office development, SK D&D is responding to evolving demands for future workspaces by applying ESG-focused design and operational strategies, aiming to deliver environmental sustainability and create positive value for both tenant companies and end-users through eco-efficient work environments.

SK D&D is also expanding the number of projects that obtain green building certifications, with the goal of certifying all residential and commercial buildings it develops. Among ESG KPIs assigned to the CEO, tasks include implementing RE100 as part of the company’s Net Zero commitment. For the Head of the Frontier Division, responsible for real estate development, ESG-related KPIs include developing sustainable office designs that integrate eco-friendly features.

2024 Environmental Management KPI Achievement Rate (Target / Performance)

Category	Achievement Rate (%)	2024		
		Target	Performance	Remarks
Establishment of climate disclosure response system	100	Build internal infrastructure and capabilities to respond to KSSB S2	Established climate change response system based on consolidated accounting standards	-
RE 100 Implementation	100	RE100 transition for headquarters and subsidiaries	RE100 implementation at headquarters and subsidiaries	Achieved RE100 using Renewable Energy Certificates (RECs)
ESG Building Solutions	100	Develop and apply environmental improvement plans for real estate development	Developed ESG future workspace design guidelines	-

Status of Third-Party Green Certification Acquisitions

Category	Unit	2024 (Cumulative)
Green building certification (G-SEED)	Cases	16
Building energy efficiency grade certification	Cases	19
LEED certification	Cases	1
Total	Cases	36

* As of the end of December 2024

Waste Management

[GRI 306-1](#) [GRI 306-2](#) [GRI 306-3](#)

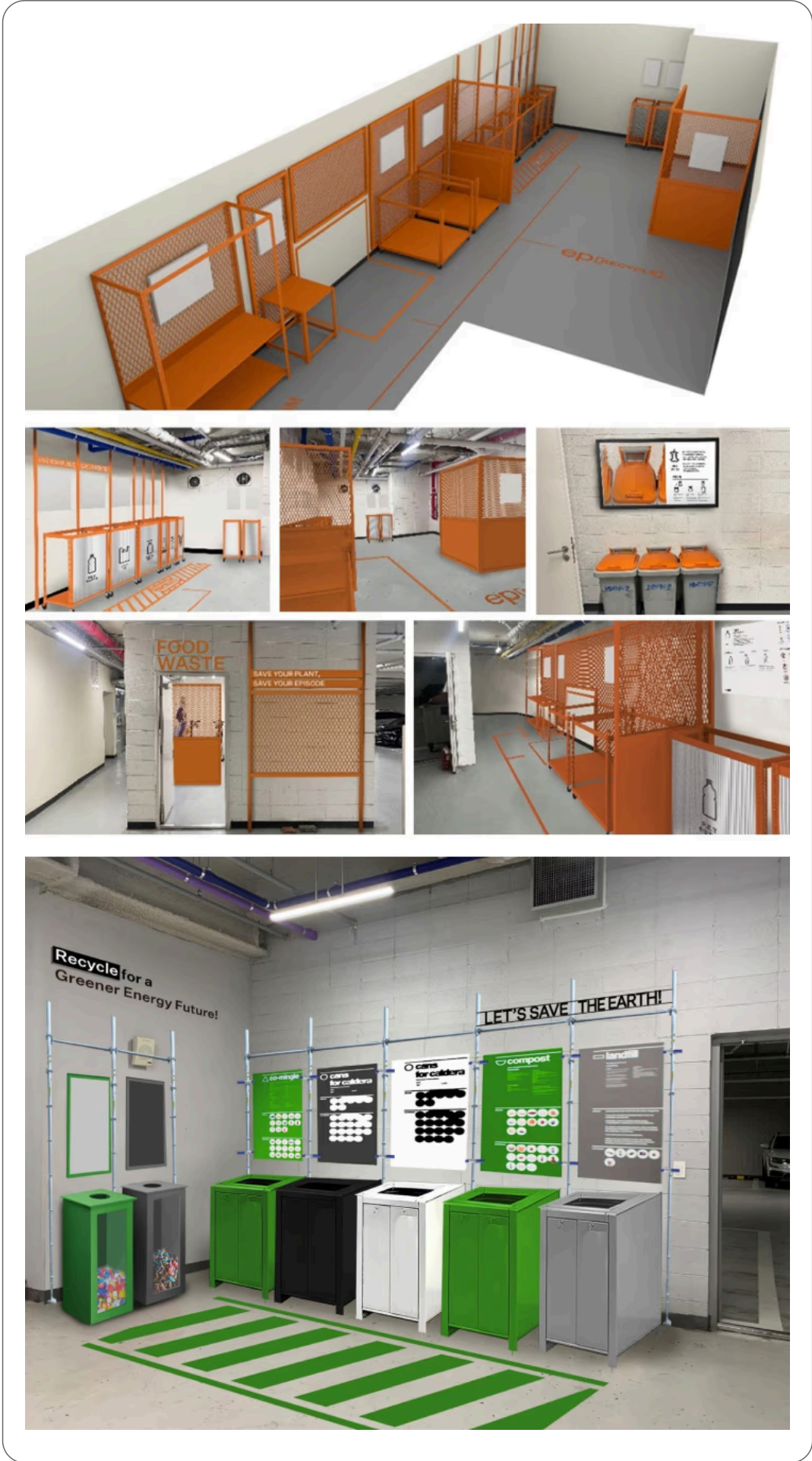
SK D&D rigorously manages waste generated not only at its headquarters but throughout all stages of space development and operation. This commitment aims to prevent resource waste and environmental pollution caused by real estate business activities.

Waste generated at the headquarters is managed according to an internal waste management system, while waste from business sites is legally disposed of and treated through external O&M service providers. To encourage employee participation in waste reduction, SK D&D operates a paperless office environment, mandates the use of personal mugs and tumblers to reduce single-use items, and conducts waste reduction campaigns.

At construction sites, SK D&D collaborates closely with business partners to minimize waste generation and promote strict separation and disposal of construction waste. Furthermore, to improve waste disposal facilities at the rental housing “Episode,” the company analyzed existing issues related to recycling stations and food waste disposal areas. Based on these findings, SK D&D is currently renovating the internal waste treatment facilities by enhancing readability, providing recycling guides, separating disposal zones, and installing hardware.

Moving forward, SK D&D plans to progressively expand environmental improvement activities at the Episode recycling stations and implement waste reduction campaigns to support tenants in proper waste management and recycling.

Improvement of Recycling Station Environment at Episode



SK D&D Waste Generation*

Category	Unit	2022	2023	2024
General Waste	tons	2.5	3.5	2.5
Recyclable Waste	tons	4.2	5.2	2.7
Designated Waste	tons	1.6	3.3	0
Total Waste Generated**	tons	8.3	11.9	5.2
Waste Intensity***	Tons/KRW 10 billion	0.2	0.4	0.1
Recycling Rate****	%	50.4	43.5	51.4

* Waste generation data covers the headquarters and Gasiri Wind Power Plant.

** Due to rounding and significant figure handling, the total waste generated may differ from the sum of general and designated waste.

*** Waste Intensity = Total waste generated in the year ÷ Annual sales revenue (separate accounting).

**** Recycling Rate = (Recycled waste ÷ Total waste generated) x 100; rounding may cause minor discrepancies.

Water Resource Management

[GRI 303-3](#) [GRI 303-5](#)

SK D&D has established and operates a water usage reduction and management system at its headquarters to improve water use efficiency. At the Eco-hub building on the headquarters site, rainwater and groundwater collected from the rooftop and grounds are recycled as treated reclaimed water and irrigation water. Additionally, water consumption is reduced through the use of water-saving sanitary fixtures certified with an environmental label.

In real estate development projects, SK D&D implements rainwater management systems to efficiently utilize rainwater and discharged groundwater. The company continuously strives to minimize water usage throughout its operations.

SK D&D Water Usage*

Category	Unit	2022	2023	2024
Potable water	tons	19,021.0	19,427.7	12,648.2
Water intake**	tons	572.1	619.2	471.9
Total water intake***	tons	19,593.1	20,046.9	13,120.1
Water usage	tons	19,593.1	20,046.9	13,120.1
Water savings/Reused amount	tons	572.1	619.2	471.9
Water usage intensity****	Tons/KRW 10 billion	390.1	630.0	216.5
Water savings/ Reusage rate*****	%	2.9	3.1	3.6

* SK D&D manages water intake and usage data for headquarters and business sites.

** SK D&D uses only potable water and rainwater; intake and usage volumes are identical.

*** Due to rounding and significant figure handling, total water intake may differ from the sum of potable and rainwater intake.

**** Water Usage Intensity = Total water usage ÷ Annual sales revenue (separate accounting).

***** Water Savings/Reuse Rate = (Rainwater usage ÷ Total water intake) x 100.

Water Usage of Subsidiaries (DDI, DDPS)*

Category		Unit	2022		2023		2024	
			DDI	DDPS	DDI	DDPS	DDI	DDPS
Water intake	Potable water	ton	1,436.0	382.7	1,293.0	522.0	2,008.0	3,371.0
	Total water intake**	ton	1,436.0	382.7	1,293.0	522.0	2,008.0	3,371.0
Water usage		ton	1,436.0	382.7	1,293.0	522.0	2,008.0	3,371.0

* Water intake and usage are managed for the headquarters and business sites of subsidiaries (DDI, DDPS).

** Subsidiaries (DDI, DDPS) do not utilize water sources other than potable water.

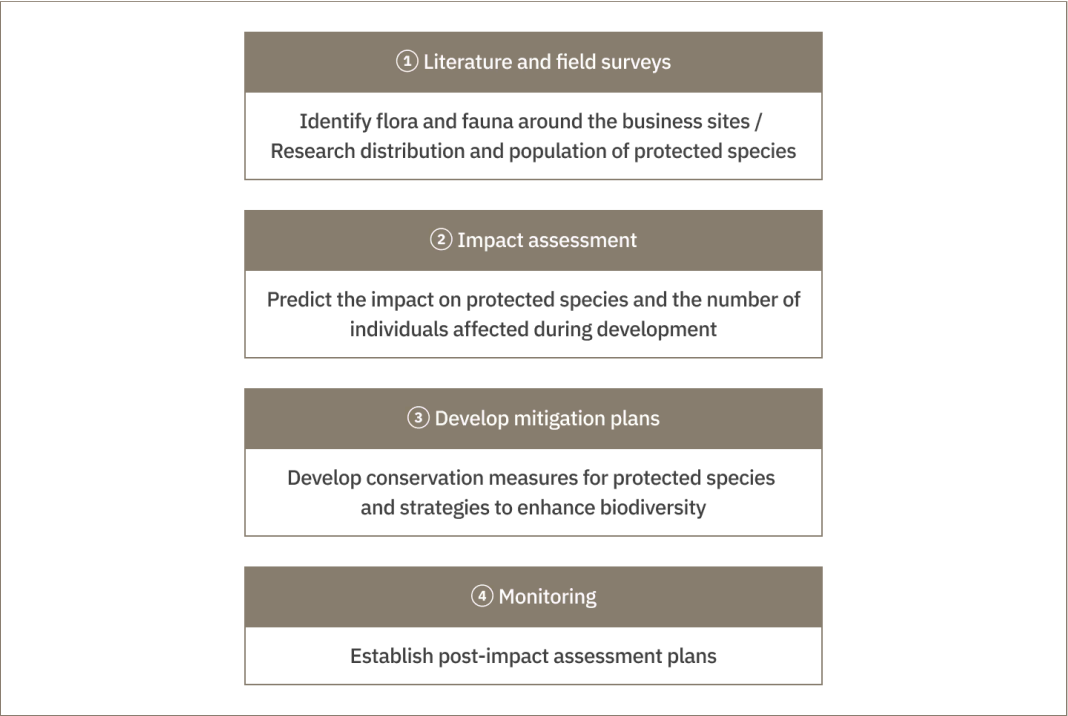
Biodiversity Protection

GRI 304-1 GRI 304-4

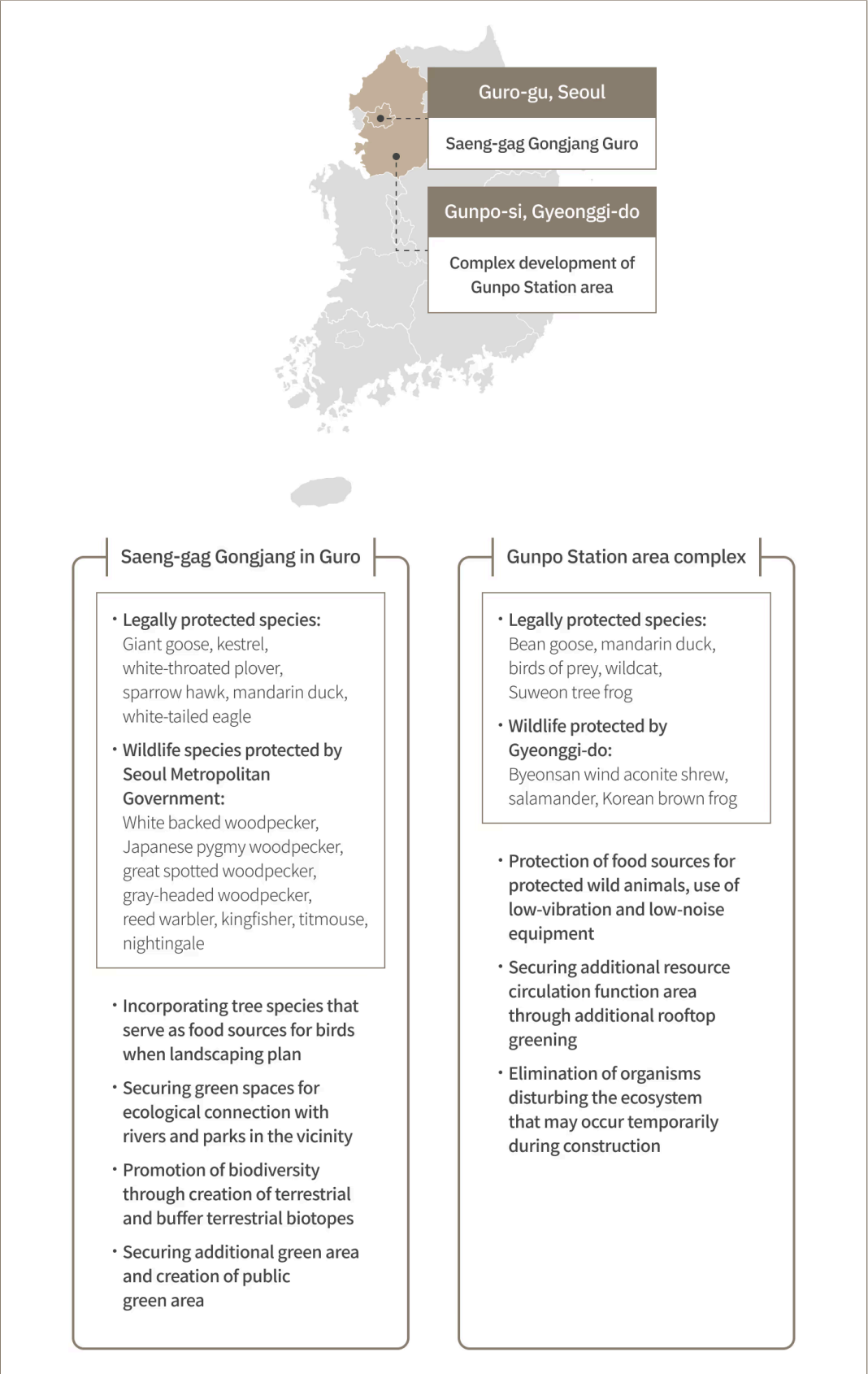
SK D&D conducts environmental impact assessments prior to construction activities in its real estate development projects to identify potential environmental effects in advance. The company implements measures that exceed legal and regulatory requirements to mitigate these impacts. To protect local ecosystems, SK D&D identifies key environmental impact factors and establishes and executes mitigation plans to safeguard nationally protected species and regionally protected wildlife, thereby minimizing ecosystem disruption.

Based on the results of environmental impact assessments, SK D&D promotes the creation of green corridors and ecological passages near project sites to preserve nearby ecosystems. Furthermore, the company carries out mid- to long-term improvement tasks post-construction and continuously monitors residual environmental impacts.

Process for Establishing Environmental Protection Measures



Responses to Protected Species in the Ecosystem – Real Estate Projects



Environmental Management Activities

Regulatory Compliance Monitoring

 [GRI 2-27](#)

SK D&D has established environmental management as a core company-wide priority to address the global climate crisis and to provide sustainable spaces for its customers. The company systematically implements key environmental initiatives and ensures comprehensive management of compliance with relevant laws and regulations throughout all phases of building development to minimize potential environmental impacts.

By regularly auditing its environmental compliance levels, SK D&D continuously strengthens its environmental management system without violations of environmental laws. Additionally, based on the environmental management manual, SK D&D identifies applicable laws and requirements related to its environmental activities and systematically manages its compliance obligations.

Status of Environmental Law Violations

Category		Unit	2022	2023	2024
Number of environmental law violations	Total	Cases	0	0	0
	Lawsuits	Cases	0	0	0
	Non-monetary sanctions	Cases	0	0	0
	Others	Cases	0	0	0
Fines Due to Environmental Law Violations		Million KRW	0	0	0
Penalties Due to Environmental Violations		Million KRW	0	0	0

Environmental Investment and Education

SK D&D actively contributes to reducing greenhouse gas emissions and energy consumption both directly and indirectly through its Net Zero initiatives and environmental investments in rental housing projects such as ‘Episode.’ To enhance employees’ environmental knowledge and capabilities and strengthen the momentum for environmental management, SK D&D conducts regular environmental training for all staff members.

Through the mySUNI education platform, SK D&D offers a variety of environmental courses on topics such as Net Zero, hydrogen, circular economy, and renewable energy generation. The company actively encourages employee participation in these programs to raise awareness of climate change and environmental issues while fostering a strong sense of social responsibility toward environmental protection.

Environmental Investment Performance

Category	Unit	2023	2024
Environmental Investment Plan	Million KRW	240	220
RE100 Implementation	Million KRW	178	198
Environmental Improvement (e.g., Episode site recycling station upgrades)	Million KRW	33	20
Total	Million KRW	211	218

Environmental Education Curriculum*

Category	Unit	2023	2024
Total Training Hours	hours	242	146
Training Hours per Person	hours/person	0.9	0.81

* Includes total training hours from the mySUNI education program.

Environmental Education Performance

<div>Literacy</div> <div>Shift in environmental awareness and knowledge to understand the link between environment and Deep Change</div> <div><ul style="list-style-type: none">• Green Strategy• Net Zero• Clean Earth</div>	<div>Enabler</div> <div>Changes of eco-friendly/climate policies and systems in countries, international organizations, and financial markets</div> <div><ul style="list-style-type: none">• Green Policy• Green Finance</div>	<div>Domain</div> <div>Environmental knowledge required for Deep Change, such as decarbonization, hydrogen and circular economy</div> <div><ul style="list-style-type: none">• Green/Battery 101• Carbon Emission• Plastic Recycling</div>	<div>Advanced</div> <div>Recent information, knowledge, and problem-solving capability related to Green Business and technology</div> <div><ul style="list-style-type: none">• Water/Air/Resource Circulation• Energy Storage/ Renewable Energy• Professional Program for Green Sector</div>
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Climate Change Response

Climate Change Governance

[TCFD Governance \(a\)](#) [TCFD Governance \(b\)](#)

To systematically respond to climate change issues, SK D&D has established a multi-level climate change governance structure consisting of the Board of Directors, executives, and working-level teams. The ESG Committee, a subcommittee under the Board of Directors and the company’s highest decision-making body, oversees the overall ESG management agenda, including climate change response and net-zero implementation. The committee is responsible for setting strategic direction and integrating ESG values into business operations.

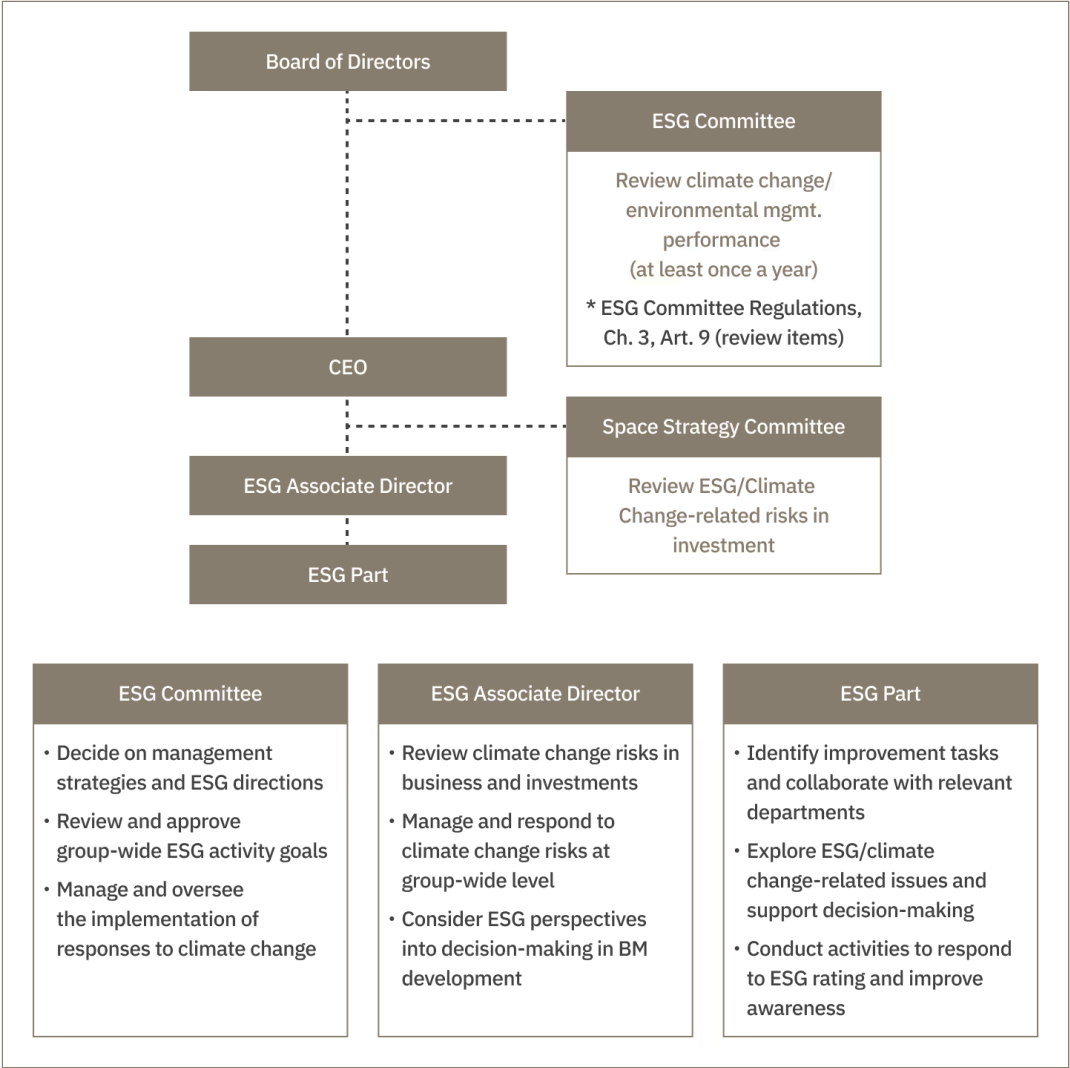
Under the direct leadership of the CEO, the Space Strategy Committee analyzes climate-related risks and opportunities throughout business and investment activities and reflects these insights in decision-making by formulating appropriate response strategies.

The dedicated ESG department (ESG Part) works closely with relevant departments to monitor improvement tasks across different areas and supports departments that require practical assistance in implementing climate change responses. In addition, the ESG Part identifies and submits key ESG-related decision-making topics for each business division to the Board of Directors, actively responds to external ESG assessments and disclosure requirements, and promotes employee awareness of climate change and environmental issues through training programs and campaigns.

Climate change-related issues are reported to the Board of Directors and executive management at least once a year. Key issues and planned activities are reviewed and managed through this reporting process. Furthermore, performance in climate action is monitored and embedded into the organization by linking it to the KPI targets of C-level executives (such as the CEO and CSO) and business division heads.

[ESG Committee Activities Status](#)

Climate change governance and roles



Climate Change Response Strategy

Identification of Climate-related Risks and Opportunities

[GRI 201-2](#) [TCFD Strategy \(a\)](#) [TCFD Strategy \(b\)](#)

SK D&D systematically identifies the impact of climate change on its assets and business by conducting analyses using science-based data and international scenarios. For physical risks, the company quantitatively assessed the climate exposure (such as heatwaves, flooding, drought, typhoons, etc.) of regions where its development and operational assets are located using S&P Global’s Climonomics platform. This analysis identified the levels of physical risks each asset may face in the short and medium to long term, which are then reflected in future asset planning and technical design.

For transition risks, SK D&D derived key risks and opportunities by considering policy changes, energy price fluctuations, and market demand changes based on the International Energy Agency’s (IEA) Net Zero scenario. This external data-driven analysis is conducted in parallel with internal ESG risk committees and interviews with related departments, enabling the selection of practical risk and opportunity factors tailored to SK D&D’s business characteristics.

Identified climate-related physical risks

Category	Physical risks	Affected assets*				Estimated impact period**		
		Northern Seoul	Seocho	Seongdong	Mapo	Short-term	Mid-term	Long-term
Acute • Damage caused by extreme weather events	Flooding (River flooding)			○		V	V	V
	Flooding (Urban flooding)	○	○	○	○	V	V	V
	Typhoon	○	○	○	○	V	V	V
	Drought	○	○	○	○			V
Chronic • Damage caused by long-term climate change from climate pattern variations	Abnormal Temperature	○	○	○	○	V	V	V

* Indicated with ○, if climate-related physical risks are identified in Northern Seoul (Suyu 838), Seocho(Gangnam 262, Seocho 393), Seongdong (Seongsu 101, Seongsu 121, Weltz Tower in Guui), Mapo (Sinchon 369) . No physical risks are identified that affect more than 25% of the quantitative materiality amount.

** Short-term (Within one year), Mid-term (One year – Five years), Long-term (More than five years)

Identified transition risks related to climate change

Category	Transition risks	Affected business models*				Estimated impact period**		
		Real estate development	Management of REITs	Management of real estate operations	Furniture business	Short-term	Mid-term	Long-term
Policy and legislation	Law and regulations	○						V
	Stricter GHG emissions reporting obligations	○	○				V	V
	Regulation of development products	●					V	V
	Exposure to litigation risk	○						V
Technology	Transition to low-carbon technologies	●					V	V
	Changes in consumer behavior	●	●		○		V	V
Market	Market uncertainty	○	○					V
	Higher raw material costs	●					V	V
Reputation	Changing preferences of consumers				○		V	V
	Increased negative stakeholder views	●	●				V	V
	Loan/investment/insurance underwriting activities		○					V
	Negative climate change-related media coverage of projects and activities		●				V	V

* Indicated with ○ if climate-related transition risks are identified in Real estate development(SK D&D), Management of REITs(D&D Investment), and Management of real estate operations and furniture business (D&D Property Solutions), and ● if they are selected as

important transition risks.

** Short-term (Within one year), Mid-term (One year – Five years), Long-term (More than five years)

Identified climate-related opportunities

Category	Opportunities	Affected business models*				Estimated impact period**		
		Real estate development	Management of REITs	Management of real estate operations	Furniture business	Short-term	Mid-term	Long-term
Resource efficiency	Use of environment-friendly vehicles	○				V	V	V
	Use of high-efficiency offices	○					V	V
Energy resources	Use of low-carbon energy			○			V	V
Products and services	Development and expansion of low-carbon products and services	●		●			V	V
	Development of climate change adaptation measures, resilience, and insurance products		○					V
	Changes in consumer preferences	●	○	●	○		V	V
Market	Lower risk in the investment decision-making process		●				V	V
	Timely preparation for regulations on fiduciary responsibility		○					V

* Indicated with ○ if climate-related opportunities are identified in Real estate development(SK D&D), Management of REITs (D&D Investment), Management of real estate operations and furniture business (D&D Property Solutions), and with ● if they are selected as important opportunities.

** Short-term (Within one year), Mid-term (One year – Five years), Long-term (More than five years)

We have estimated the following expected financial impacts as a result of climate-related risks and opportunities and responses to them: positive values for increased assets and profit, lower costs, and increased cash flows, and negative values for lower profit, higher costs, and decreased cash flows.

Financial impacts per risk and opportunity factor

Climate-related risks and opportunities		Estimated duration and amount of impacts**		
Category		Short-term	Mid-term	Long-term
Physical risk (Acute)*	Facility damage from acute physical risks such as hurricanes, flooding, and wildfires			
Physical risk (Chronic)*	Higher design costs due to chronic physical risks			
Transition risks (Technology)	Investment of expense in adopting technologies to ensure sustainability			
Transition risks* (Policy and legislation, and market)	(Policy and legislation) Stricter mandates and regulations related to climate change and energy on real estate products and value chains	-339	-1,273	-6,848
	(Market) Changes in market demand due to uncertainty in consumer demand for low-carbon products and services			
	(Market) Higher production costs due to raw materials and facilities in line with the widespread adoption of green and zero-energy buildings			

* Financial impact data for these items is excluded due to high uncertainty.

** Unit: Million KRW

Financial impacts per risk and opportunity factor (Details)

Climate-related risks and opportunities		Pathways to impact financial position, financial performance, and cash flows	Estimated duration and amount of impact		
Category			Short-term	Mid-term	Long-term
Physical risk (Acute)	Facility damage from acute physical risks such as hurricanes, flooding, and wildfires	Tangible asset impairment losses and inventory valuation losses due to acute physical risks (flooding)	*		
		Increased insurance payouts due to acute physical risks (flooding)			
Physical risk (Chronic)	Higher design costs due to chronic physical risks	Increased real estate cost of sales and cash flow for operations due to the requirement to adopt more efficient coolers, air conditioning facilities, and energy storage systems	**		
Transition risks (Technology)	Investment of expense in adopting technologies to ensure sustainability	Increased amortization expense for right-of-use assets due to the increase in right-of-use assets***	-92	-454	-4
		Higher interest expense due to increased lease liabilities***	-19	-72	
		Decrease in cash flows from financing activities due to lease payments***	-104	-514	-4
		Reduced amortization expense for right-of-use assets that would have been incurred if the internal combustion engine vehicles had been retained, avoided by the transition strategy****	84	393	2
		Reduced interest expense on lease liabilities that would have been incurred if the internal combustion engine vehicles had been retained, avoided by the transition strategy****	17	61	
		Increase in avoided cash flows from financing activities of lease payments that would have been paid if the internal combustion engine vehicle had been retained, avoided by the transition strategy****	95	445	3
		Increase in operating expenses and decrease in cash flow for the operation due to the procurement of renewable energy certificates*****	-160	-566	-3
			-160	-566	-3
Transition risks	(Policy and legislation) Stricter mandates and regulations related to climate change and energy on real estate products and value chains	Increase in various expenses (operating expenses) and cash flow for operation due to R&D expenses and certification expenses for expanding the development of zero-energy buildings and green buildings.	*****		
(Policy and legislation, and market)	(Market) Changes in market demand due to uncertainty in consumer demand for low-carbon products and services				
	(Market) Higher production costs due to raw materials and facilities in line with the widespread adoption of green and zero-energy buildings	Increase in design costs (operating expenses) and cash flow for operation to respond to higher consumer demand for zero-energy buildings and green buildings.			

- * It was confirmed that certain assets in operation, which are located in impervious urban areas and riverine areas, have significant exposure to inundation from heavy rainfall and stream flooding, among other climate change-related acute physical risks, which may be considered as part of the analysis and measurement of impairment of tangible assets, and loss from valuation of inventory. Additionally, it is expected that an increase in the loss ratio per disaster due to these acute physical risks may increase the accompanying insurance premiums, which could result in an increase in operating expenses. However, the corresponding financial impact could be calculated in a wide range, depending on the levels of frequency and severity of these acute physical risks; as the frequency and severity are variables with high uncertainty, the quantitative information is not provided.
- ** In response to chronic physical risks, there is an increasing demand for the adoption of efficient cooling, air conditioning, and energy storage systems for responding to abnormal temperatures for inventory assets held. It is expected that this may increase the related cost of sales. However, considering that the requirements for responding to these chronic physical risks can be derived differently depending on the needs of customers, and there are numerous input variables as the financial impact can be calculated in a wide range depending on the severity level of the chronic physical risks, and the severity of physical risks is a variable with a high uncertainty, the quantitative information is not provided.
- *** Transition risks of increasing GHG reduction requirements have been identified, and it is planned to convert existing internal combustion engine corporate vehicles to eco-friendly vehicles. As for the quantitative information in the expected financial impact, the lease term is calculated based on the company's Net Zero roadmap and strategy, and it was assumed that the existing internal combustion engine corporate vehicles will be converted to eco-friendly vehicles at the end of the lease term. It was also assumed that hybrid vehicles would be converted to electric vehicles at the end of the lease term. It was assumed that there would be reinvestment in another electric vehicle at the end of the lease term, and the lease contract term and incremental borrowing rate information would remain the same as the existing lease.
- **** As the existing internal combustion engine corporate vehicles will be replaced with electric vehicles, it is expected to result in lower amortization expense for right-of-use assets and lower interest expense on lease liabilities, if the existing internal combustion engine vehicle leases were maintained, as a result of the strategy. The quantitative information in the estimated financial impact was calculated through the difference between the lease payments for an eco-friendly car to be used as a corporate vehicle, and an internal combustion engine vehicle with the same performance.
- ***** SK D&D plans spot purchases of RECs in response to increasing GHG reduction requirements. The quantitative information in the estimated financial impact was calculated based on the expected usage to be procured in accordance with the Net Zero roadmap and strategy, and the unit cost to procure these RECs was estimated based on the average price of RECs, by applying fluctuation rates of internal price estimates.
- ***** As a factor of transition risk, SK D&D expects an increase in R&D expenses, certification expenses, and other various costs associated with incorporating eco-friendly factors into the design and operation of real estate products, as well as an increase in outsourcing costs related to the increase in eco-friendly requirements of customers at the design stage, in order to respond to climate change impacts on real estate products, stricter regulations on energy-related requirements, and higher demand for eco-friendly and zero-energy real estate. However, as these financial impacts are expected to be complex, depending on fluctuations in the regulated market and the diversity of customer requirements, quantitative information was not provided, considering that such financial impacts can be calculated in a wide range and are not facile to measure.

Response Strategies Based on Financial Impacts

Identified Key Risks and Opportunities			Response Strategies (Current and Expected Actions)
Transitions Risks	Policy and Legislation	Introduction of obligations and regulations for existing products and services	<ul style="list-style-type: none">• green building development with the goal of achieving carbon neutrality by 2050, standards exceeding governmental laws and regulations.
	Technology	Low-carbon technology transition	<ul style="list-style-type: none">• Converting corporate vehicles to eco-friendly vehicles and procuring electricity through contracts for Renewable Energy Certificates (REC)
	Market	Changes in consumer behavior	<ul style="list-style-type: none">• Developing indicators and conducting social value assessments to build empathy and trust among episode customers.• Strengthening environmentally friendly factors throughout the entire process from design to operation of green buildings in line with increasing consumer demand and sustainable development.• Providing value to customers through data- and AI-based Space as a Service, and overcoming constraints of time and place by connecting physical and virtual spaces via Digital Transformation (DT).
	Reputation	Increase in stakeholder concerns or negative perceptions	<ul style="list-style-type: none">• Reflecting stakeholder opinions through a double materiality assessment when establishing ESG management strategies.• Disclosing ESG performance and management results on the company website.• Enhancing information accessibility by disclosure of key issues and updating communication channels.
		Products and Services	<ul style="list-style-type: none">• Achieving 100% certification of green buildings for residential and office spaces and providing sustainable space solutions.• Expanding development and investment in high-efficiency energy buildings and Zero Emission Buildings.
Opportunities	Development and expansion of low-carbon products and services	Changes in consumer preferences	<ul style="list-style-type: none">• Developing metrics to build empathy and trust with episode customers and conducting social value measurements.• Enhancing eco-friendly factors throughout building design to operation in response to increasing consumer demand for green buildings and sustainable development.• Providing Space as a Service based on customer value, data, and AI, and overcoming time and location constraints by connecting real and virtual spaces through Digital Transformation (DT).
	Market (Financial Sector)	Reduction of stranded asset risks reflected in investment decision-making processes (financial sector)	<ul style="list-style-type: none">• When identifying investment targets or new projects, potential ESG risks are pre-assessed according to the 'ESG Risk Review Process,' and risk mitigation plans are established and implemented.

Climate Resilience

[TCFD Strategy \(c\)](#)

SK D&D has conducted in-depth analyses to ensure that its established strategies are resilient under various scenarios. For acute physical risks such as floods, typhoons, and droughts, the company proactively assesses the likelihood and potential impacts of these risks to identify latent risk factors at its business sites. Based on the results, SK D&D develops and implements mitigation measures accordingly. To address

chronic physical risks like abnormal temperatures, the company is improving cooling systems and key facilities, while reducing vulnerabilities and enhancing adaptive capacity through the design and operation of green buildings that consider energy self-sufficiency.

Through these efforts, SK D&D has established a solid foundation to effectively respond to and adapt to physical risks caused by climate change. Additionally, SK D&D continually obtains green building certifications and strengthens its eco-friendly portfolio. When selecting investment projects, it systematically reviews ESG-related risks. By analyzing various climate change scenarios based on environmental management governance and identifying financial risks and opportunities, SK D&D ensures it has sufficient capability to effectively respond to and adapt to transition risks caused by climate change.

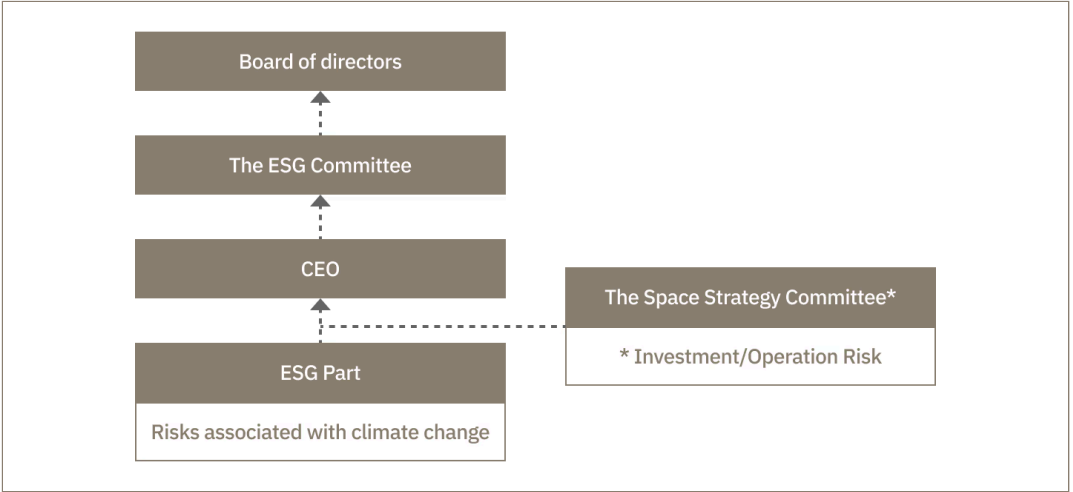
Climate Change Risk Management

[TCFD Risk Management \(a\)](#) [TCFD Risk Management \(b\)](#)

SK D&D reviews non-financial risks related to ESG management through its ESG Committee. Led by the ESG team, the company selects key tasks for each risk type, including climate change risks, and continuously monitors their progress and future plans. The status of risk management initiatives is reported regularly to management at least once a year.

Risk management process

[TCFD Risk Management \(c\)](#)



Key Risk Management Activities and Roles

Enterprise-wide risk management process	Details	Role of the risk management organization
Recognition of risks and identification of tasks/establishment of goals	<ul style="list-style-type: none">• Identification of risks considering each organization's characteristics• Setting key risk issues and targets considering materiality, including scale and impact of risks	<ul style="list-style-type: none">• Identification of key risk issues at the C-level of the organization, and establishment of goals and timelines
Implementation of and monitoring of risk improvements	<ul style="list-style-type: none">• Continuously monitor core risk tasks. Collect and analyze progress by responsible organization for each risk type.	<ul style="list-style-type: none">• Report to the CEO on the summarized and analyzed progress of tasks per organization in charge for each risk type• Report investment/operation-related issues to the Space Strategy Committee• Report to the BOD in case of significant issues affecting corporate activities
Reporting risk results	<ul style="list-style-type: none">• Report annual risk management performance to the Board of Directors/ESG Committee	<ul style="list-style-type: none">• Report risk identification/response status to the CEO at all times• Report to the BOD on risk management performance and major risk events

Climate Change Metrics and Targets

GHG Reduction Targets

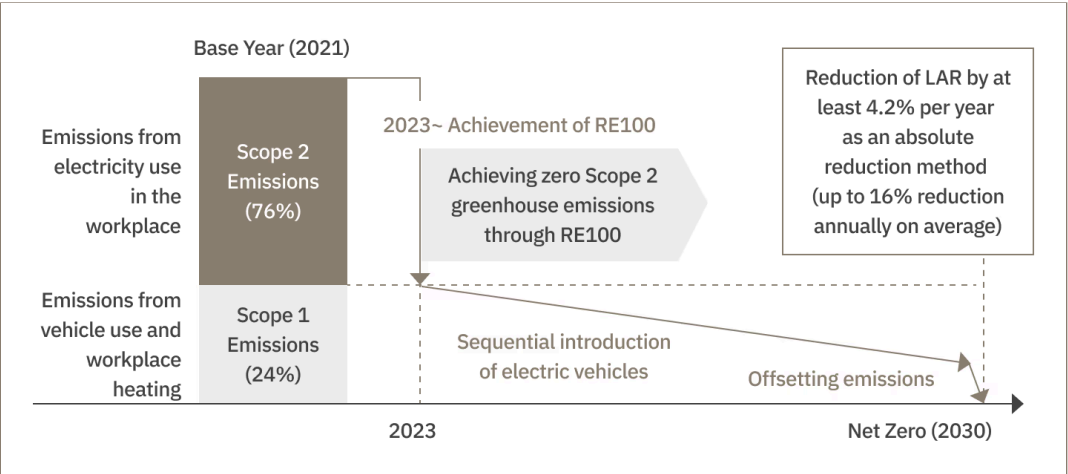
[TCFD Metrics And Targets \(Q\)](#)

SK D&D has analyzed global transition milestones based on the IEA's 1.5°C scenario (NZE2050) and identified the risks and opportunities associated with this transition. These insights have been incorporated into the company's medium- to long-term business strategy.

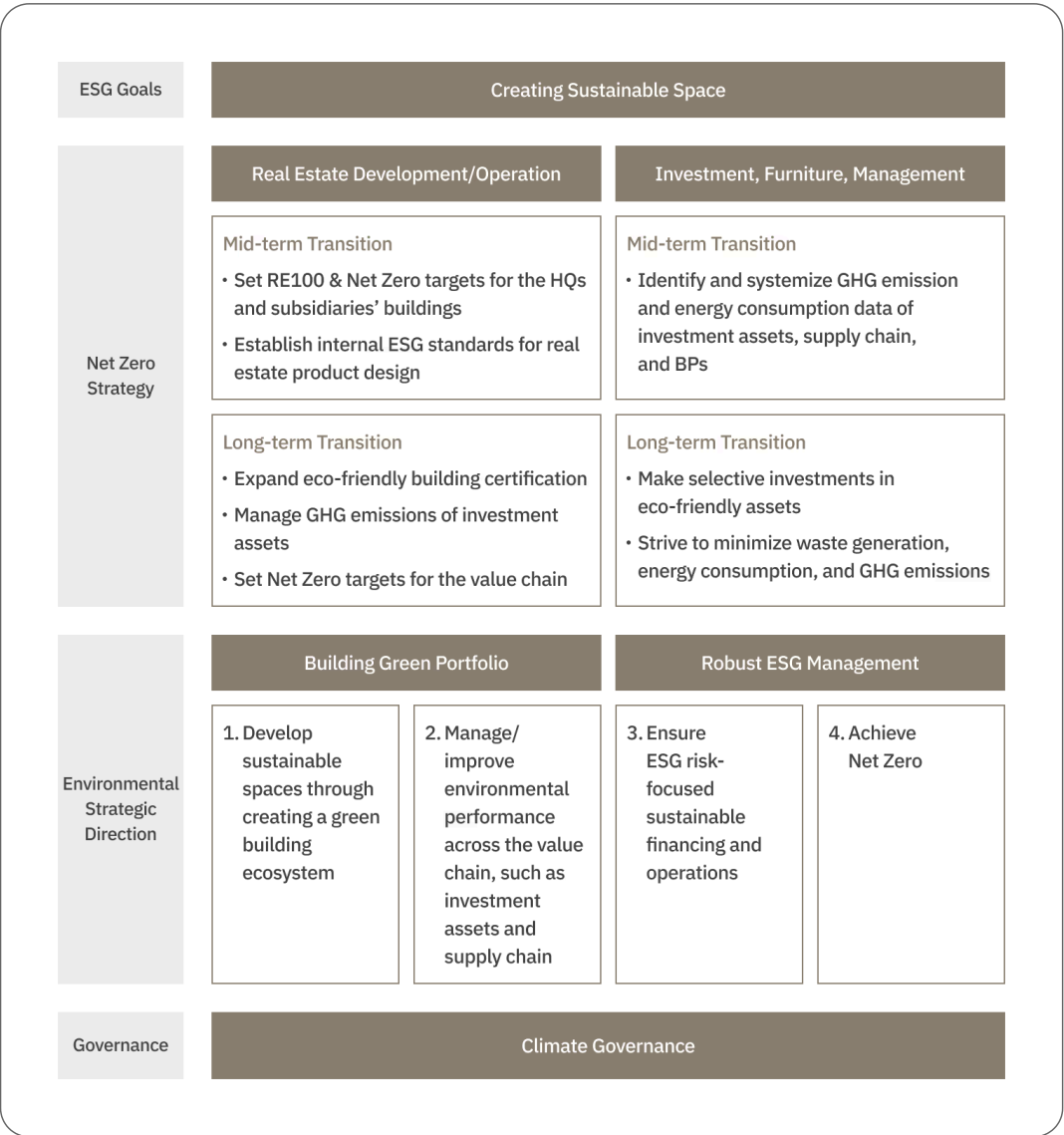
In the real estate development sector, SK D&D minimizes environmental impact throughout the entire life cycle of its projects. This includes considerations such as efficient land use, raw material usage, indoor environmental quality, energy efficiency, greenhouse gas (GHG) emissions, and maintainability. Based on these criteria, SK D&D actively promotes the acquisition of green building certifications for all development projects.

In the real estate operations sector, the company provides services that encourage customers' eco-friendly behavior and help reduce GHG emissions during the operational phase, continuously striving to minimize the environmental impact of its properties in operation.

2030 Net Zero Roadmap – Scope 1 & 2



SK D&D Climate Change Response Approach



Direct and Indirect Emissions Reduction (Scope 1 & 2) – RE100 & EV100

SK D&D is implementing strategies to reduce Scope 1 and 2 greenhouse gas emissions generated from its real estate development and operations as part of its short- to mid-term plan to achieve Net Zero at its

business sites. In 2023, the company achieved RE100 by sourcing 100% of its electricity from renewable energy. Furthermore, it plans to complete the full transition of its corporate vehicle fleet to electric vehicles (EVs) by 2030, thereby expanding its overall emissions reduction. Any remaining emissions will be addressed through carbon offset projects, in alignment with the government's hydrogen supply targets and related policy frameworks.

Other Indirect Emissions Reduction (Scope 3) – Zero Energy Buildings (ZEB) and Green Building Development

In addition to achieving Net Zero for Scope 1 and 2 within its organizational boundaries, SK D&D is committed to long-term carbon reduction across its entire value chain. To realize this goal, the company is expanding its development and investment in high-efficiency energy buildings and Zero Emission Buildings, while aiming to obtain green building certification for 100% of its residential and office spaces and provide sustainable spatial solutions. Moreover, SK D&D is strengthening its greenhouse gas emissions management across its entire investment and operational portfolio, including its suppliers, and is working to formalize collaborative reduction efforts with its partners.

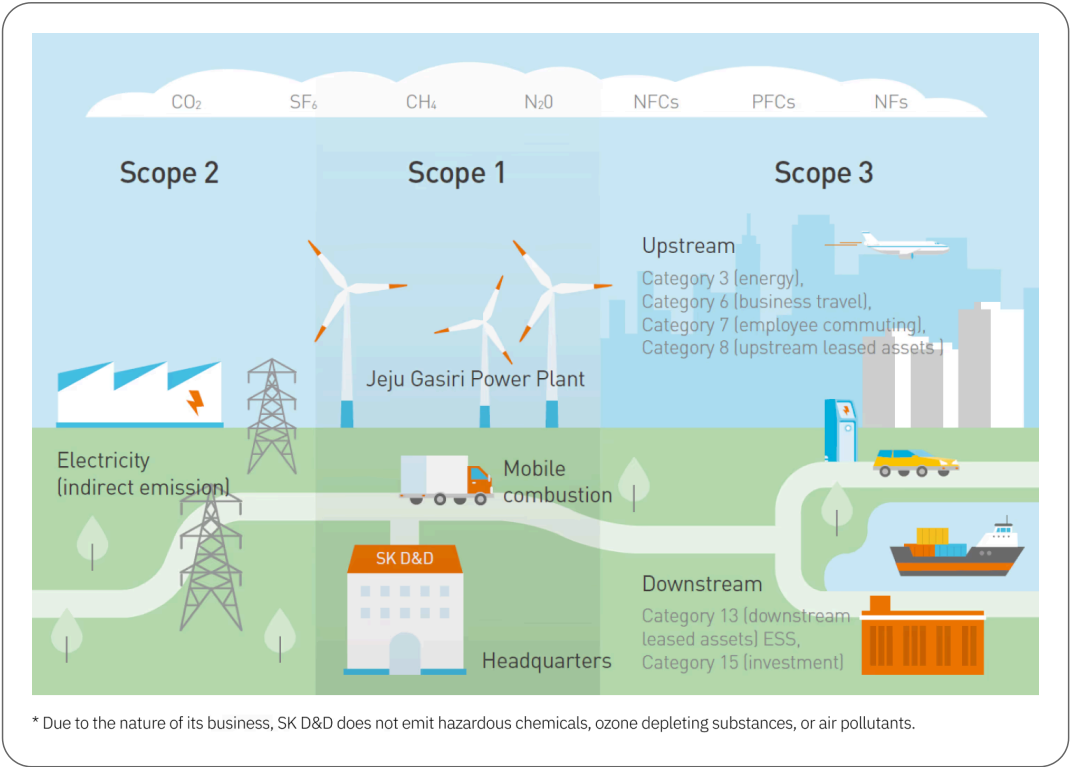
Status of GHG Emission Control

[GRI 2-4](#) [GRI 302-1](#) [GRI 302-3](#) [GRI 302-4](#) [GRI 302-5](#) [GRI 305-1](#) [GRI 305-2](#)
[GRI 305-3](#) [GRI 305-4](#) [GRI 305-5](#) [TCFD Metrics And Targets \(a\)](#) [TCFD Metrics And Targets \(b\)](#)

SK D&D is not subject to South Korean GHG regulations*, but has voluntarily established and operated a GHG control and energy management system in accordance with the Guidelines for GHG Emission Calculation and Certification in South Korea. SK D&D controls GHG emissions and manages energy consumption at the entire value chain level by proactively calculating emissions from rental properties and real estate investments (Scope 3) beyond the GHG emission control at workplaces (Scope 1 and 2). SK D&D will continuously make efforts to respond to the seriousness of the climate crisis by setting specific annual targets for achieving Net Zero and refining the implementation roadmap.

* GHG Target Management System, Emissions Trading System, etc.

Scope of SK D&D's GHG Control



GHG emission targets and performance in 2024

Category	Unit	Targets in 2024	Performance in 2024*	Target attainment rates**
GHG emissions (Scope 1+2)	tCO ₂ eq	230.0	212.5	108.2%
Energy consumption	TJ	20.0	19.5	102.6%

* Reflects reductions in Scope 2 from RE100 implementation

** Target attainment rates: {1-(Performance-Target)/Absolute values of targets} x 100

GHG emissions

GHG emissions and energy usage data cover 100% of SK D&D’s business sites and emission sources*, and third-party verification has been conducted for Scope 1, 2, and 3 emissions by SK D&D and its subsidiaries.

* Headquarters, Gasiri Wind Power Plant, Suncheon Solar Power Plant, Smart Work Center, Episode Seongsu 101, Seongsu 121, Canvas Lab, Sajo Building

GHG emissions of SK D&D (Scope 1+2+3)*

Category		Unit	2022	2023	2024
Scope 1	Stationary combustion	tCO ₂ eq	134.1	133.6	115.5
	Mobile combustion	tCO ₂ eq	127.4	125.1	57.2
Total emissions in Scope 1**		tCO ₂ eq	261.5	258.7	172.7
Scope 2	Emission - Electricity	tCO ₂ eq	826.7	859.8	705.9
	Reduction - REC purchase	tCO ₂ eq	0	-859.8	-705.9
	Emission - Heat	tCO ₂ eq	62.9	58.8	39.8
Total emissions in Scope 2**		tCO ₂ eq	889.6	58.8	39.8
Total emissions in Scope 1+2		tCO ₂ eq	1,151.1	317.5	212.5
GHG emission intensity***		tCO ₂ eq/KRW 10 billion	22.9	10.0	3.5
Scope 3	Category 3 - Energy	tCO ₂ eq	144.7	160.0	130.2
	Category 6 - Business travel	tCO ₂ eq	26.4	20.5	38.9
	Category 7 - Commuting	tCO ₂ eq	276.7	240.8	193.8
	Category 13 - Rental properties	tCO ₂ eq	8,378.0	8,052.8	1,584.1
	Category 15 - Investment	tCO ₂ eq	26,159.3	46,529.0	8,622.7
Total emissions in Scope 3**		tCO ₂ eq	34,985.2	55,003.1	10,569.8
Total emissions in Scope 1+2+3		tCO ₂ eq	36,136.3	55,320.6	10,782.3

* SK D&D operates only domestic sites, and the above data is calculated based on 100% of its domestic operations. Compared to 2023, the organizational boundaries have been revised according to financial control standards to include Headquarters, Gasiri Wind Power Plant, Suncheon Solar Power Plant, Smart Work Center, Episode Seongsu 101, Seongsu 121, Canvas Lab, and Sait Building. As a result of the review based on financial control standards, Episode Seongsu 101 and Sait Building, which were previously included in Scope 3 Category 8, are now included in the Scope 1 and 2 calculation boundaries.

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** The GHG intensity for Scope 1+2 total emissions is calculated based on the annual revenue (separate) for the respective year.

GHG emissions of subsidiaries (Scope 1+2+3)*

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Total emissions in Scope 1**	tCO ₂ eq	6.7	18.2	2.4	20.0	46.5	33.1
Scope 2	Emission	35.4	89.9	43.6	110.4	109.9	150.6
	Reduction - REC purchase	0	0	-43.6	-110.4	-109.9	-150.6
Total emissions in Scope 2**	tCO ₂ eq	35.4	89.9	0	0	0	0
Total emissions in Scope 1+2	tCO ₂ eq	42.1	108.1	2.4	20.0	46.5	33.1
Scope 3	Category 3- Energy	5.7	14.4	6.8	17.6	20.9	24.9
	Category 6 - Business travel	5.9	26.4	6.8	20.5	3.6	30.8
	Category 7 - Commuting	18.4	33.5	25.9	30.5	20.6	34.5
Total emissions in Scope 3**	tCO ₂ eq	30.0	74.3	39.5	68.6	45.2	90.1
Total emissions in Scope 1+2+3	tCO ₂ eq	72.1	182.4	41.9	88.6	91.7	123.2

* Subsidiaries (DDPS, DDI) have only domestic operations, and the above data covers 100% of each domestic operation.

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** For the 2022-2023 Scope 3 emissions, GHG emissions were corrected due to the revision of organizational boundaries in accordance with financial control standards.

Energy Consumption

SK D&D is actively working to reduce environmental impact and energy consumption during the operation and maintenance phase of its headquarters building, Eco-hub, by incorporating energy-efficient systems such as geothermal systems, solar power generation, and smart glass. Additionally, across the company—including its subsidiaries and rental housing units—SK D&D is promoting energy efficiency by adopting renewable energy sources and high-efficiency energy facilities, thereby advancing energy reduction efforts at an enterprise-wide level.

Energy consumption of SK D&D*

Category		Unit	2022	2023	2024
Non-renewable Energy	LNG	TJ	2.641	2.630	2.274
	Propane	TJ	0.163	0.090	0.007
	Direct Energy	Gasoline	0.987	1.222	0.679
		Diesel	0.733	0.537	0.159
		Total	4.524	4.479	3.119
	Indirect Energy	Electricity	17.277	0	0
		Steam	1.700	1.633	1.135
		Total	18.977	1.633	1.135
	Total Non-renewable Energy Consumption**		23.501	6.112	4.254
Renewable Energy	Self-consumption		0.022	0.016	0.015
	Certificate Purchase		0	20.379	15.226
	Total Consumption		0.022	20.395	15.241
	Use Ratio		%	0.094	76.942
Total Energy Consumption(Renewable Energy+Non-renewable Energy)		TJ	23.523	26.507	19.495
Energy Intensity***		TJ/KRW 10 billion	0.468	0.833	0.322

* SK D&D has only domestic operations, and the above data covers 100% of its domestic operations. Organizational boundaries were revised from the 2023 data in accordance with financial control standards (Headquarters, Gasiri Wind Power Plant, Suncheon Solar Power Plant, Smart Work Center, Episode Seongsu 101, Seongsu 121, Canvas Lab, and Sajo Building).

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** The intensity for total energy consumption is calculated based on the revenue (separate) for the respective year.

Energy consumption of subsidiaries*

Category		Unit	2022		2023		2024	
			DDI	DDPS	DDI	DDPS	DDI	DDPS
Non-renewable Energy	Direct Energy	TJ	0.100	0.271	0.036	0.298	0.865	0.537
	Indirect Energy	TJ	0.739	1.879	0	0	0	0
	Total Non-renewable Energy Consumption**	TJ	0.839	2.150	0.036	0.298	0.865	0.537
Renewable Energy	Total Renewable Energy Consumption	TJ	0	0	0.910	2.307	2.295	3.148
	Percentage of Renewable Energy Consumption	%	0	0	96.200	88.560	72.621	85.427
Total Energy Consumption(Renewable Energy+Non-renewable Energy)**		TJ	0.839	2.150	0.946	2.605	3.160	3.685

* Subsidiaries (DDI, DDPS) operate only within Korea, and the above data covers 100% of domestic business sites. The figures for 2022–2023 have been recalculated due to changes in organizational boundaries based on financial control criteria.

** Due to rounding and significant figure adjustments, totals for greenhouse gas emissions may differ from those stated in the verification statement for energy consumption.

GHG and energy reductions

Category	Unit	2022	2023	2024
Self-consumption of renewable energy*	MWh	525.48	454.43	68.38
Energy consumption reduction	TJ	5.05	4.36	0.66
Reduction in GHG emissions**	tCO ₂ eq	244.51	1,082.29	746.75

* It refers to the self-consumption of renewable energy produced at SK D&D headquarters (Eco-hub) and the Jeju Gasiri Wind Power Plant (currently operated by SK Eternix) before the spin-off.

** As for GHG emissions, it denotes the emissions reduced through self-consumption of renewable energy and REC purchases for RE100 implementation- Regarding renewable energy generated and used at the headquarters (Eco-hub), GHG reductions are reflected in consideration of SK D&D's floor area.

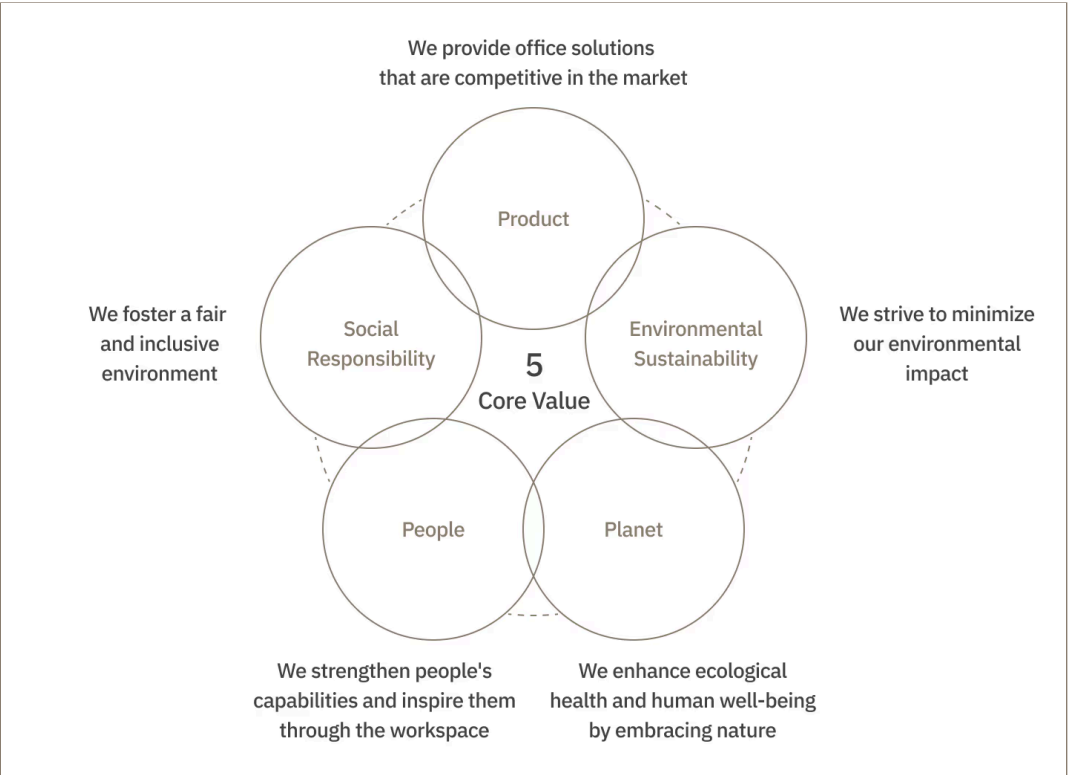


Green Building and Real Estate Development

SK D&D's Guide to the Future Workplace (Office Core Value Model)

SK D&D is responding to the evolving trend where ESG values directly impact office assets by establishing a strategic direction for the development of future workspaces based on its “Office Core Value Model.” This model centers on three core pillars—Product, People, and Planet—and incorporates two connecting values: Social Responsibility and Environmental Sustainability, for a total of five key pillars.

Office Core Value Model



To internalize these five core values into projects, SK D&D has established the following four “Next Workplace Visions” and applies them in an integrated manner.

- ① Time + Future: Remodeling and design that connect the past and future while preserving local context
- ② Green Lifecycle x Solution: Reduce carbon emissions throughout the entire lifecycle, from development to operation
- ③ Hyper Personality: Create hyper-personalized spaces based on user characteristics and data-driven insights
- ④ Public = Culture: Create open communities that connect with local communities beyond physical space

Through this approach, SK D&D aims to internalize ESG throughout the entire lifecycle, from the early stages of development to operation, and achieve the integrated goals of reducing carbon emissions, recycling resources, improving user health, and coexisting with local communities.

In particular, in terms of the environment, we are implementing our long-term vision of realizing a 2050 Net-Zero City by reducing carbon emissions across the building lifecycle (LCA-based design), applying eco-friendly materials and smart systems, and introducing design standards based on domestic and international certification requirements.

[SK D&D Future Workplace Design](#)

Sustainable Real Estate

Real Estate Development Strategy

SK D&D is committed to minimizing environmental impact throughout the entire life cycle of real estate development. The company pursues development projects that take into account factors such as land use and accessibility, ecosystem and indoor environmental quality, energy use and environmental pollution, ease of maintenance, raw material and resource utilization, and water resource management.

To enhance transparency and credibility in the environmentally friendly performance of its buildings, SK D&D aims to achieve 100% green building certification for all commercial and residential properties. This is done by acquiring third-party certifications such as Green Building Certification and Building Energy Efficiency Rating Certification.

Furthermore, the company is actively engaged in green remodeling of aging buildings to improve energy efficiency, thereby contributing to the restoration of local ecosystems and the reduction of greenhouse gas emissions.

Sustainable Investment

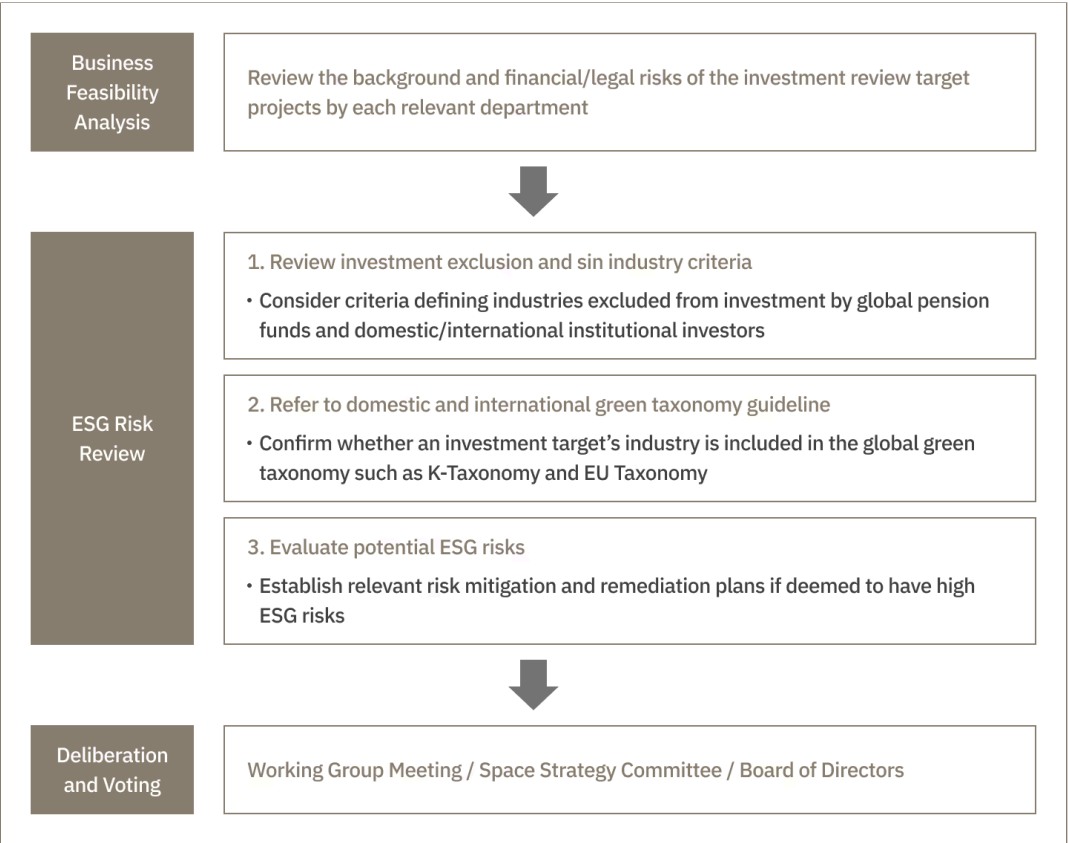
SK D&D applies an ESG risk review process when evaluating projects and investment opportunities, with the aim of building a sustainable supply chain and minimizing the potential for ESG risks throughout the value chain.

The process begins by assessing whether the target falls under investment exclusion or "sin industries" as defined by global institutional investors. Next, the project is reviewed for inclusion in domestic and international green taxonomies. Based on this, potential ESG risks are analyzed.

Projects deemed to have low ESG risk—or those with established risk mitigation plans—are then brought to the Working Group Meeting, where an ESG risk review report is submitted to support the investment decision-making process.

By preemptively identifying and managing ESG risks alongside financial and legal considerations, SK D&D strengthens the long-term sustainability of its investment projects.

ESG Risk Review Process



Green Building Design and Operation

SK D&D aims to strengthen environmental factors throughout the entire lifecycle of buildings—from design to operation—in response to growing consumer demand for green buildings and the broader trend toward sustainable development.

From the early design phase, the company adheres to both domestic and international green building certification standards and design guidelines, with the intention of obtaining third-party certifications. This approach ensures the application of eco-friendly technologies that maximize energy efficiency and resource utilization.

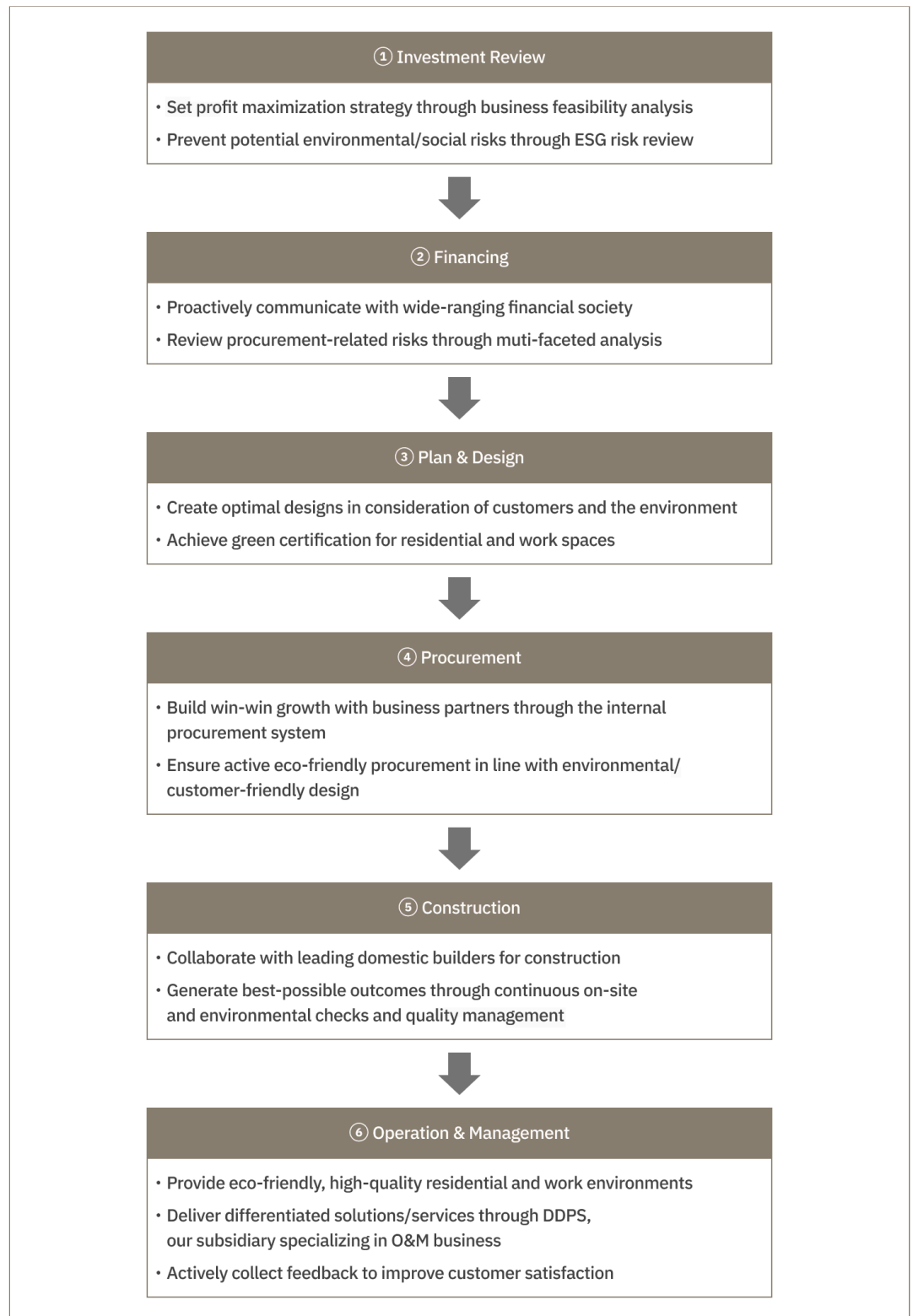
In addition, SK D&D prioritizes the purchase and use of environmentally certified materials to minimize the negative environmental impact of its buildings. During the operation phase, the company offers services, furniture, and spaces that meet customer needs, while also planning and running environmentally themed community programs. These initiatives aim to encourage the participation of various stakeholders and continuously improve the environmental impact of its buildings and residential environments.

Episode Yongsan 241 Case

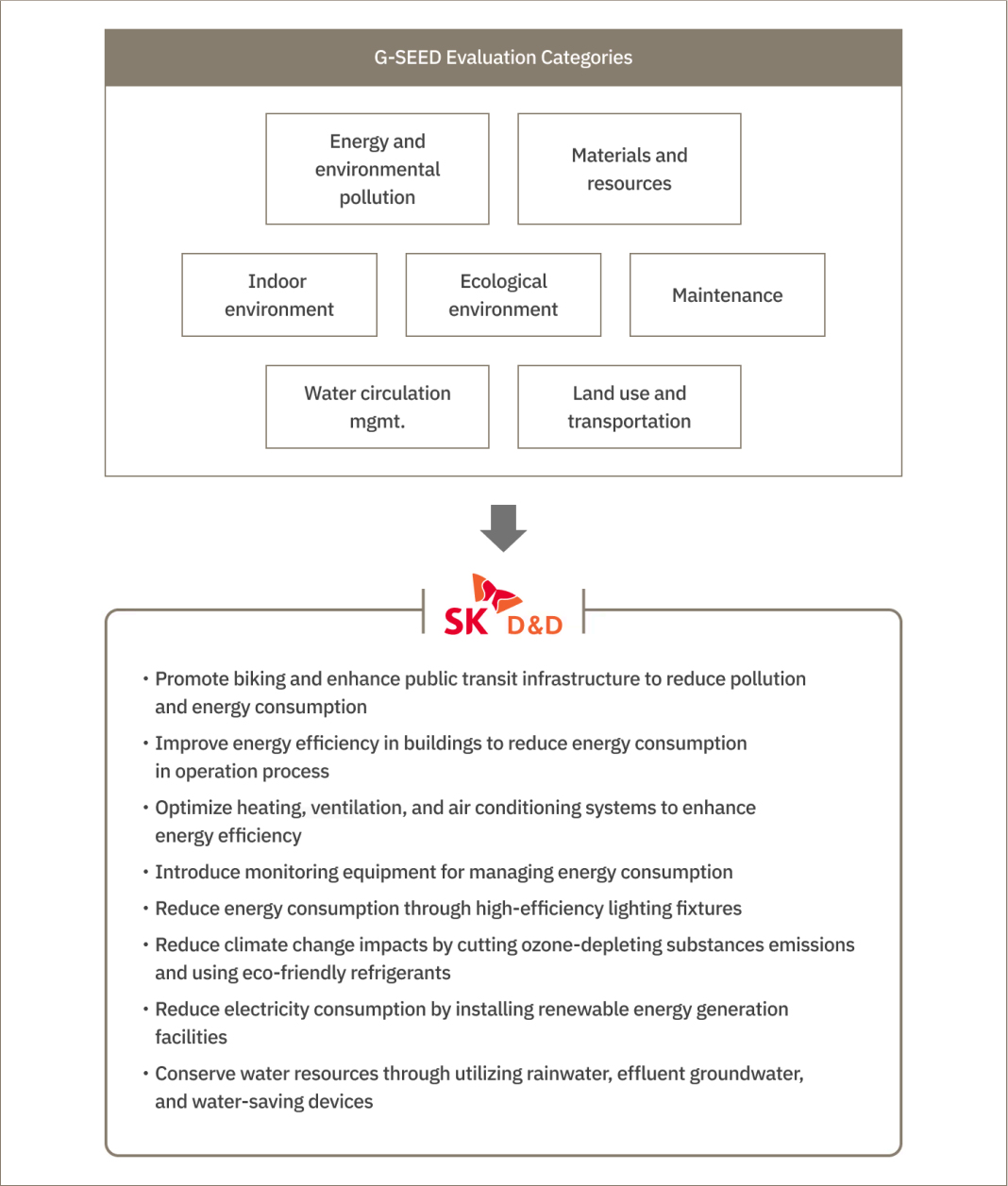
'Episode Yongsan 241,' which officially opened in May 2024, used eco-friendly materials and equipments from the design stage to obtain green building certifications such as Green Building Certification and Building Energy Efficiency Rating. To strengthen eco-friendliness during the operation stage, the following measures were implemented

- Performing a life cycle assessment
- Installing energy monitoring devices for all resident units
- Installing green insulation and boilers
- Utilizing EPD, low-carbon, and resource-circulating building materials such as ready-mixed concrete, gypsum, gypsum board, wallpaper and rigid polyurethane
- Installing water-saving appliances and facilities for rainwater and runoff groundwater utilization
- Using low-emitting indoor air pollutant products

Green Building Development Process



Environmental Impact Reduction Effort in Green Building Operation Phase



Life Cycle Assessment

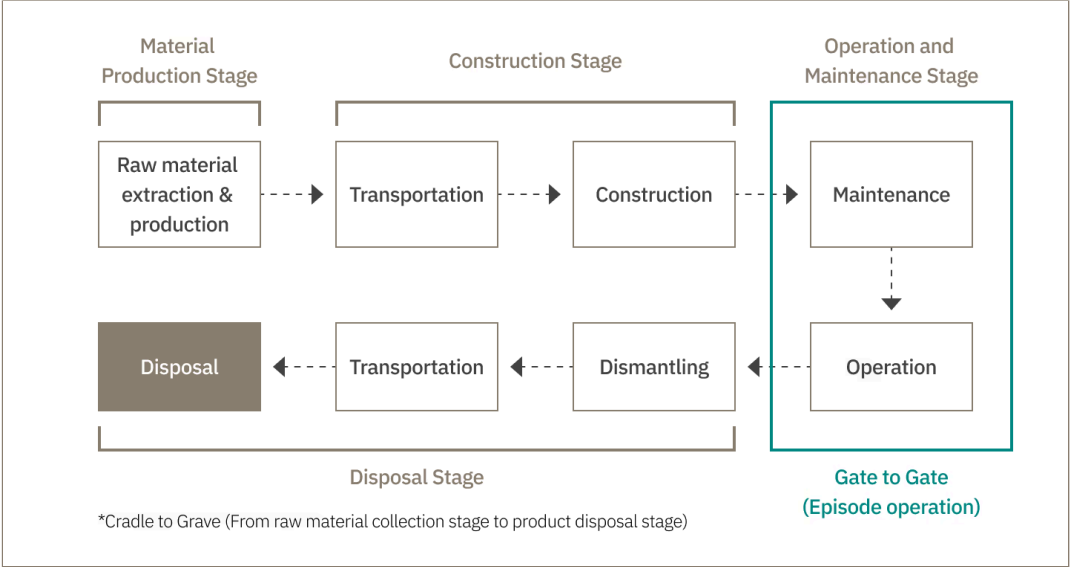
 [GRI 302-5](#)

Life Cycle Environmental Impact Assessment

 [GRI 302-5](#)

SK D&D applies Life Cycle Assessment (LCA) when developing its rental housing brand, Episode, to measure the environmental impact throughout the entire lifecycle of the building—from material production to disposal. To minimize environmental impact, eco-friendly materials are used and high-efficiency energy systems are installed during the design and construction phases. During the operation phase, SK D&D implements environmental impact management plans at each stage, including providing services aimed at establishing an ESG ecosystem for residents.

Building Life Cycle



Episode Life Cycle Environmental Impact Assessment Outcomes

Category	Unit	Production	Construction	Operation	Disposal	Total
Episode Sinchon Campus	tCO ₂ eq/m ²	7.82E+02	2.68E+01	9.29E+02	9.23E+00	1.75E+03
Episode Yongsan 241	tCO ₂ eq/m ²	6.97E+02	2.70E+01	2.58E+03	7.84E+01	3.38E+03
Episode Suyu 838	tCO ₂ eq/m ²	4.29E+02	5.62E+00	1.61E+03	2.82E+02	2.33E+03
Episode Sinchon 369	tCO ₂ eq/m ²	6.16E+02	2.67E+01	1.01E+03	8.38E+00	1.67E+03
Episode Seocho 393	tCO ₂ eq/m ²	4.32E+02	5.66E+00	1.43E+03	6.49E+01	1.93E+03
Episode Gangnam 262	tCO ₂ eq/m ²	3.93E+02	5.67E+00	1.27E+03	1.81E+02	1.85E+03

* The building lifespan is set at 50 years in accordance with relevant guidelines.

Environmental Performance Management

SK D&D actively practices environmental management not only at its own sites but also across its investment and operational sites. The company collects and manages environmental performance data related to energy use, renewable energy, and water resources utilized in its Episode brand. Based on quantitative environmental performance, SK D&D identifies areas for improvement and develops tailored measures to reduce environmental impact according to the conditions of each site, implementing customized ESG ecosystem expansion projects for each Episode location.

2024 Environmental Performance of Episode

Category	Unit	Seongsu 101	Seongsu 121	Sinchon 369	Suyu 838	Seocho 393	Gangnam 262	Yongsan 241	Guui Welltz
Total energy consumption	TJ	3.9	4.4	21.1	51.0	22.0	29.0	1.2	25.7
Renewable energy consumption	TJ	3.3	2.8	0	0.3	0.2	0.4	0.1	0.2
Renewable energy consumption rate	%	83.3	65.3	0	0.6	0.9	1.9	5.7	0.7
GHG emissions reduction*	tCO ₂ eq	147.1	136.0	0	42.4	26.1	48.9	9.0	17.1
Water consumption	ton	5,339	7,447	30,043	69,294	27,080	16,942	57,132	51,355

* This performance pertains to the rental housing sector among the products developed and operated by SK D&D. For Episode Seongsu 101 and 121, these sites fall within the organizational boundary and are RE100-compliant business locations. The greenhouse gas reductions include those achieved through the purchase of Renewable Energy Certificates (RECs) as well as reductions from on-site renewable energy generation used within the buildings.

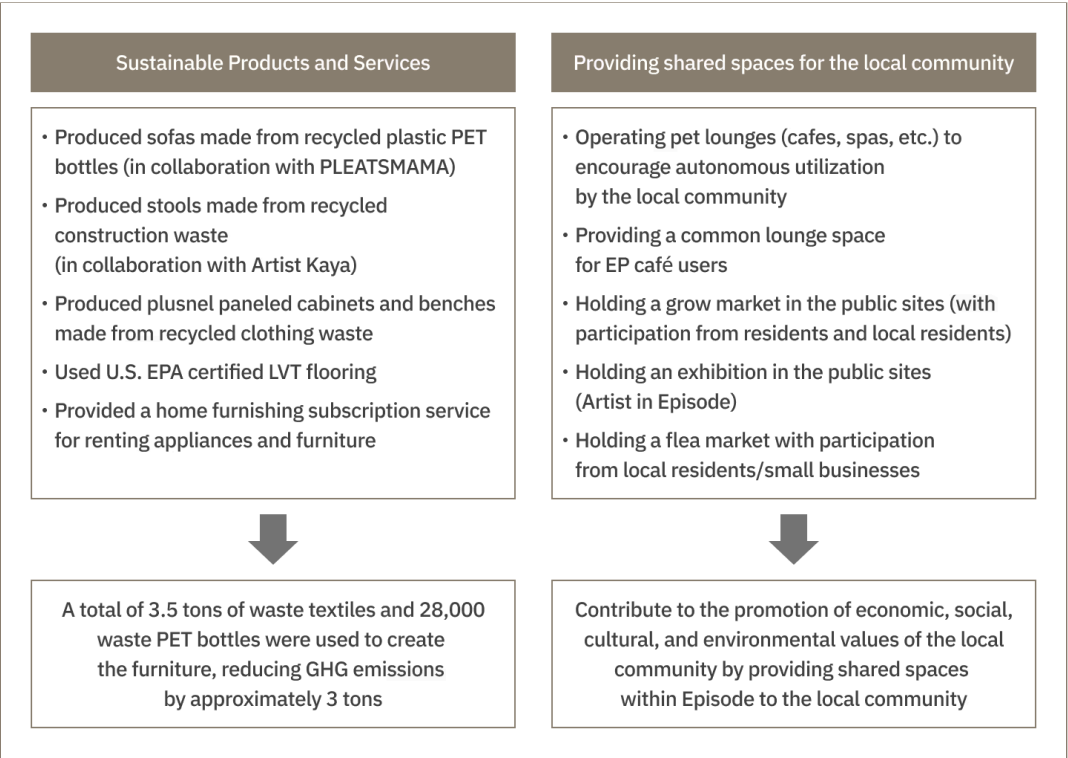
Sustainable Space Design

SK D&D actively responds to increasing customer demand for sustainable lifestyles amid global climate change by incorporating various eco-friendly elements in residential and office spaces to provide an enhanced spatial experience. The company aims to obtain third-party environmental certifications for all buildings it develops, minimizing environmental impacts and enabling residents to pursue environmentally sustainable lifestyles. Additionally, SK D&D operates diverse services designed to enhance environmental awareness and promote greater social participation, encouraging customers to embrace sustainable living.

Furthermore, SK D&D prioritizes environmental and social values throughout the entire process—from space design and construction to operation and management. To provide sustainable spaces and services, the company uses eco-friendly certified materials during building development and applies green technologies that minimize environmental impacts. Shared spaces such as kitchens, living rooms, and lounges are created to offer environmentally and socially friendly residential experiences, furnished with eco-friendly furniture and equipment that are operated sustainably.

Notably, 'Episode Suyu 838' was designed in partnership with design partners to offer a sustainable lifestyle. Approximately 80% of all furniture and accessories placed in Episode Suyu 838 are made from recycled or upcycled materials such as recycled fibers and PET bottles, resulting in an estimated carbon reduction of about three tons. In addition, the project used LVT flooring certified by the U.S. Environmental Protection Agency (EPA), minimized secondary processing, and utilized finishes that are biodegradable or recyclable, reflecting a resource-circulating approach throughout the interior. All furniture and equipment in shared spaces were designed for repurposing, repair, reuse, and recycling. Moreover, a home furnishing subscription service that allows borrowing appliances and furniture was introduced to enhance the sustainability of the space.

Sustainable Design and Performance

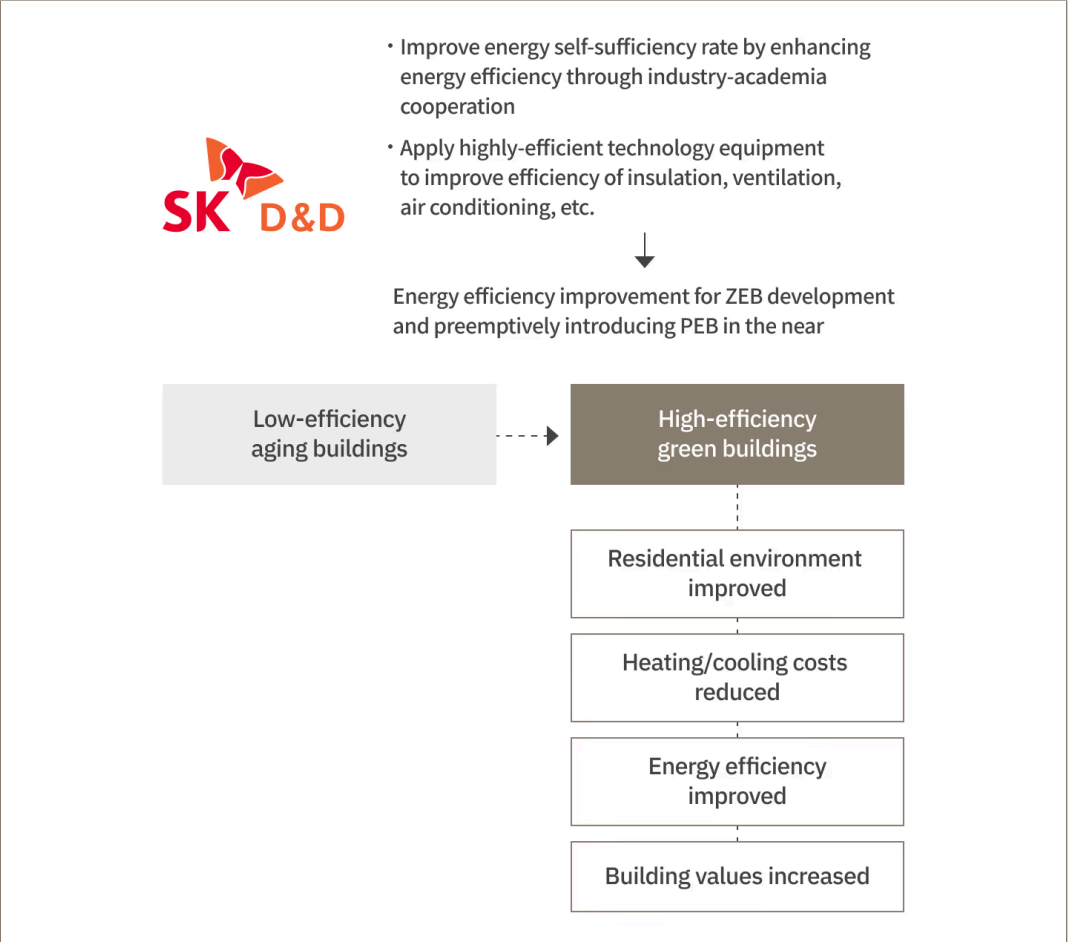


Urban Regeneration Projects

Green Remodeling

SK D&D is undertaking green remodeling projects that convert low-efficiency, aging buildings into high-efficiency green buildings. By improving not only the interior and exterior design but also upgrading insulation, HVAC systems, and other high-efficiency equipment, the company aims to enhance living environments, reduce heating and cooling costs, and improve energy efficiency. In the mid to long term, these efforts are expected to contribute to increasing building value. Additionally, in line with the national "ZEB (Zero Energy Building) Mandatory Roadmap," SK D&D is committed to expanding zero energy buildings and proactively implementing PEB (Plus Energy Building) to lead the way in realizing environmental value through energy self-sufficiency in buildings.

Green Remodeling Implementation Plan and Expected Benefits



Green Remodeling Performance

Category	Completion	Area	Details
Susong Square	Feb. 2017	15,235 pyeong (Approx. 50,363㎡)	Remodeling tailored to the customer through horizontal expansion and modernization.
Myeongdong Cheonghui Building	Jun. 2019	1,782 pyeong (Approx. 5,890㎡)	Hotel development through remodeling a complex building in the central commercial district of Myeongdong.
31 Building	Oct. 2020	12,353 pyeong (Approx. 40,836㎡)	Remodeling by preserving the historic value of the existing building, and modernizing it.
Myeongdong N Building	Dec. 2022	4,143 pyeong (Approx. 13,695㎡)	Development of a landmark within the CBD areas by remodeling the SK Networks building.
Chungmuro Office	Jun. 2024	6,546 pyeong (Approx. 21,639㎡)	Office development through expanded remodeling and change of use in the core CBD area.

Urban Renewal Projects

SK D&D is actively contributing to the restoration of urban functionality and the improvement of substandard infrastructure in deteriorated areas where aging and defective buildings are concentrated. These efforts align with the Seoul Metropolitan Government’s Urban and Residential Environment Improvement Master Plan. In this context, SK D&D has developed a prime-grade office building near City Hall Station and a business hotel in the Myeongdong area. These projects reflect comprehensive

environmental considerations, including eco-friendly design standards, energy efficiency, and improved community accessibility, thereby fostering a more sustainable urban environment.

Since 2023, SK D&D has been leading the Bongnae District 3 Urban Environment Redevelopment Project near Seoul Station. The company has acquired approximately 4,592.5 square meters of land in Namdaemun-ro 5-ga, Jung-gu, where it plans to develop an office and neighborhood facility complex spanning approximately 63,268 square meters over seven basement levels and 20 above-ground floors. This project is being carried out through DDIVC No.1 REITs, a real estate investment company in which SK D&D holds a 49% stake. To ensure systematic and stable funding, the project has secured a total of KRW 155 billion through a structured financing scheme, including long-term borrowings, bridge loans, and project financing.

Even after the development phase, DDIVC No.1 REITs is working to maintain the building’s eco-friendly performance by implementing green leases that incorporate environmental goals and performance indicators into lease agreements with tenants. Asset management is entrusted to D&D Investment, a specialized asset management firm, to enhance operational expertise and long-term sustainability. Through these efforts, SK D&D aims to continuously improve environmental performance and strengthen collaboration with the local community.

Looking ahead, SK D&D plans to further expand into a variety of sustainable real estate initiatives, including mixed-use urban investments, urban regeneration projects, and environmentally friendly redevelopment of contaminated brownfield sites. Through these initiatives, SK D&D is committed to leading the way in sustainable urban development and creating long-term environmental value.

Urban Redevelopment Project Performance

Category	Completion	Area	Details
Seosomun Office	Jun. 2019	11,527 pyeong (approx. 38,105 m ²)	Prime office development as part of an urban redevelopment project in deteriorated areas near City Hall Station.
Business Hotel in Jeodong	Aug. 2020	6,552 pyeong (approx. 21,659 m ²)	Business hotel development as part of an urban redevelopment project in deteriorated areas of Myeongdong.
Seoul Station Office	(Under development)	-	Office development for local community redevelopment as part of the 2030 Seoul Urban and Residential Redevelopment Project.

Eco-Friendly Certifications

SK D&D is committed to achieving 100% Green Building Certification for all residential and commercial buildings it develops. Each year, the company establishes certification targets and consistently meets them. As of the first half of 2025, SK D&D has obtained a total of 36 Green Building Certifications, and it plans to continue incorporating ESG elements into all future development projects to further reduce the environmental impact of its buildings.

A notable example is Think Factory Dangsang, which holds a Grade 1+ Building Energy Efficiency Certification and an Excellent Grade Green Building Certification. From the design phase, the building has incorporated an energy management system, renewable energy generation facilities, and effective shading designs to deliver significant energy savings.

Number of Green Building Certifications Acquired

Category	Unit	~2021	2022	2023	2024
Green Building Certification (G-SEED)	Cases	12	2	1	1
Building Energy Efficiency Rating Certification	Cases	15	1	1	2
LEED*	Cases	1	0	0	0
Total	Cases	28	3	2	3
Cumulative total	Cases	28	31	33	36

* LEED (Leadership in Energy and Environmental Design): A green building certification program organized by the U.S. Green Building Council

Operation Status of Episode



Status of Green Building Certifications

Building Name	Certification Name	Certification Date	Certification Institutions
Episode Yongsan 241	Green Building Certification (General)	Mar. 2024	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1+) – Residential	Mar. 2024	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (2) – Non-Residential	Mar. 2024	Korea Institute of Green Climate Technology
Gangnam Station Office	Green Building Certification (Excellent)	Mar. 2024	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Mar. 2024	Korea Institute of Green Climate Technology
Saeng-gag Gongjang in Dangsang-Dong	Green Building Certification (Excellent)	Nov. 2022	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Nov. 2022	Korea Research Institute of Eco-Environmental Architecture
Episode Suyu 838	Green Building Certification (Excellent)	Mar. 2022	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+) – Residential	Nov. 2021	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (1+) – Non-Residential	Nov. 2021	Korea Institute of Green Climate Technology
Episode Gangnam 262	Green Building Certification (Excellent)	Nov. 2021	Korea Green Building Council
	Building Energy Efficiency Rating (1+) - Residential	Nov. 2021	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (1+) – Non-Residential	Nov. 2021	Korea Institute of Green Climate Technology
Episode Sinchon 369	Green Building Certification (Excellent)	Nov. 2021	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	Nov. 2021	Korea Productivity Center Quality Assurance
Episode Seocho 393	Green Building Certification (Excellent)	Jul. 2021	Korea Green Building Council
	Building Energy Efficiency Rating (1++)	Jul. 2021	Korea Institute of Green Climate Technology
Business Hotel in Pangyo	Green Building Certification (Outstanding)	Jul. 2021	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1+)	Jul. 2021	Korea Institute of Green Climate Technology
Business Hotel in Jeo-dong	Green Building Certification (Excellent)	Nov. 2020	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1)	Sep. 2020	Korea Institute of Green Climate Technology
Seongsu SK V1 center (I)	Green Building Certification (Excellent)	May 2020	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	May 2020	Korea Productivity Center Quality Assurance
Seongsu SK V1 center (II)	Green Building Certification (Excellent)	May 2020	Korea Productivity Center Quality Assurance

Building Name	Certification Name	Certification Date	Certification Institutions
Seongsu Desian Plex(W)	Building Energy Efficiency Rating (1+)	May 2020	Korea Productivity Center Quality Assurance
	Green Building Certification (Excellent)	Apr. 2020	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	Mar. 2020	Korea Productivity Center Quality Assurance
Seosomun Office	LEED Platinum	Dec. 2019	U.S. Green Building Council
	Green Building Certification (Excellent)	Sep. 2019	CreBiz Certification Body
	Building Energy Efficiency Rating (1)	Aug. 2019	Korea Real Estate Board
Mullae Office SK V1 center	Green Building Certification (Outstanding)	Aug. 2019	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Aug. 2019	Korea Research Institute of Eco-Environmental Architecture
Gangnam Station BIEL 106	Green Building Certification (Outstanding)	Apr. 2018	Korea Green Building Council
	Building Energy Efficiency Rating	Apr. 2018	Korea Institute of Green Climate Technology
Mullae-Dong Office	Green Building Certification (Excellent)	Dec. 2017	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1)	Nov. 2017	Korea Institute of Green Climate Technology

Social

- Human Rights Management
- Talent Management
- Safety and Health Management
- Win-Win Growth
- Social Contribution



Human Rights Management

Human Rights Management System

Human Rights Policy

[GRI 2-23](#) [GRI 2-24](#)

SK D&D recognizes the respect and protection of human rights as a core corporate responsibility. The company supports and complies with both domestic and international human rights standards and principles, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the Core Conventions of the International Labour Organization (ILO).

To protect and promote the human rights of various stakeholders—including employees, customers, local communities, the environment, and shareholders—SK D&D revised its Human Rights Management Declaration in 2024. The updated declaration is transparently disclosed both internally and externally, including through the company’s official website. It applies to all members of SK D&D and its domestic and international affiliates. Business partners are also encouraged to understand and uphold the company’s principles on respecting human rights.

To systematically manage and prevent human rights risks, SK D&D has established and operates a Human Rights Due Diligence Process, which is regularly implemented. This process is explicitly outlined in the 2025 revised Human Rights Management Declaration. The declaration is developed and amended through consultation with relevant departments, reporting to senior management, and final approval by the Chief Executive Officer (CEO).

[Human Rights Management Policy](#)

Human Rights Management Governance

SK D&D has established and operates a human rights governance structure based on a reporting system to the Board of Directors to ensure the systematic implementation of human rights management. The operational framework consists of the ESG Part and the People & Culture (P&C) Part, with collaboration from the Internal Control Part when necessary.

The ESG Part is responsible for establishing the company-wide human rights management framework, regularly reviewing and updating the human rights policy, conducting human rights impact assessments across the entire value chain, and identifying human rights risks and corresponding improvement tasks.

The P&C Part implements improvement measures based on the results of human rights impact assessments, provides feedback during policy revisions, and conducts human rights training for employees, including programs on sexual harassment prevention and workplace bullying. Additionally, in collaboration with the Internal Control Part under the SK Autonomous Responsible Management System, it enforces grievance procedures to protect victims and provide remedies.

The implementation plans and outcomes of human rights management activities from each operational unit are reported to the ESG Committee. The ESG Committee monitors key human rights risks, evaluates the implementation of improvement measures, and oversees the overall performance of human rights management across the organization.

Human Rights Management Structure



Human Rights Risk Management

[GRI 2-24](#)

Human Rights Due Diligence

Human Rights Due Diligence

SK D&D has established and systematically implements a human rights management system based on globally recognized human rights standards, including the Universal Declaration of Human Rights, the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Due Diligence Guidance, and the ILO Declaration on Fundamental Principles and Rights at Work.

The company proactively identifies and assesses potential human rights impacts across all aspects of its business activities—including employees, business partners, customers, and local communities. For any identified risks, SK D&D establishes and implements preventive and corrective measures, while regularly monitoring their effectiveness to ensure proper management.

In addition, SK D&D transparently discloses the results of its human rights due diligence and corresponding improvement actions to stakeholders, thereby strengthening trust and accountability. The company remains committed to continuously enhancing its human rights practices by preventing and mitigating risks through ongoing improvement efforts.

In 2024, SK D&D established a comprehensive six-step human rights due diligence process to further strengthen stakeholder engagement, assess the effectiveness of grievance mechanisms, and advance the overall substance and robustness of its human rights management practices.

Human Rights Due Diligence Process

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Identification of human rights impacts	Assessment of human rights impacts	Preparation of countermeasures	Monitoring	Communication and reporting	Evaluation of the effectiveness of grievance handling procedures

Overview of Human Rights Impact (Risk) Assessment

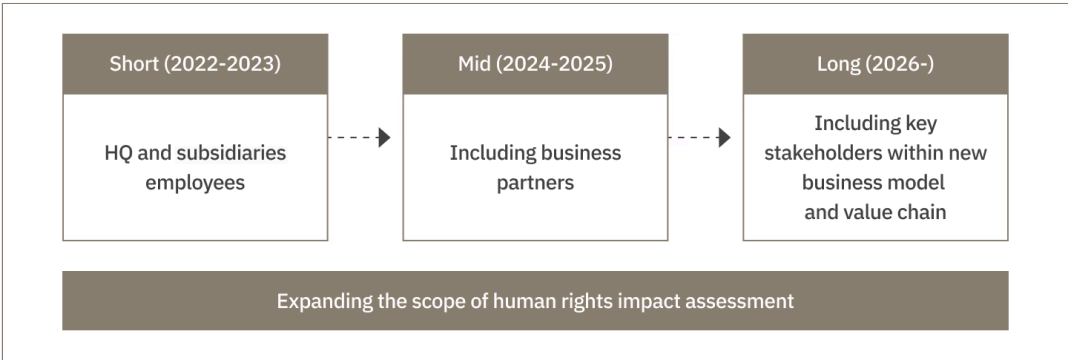
SK D&D regularly conducts Human Rights Impact Assessments (HRIA) as a core element of its human rights due diligence process. These assessments are designed to identify actual or potential human rights risks arising from the company’s operations as well as those of its business partners. Identified risks are prioritized based on their severity and the breadth of their impact, and response plans are established to prevent and mitigate the most significant risks. Through these procedures, SK D&D actively pursues follow-up actions such as policy revisions and awareness-raising activities to effectively address human rights risks.

The HRIA covers both internal stakeholders—including employees at the headquarters and subsidiaries—and external stakeholders, such as workers of partner companies, local communities, and consumers. In particular, the assessment process gives special consideration to the rights of vulnerable groups, including persons with disabilities, non-regular workers, and women, while reflecting a broad range of human rights issues at the company-wide level.

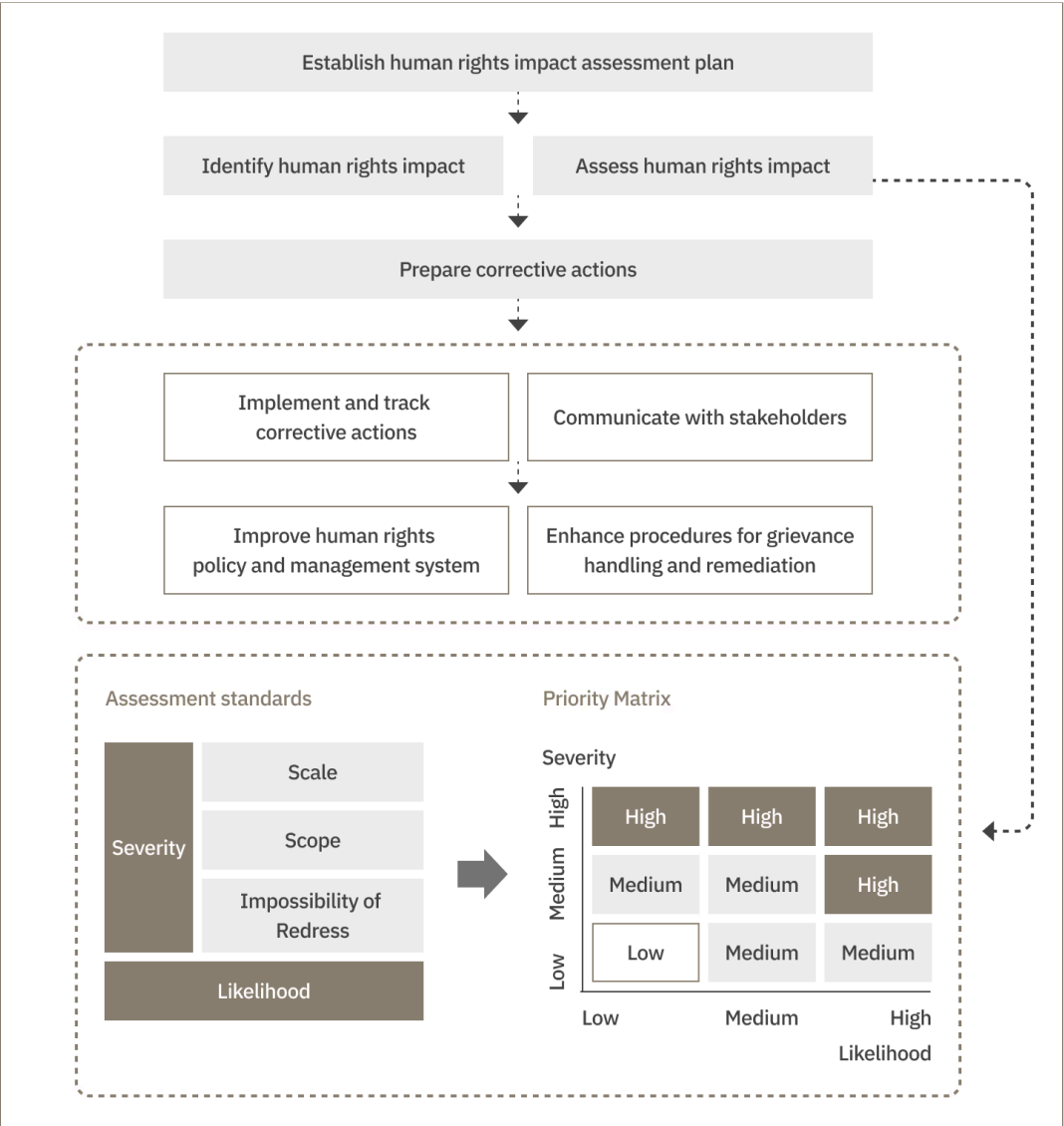
In 2023, SK D&D conducted human rights impact assessments for its headquarters and subsidiaries. In 2024, the scope of assessment was expanded to include five partner companies operating within the subsidiary DDPS. These assessments are conducted on a biennial basis for the headquarters and subsidiaries, thereby strengthening systematic monitoring and enhancing the company’s capacity to manage human rights risks.

SK D&D is progressively expanding the scope of its human rights assessments. From 2024 to 2025, key business partners within the entire value chain are being incorporated, and from 2026 onward, the scope will further extend to cover new business models and additional stakeholder groups. Through these ongoing efforts, the company aims to advance its human rights risk management system and foster the internalization of a culture that respects human rights across all business activities.

Human Rights Management Mid-to-Long-Term Roadmap



Human Rights Impact (Risk) Assessment Process



Overview of the 2024 Human Rights Impact Assessment

Period	Target	Assessment Methodology		
		Checklist	SAQ**	Survey/Document review
June 16 – July 4, 2024	DDPS and DDPS in-house partners*	<ul style="list-style-type: none">Target those in charge of DDPSDiagnose the level of human rights policy/action within a company's value chain	<ul style="list-style-type: none">Target DDPS in-house partners (three companies)Diagnose the level of human rights policy/action of partner companies	<ul style="list-style-type: none">Target DDPS in-house partners (five companies)Investigate stakeholders' *** perception of human rights risk

* Conducted a Human Rights Impact Assessment (HRIA) on internal partner companies (FM companies) of DDPS, a key subsidiary of SK D&D and operator of the Episode brand.

** Self-Assessment Questionnaire (SAQ)

*** Workers at business sites, workers within the value chain, local community residents, and consumers

Human Rights Impact Assessment Results and Improvement Measures

The 2024 Human Rights Impact Assessment identified seven key human rights issues and eight additional related concerns within DDPS—a subsidiary of SK D&D—and its internal partner companies. In response, SK D&D and DDPS developed appropriate mitigation measures for each issue, accompanied by detailed action plans to ensure effective and practical implementation.

Each measure is designed to proactively prevent human rights violations and to enable prompt response in case of occurrence. Clear implementation levels and target completion timelines have been set, and the necessary infrastructure and organizational capabilities have been secured to facilitate a phased and systematic execution. To address any challenges that may arise during the implementation process, designated teams have been assigned to continuously monitor progress and apply improvements as needed.

SK D&D and DDPS are committed to faithfully implementing the identified improvement measures based on the assessment results. They will ensure ongoing monitoring and transparently disclose the progress to stakeholders. In addition, regular re-assessments will be conducted to promptly identify emerging human rights risks and to develop timely corrective actions, reinforcing the company’s commitment to respecting and promoting human rights throughout its operations.

2024 Human Rights Impact Assessment Results

Key human rights issues (Impacts)	Related stakeholders	Corrective Actions
Management of Human Rights Policy within the Supply Chain	Workers for SK D&D and DDPS partner companies	<ul style="list-style-type: none">Establish a human rights policy within the DDPS supply chain
Management of Human Rights Risks within the Supply Chain		<ul style="list-style-type: none">Establish a human rights risk management policy within the supply chainProvide partner companies with training on the eradication of abuse and the prevention of human rights violationsProvide in-house partner companies with information and materials for human rights educationProvide information on DDPS grievance handling procedures for the supply chain
Employment Security for Supply Chain Workers		<ul style="list-style-type: none">Establishment of a code of conduct for DDPS partner companies: Promote employment stability via restrictions on dismissal and less non-regular employment
Working Hours and Rest Breaks for Supply Chain Workers		<ul style="list-style-type: none">Establishment of a code of conduct for DDPS partner companies: Guarantee of working hoursConsultation and guidance on rest areas with workers of partner companies
Living Wages for Supply Chain Workers		<ul style="list-style-type: none">Establishment of a code of conduct for DDPS partner companies: Equal pay for equal value work
Health and Safety for Supply Chain Workers		<ul style="list-style-type: none">Establishment of a code of conduct for DDPS partner companies: Provision of safety and health information and implementation of accident prevention measures
Privacy for Supply Chain Workers		<ul style="list-style-type: none">Establishment of a code of conduct for DDPS partner companies: Protection of workers' personal information and privacy

Effectiveness Evaluation of the Grievance Mechanism

SK D&D operates a grievance mechanism that allows all stakeholders of the headquarters and subsidiaries to report cases of human rights violations. In 2024, the effectiveness of this grievance mechanism was evaluated based on the eight criteria outlined in Article 31 of the UN Guiding Principles on Business and Human Rights (UNGPs).

Based on the evaluation results, improvement tasks were identified and are being implemented through the revision of relevant internal regulations and processes.

* The eight criteria include legitimacy, accessibility, predictability, equity, transparency, rights compatibility, sources of continuous learning, and dialogue and engagement.

Human Rights Education Program

SK D&D conducts annual human rights training for all employees to embed a culture of human rights management and minimize potential human rights risks. In 2024, the company enhanced the effectiveness of its training through various channels, including human rights awareness campaigns and company-wide messages. The program covers mandatory legal training on the prevention of workplace harassment, sexual harassment prevention, and disability awareness.

In addition to the legally required courses, SK D&D also conducts an annual offline human rights education session focused on corporate human rights management. This training aims to strengthen employees’ awareness of and commitment to respecting human rights in all aspects of business operations.

Status of Human Rights Training Program*

Category		Unit	2022	2023	2024
Legally Mandated Training	Number of Participants	Persons	205	191	180
	Completion rate	%	100	100	100
	Total hours	Hours	170	560	585
Additional training	Total hours	Hours	1,831	158	508*

* Conducted human rights education once during ESG training for employees.

Grievance Reporting Channels

 [GRI 2-25](#)  [GRI 2-26](#)

SK D&D operates various grievance channels to prevent and resolve human rights-related issues for both internal and external stakeholders. The company strengthens the protection of human rights among its employees by utilizing the Management Development Council, internal reporting channels, and a communication hotline. Additionally, through the group-wide online reporting platform, “SK Ethics Management,” SK D&D aims to identify and address human rights issues raised not only by employees but also by business partners, local communities, and all other stakeholders.

Reported grievances include verbal abuse, physical assault, sexual harassment, work exclusion, personal errands directives among employees, as well as human rights violations such as unfair treatment of partners and disregard for socially vulnerable groups. Reporters may submit grievances anonymously or with their real names, and the identity of reporters and the details of reports are strictly kept confidential.

Furthermore, the reporting process is transparently communicated to the reporters, and procedures are in place to protect reporters from any retaliation or discrimination, ensuring adequate protection and remedy.

Disciplinary actions and follow-up measures related to reported issues are reviewed and decided by the Personnel Committee. Since 2024, SK D&D has strengthened its disciplinary standards concerning human rights violations. Following the Personnel Committee’s decisions, the Grievance Handling Committee publicly discloses the outcomes of grievance cases to all employees at least once a year, minimizing secondary harm. The committee also conducts monitoring and implements additional measures to prevent recurrence.

Moreover, starting in 2024, SK D&D introduced the "Sotong Hotline," a channel designed to minimize direct contact between reporters and the company by allowing grievances to be reported through an external third-party organization (Law Firm Jipyung). This system enhances the transparency and objectivity of grievance handling procedures, particularly for sensitive cases such as sexual harassment and workplace bullying where victims may find it difficult to report directly. Cases reported through the Communication Hotline undergo an objective preliminary investigation by the third-party institution before being forwarded to the relevant internal departments. For serious cases, external investigative agencies may also be engaged.

SK D&D Grievance Channel for Human Rights

SK Ethical Management	Sotong Hotline	Responsible Department	Email
https://ethics.sk.co.kr/	https://sotonghotline.com/web/	Part (SK Ethical Management) Internal Control Part P&C Part (Sotong Hotline)	skdnd.ethics@sk.com

Status of Human Rights Grievance Reported and Resolved

Category	Unit	2022		2023		2024	
		Reported	Resolved	Reported	Resolved	Reported	Resolved
Lack of respect for colleagues	Cases	0	0	0	0	2	2
Discrimination and workplace bullying	Cases	0	0	0	0	2	2
Other (non-administrative reports like complaints)	Cases	7	7	4	4	1	1
Resolution rates	%	100		100		100	



Talent Management

Employee Happiness Culture

Happiness Management Program

SK D&D provides a variety of happiness management programs to foster a better corporate culture for its employees. Since 2023, under the name “ABCD (A Better Company D&D),” the company has been

planning and operating participatory activities and content that support communication, personal growth, and an engaging work environment.

In 2024, SK D&D has contributed to enhancing employee happiness through various programs, including: “ABCD Open Talk,” a town hall meeting for information sharing and communication among the company, management, and employees; “ABCD Seminar,” a public lecture offering new insights and experiences related to business; “ABCD Campus,” a growth program aimed at strengthening core competencies and fostering next-generation leaders; “D&Dian Relay Interview,” an interview series that helps improve job understanding and build bonds among employees; and “Club of the Month,” which supports in-house club activities based on voluntary participation.

In addition, SK D&D conducts the “Culture Survey,” which diagnoses the company’s organizational culture, and the “Happiness Battery Survey,” which measures employee happiness levels. The results are analyzed to assess the effectiveness of the programs and used to identify areas for improvement, which are actively reflected in future program planning.

2024 Well-being Program Outcomes

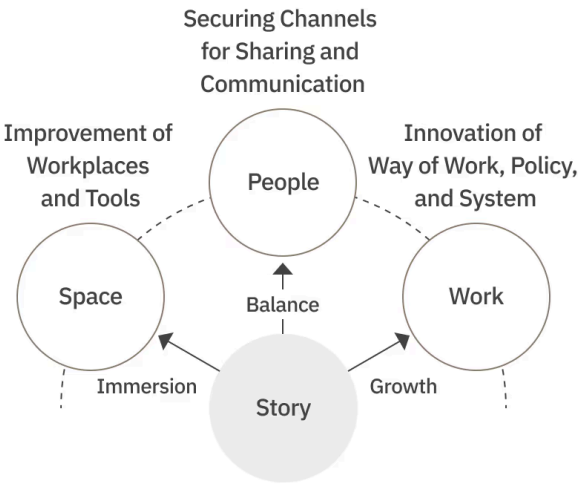
Program Name	Key Details	Participants	Frequency
ABCD Open Talk	Town hall meetings for information sharing and communication between the company, executives, and employees	All employees	Monthly
ABCD Seminar	Public lectures offering new insights and experiences related to business	All employees	Twice a year
D&Dian Relay Interview	Employee interviews to enhance understanding of different roles and build stronger connections	All employees	Monthly
Club of the Month	Support for internal club activities based on voluntary employee participation	All employees	Monthly

ABCD project

“ABCD: Creating a Better Me, a Better Us, and a Better SK D&D-Together.”

ABCD (A Better Company D&D)

"A better me, a better us, a better D&D – together we make it happen."
ABCD is SK D&D’s cultural initiative aimed at pursuing the happiness of employees and the company, and ultimately of the cities and society, while promoting sustainable growth to build a better company. SK D&D strives to create a foundation where employees can fully engage in their work and grow, in an environment where they are respected by the company and empowered to stay self-motivated. Based on this foundation, the company seeks to foster a healthy corporate culture grounded in solidarity and mutual support.



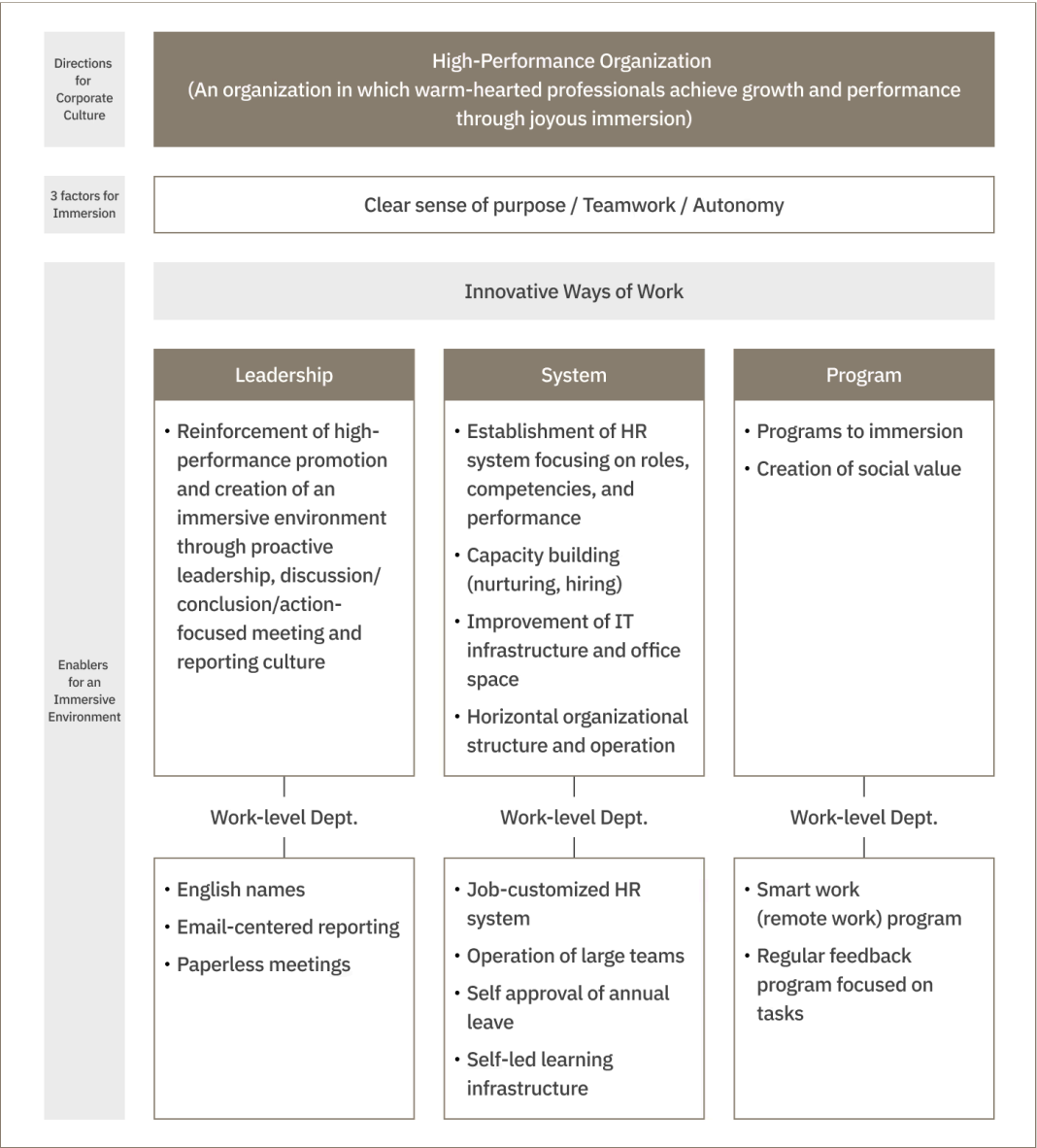
[ABCD Story](#)

High-Performance Organizational Culture

High-Performance Organization

SK D&D is fostering a high-performance organizational culture where employees can grow and achieve results through joyful and immersive engagement. The company supports this by innovatively improving ways of working across three key areas—leadership, systems, and programs—and by creating an environment that ensures clear goal orientation, strong teamwork, and autonomy. Through this approach, SK D&D aims to realize the simultaneous growth of both the organization and its people.

High-Performance Organization Framework



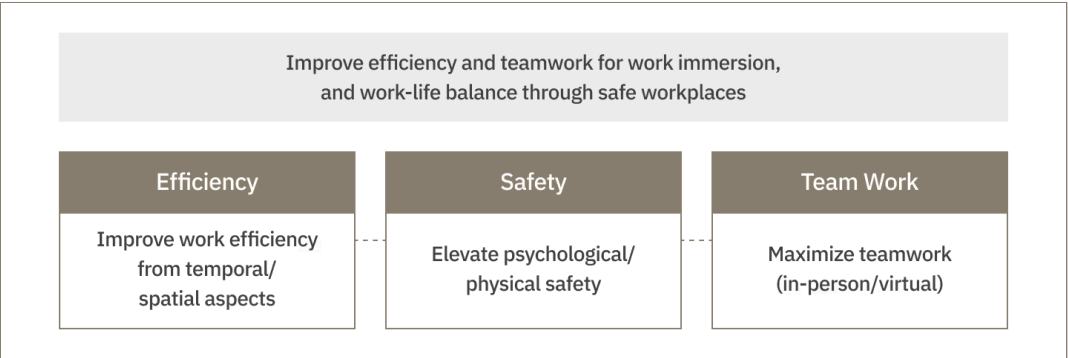
Creating an Immersive Work Environment

SK D&D implements a variety of smart work initiatives to foster an environment where employees can stay focused and fully engaged in their work. In addition to flexible working hours and a free seating system, the company operates a Smart Work system designed to enhance efficiency and offer diverse work locations. This system enables employees to work anytime and anywhere by utilizing IT tools, supporting remote work through home offices or Smart Work Centers. To improve accessibility, SK D&D operates Smart Work Centers in the Jongno and Gangnam areas, thereby cultivating a flexible and autonomous organizational culture that promotes deep focus and productivity.

Programs for Creating an Immersive Work Environment

Key Program	Program Overview	Operational Status
Flexible Work System	Enables employees to design their own work schedules, helping to overcome time and space constraints and enhance performance and capability.	Implemented for all employees
Free Seating System	Allow employees to reserve seats autonomously, promoting a horizontal work culture and improving efficiency.	
Smart Work Centers	Provides creative workspaces such as Focus Rooms to support deep concentration and immersion in tasks.	Operates a total of two locations (Gwanhun-dong and Samseong-dong)

Smart Work Center



Employee Communication Channels

[GRI2-30](#)

SK D&D gathers employees’ concerns and feedback through communication channels such as the Management Development Council—a consultative body between the company and employees—and ABCD Open Talk, a town hall meeting where all employees come together.

The Management Development Council consists of four management executives and four employee representatives. It meets quarterly to regularly discuss key working conditions and overall human resources policies. The agreements made during these meetings are applied equally to all employees and incorporated into company-wide operating standards.

ABCD Open Talk is a town hall meeting held approximately every one to two months to facilitate information sharing and communication among the company, management, and employees. The sessions provide opportunities to share management strategies, business performance, outlooks, and updates on major news and employee-related matters.

Moving forward, SK D&D will continue to run various programs to foster a corporate culture based on open communication, empathy, and mutual understanding.

2024 Employee Communication Channels Operation Status

Category	Management Development Council*	ABCD Open Talk
Participants	4 management representatives / 4 employee representatives	All employees
Number of Meetings	4 times a year	Once a year
Frequency	Quarterly	Annually
Main Agenda Items	<ul style="list-style-type: none">• Share an overview of business plan and performance• Negotiate on employment, working conditions, benefits, etc.• Resolve grievances	<ul style="list-style-type: none">• Discussion of Key Business Performance and Outlook• Sharing of Major News and Employee Updates

* Since SK D&D does not have a labor union established, a Management Development Council operates for labor-management consultation.

Employee Grievance Resolution Cases

Category	Case 1	Case 2
Grievance	Compensation system improvement	Work environment improvement
Resolution Method	Discussing transparently the performance appraisal and compensation system between management and employee representatives, sharing employee opinions on other reward systems, and reviewing their acceptance	Discussing office environment improvement, reviewing improvement directions for ongoing discussions, establishing/sharing policies for family-friendly work environment
Implementation Status	Completed	Completed

Employees Covered by Management Development Council Agreements

Category	Unit	2022	2023	2024
Number of employees subject to Council agreements	Persons	249	261	174
Number of employees covered by the agreements of the Management Development Council	Persons	249	261	174
Percentage of employees covered by Council agreements	%	100	100	100

Work–Life Balance

[GRI 403-6](#)

Employee Welfare

[GRI 2-4](#) [GRI 401-2](#)

SK D&D supports welfare programs that promote work–life balance to enhance employee well-being. Key benefits include integrated welfare services, support for family events and tuition fees, long-service

awards, and health check-up expenses for employees and their families. The company continuously identifies employee needs through communication channels such as the Management Development Council and aims to expand customized welfare programs accordingly.

Key Employee Welfare Programs

<div>Integrated welfare benefits</div> <div>Grant points through the partner Benepia</div>	<div>Scholarship support</div> <div>Provide tuition support for middle/high school and university</div>	<div>In-house dental clinic</div> <div>Cover dental treatment expenses for employees and their families</div>	<div>Support for educational expenses</div> <div>Support employees with job-related external education</div>	<div>Sabbatical leave</div> <div>Provide a 2-week sabbatical leave for every five years of continuous service</div>
<div>Support for family events</div> <div>Provide leave and financial support for family events</div>	<div>Hobby clubs</div> <div>Operate in-house hobby clubs and support their volunteer activity expenses</div>	<div>Family health checkup</div> <div>Employee and family health checkup support</div>	<div>Rewards for long-term employees</div> <div>Grant incentives for long-term service</div>	<div>Company cafeteria</div> <div>Provide breakfast and lunch</div>

Employee Welfare Support Status*

Key Item	Unit	2022	2023	2024
Welfare Budget	Million KRW	5,953	5,107	6,120
Total Expenditure	Million KRW	5,953	5,107	6,120
Welfare Expenditure Rate**	%	100	100	100
Welfare Spending per Employee	Million KRW/Person	23.0	25.7	34.0

* To ensure consistency with consolidated data following the spin-off, the 2023 data have been revised.

** Total welfare benefits execution rate: (Total amount executed ÷ Total budget) x 100

Maternity Protection Program

 [GRI 401-3](#)

SK D&D operates a maternity protection program to create a family-friendly and happy corporate culture that supports employees in balancing work and family life. The maternity protection system at SK D&D offers benefits throughout all stages—including pre-pregnancy, pregnancy, childbirth, and childcare—such as reduced working hours, adjusted commuting times, and paid leave for medical check-ups, treatment, and rest. Going forward, SK D&D will continuously strive to establish policies that reduce employees’ burdens related to pregnancy, childbirth, and childcare, helping them to carry out their work steadily and build their careers.

Key Maternity Protection Programs

Program	Description	Standard
Maternity Leave	Leave provided to protect the health of expectant mothers before and after childbirth	90 days before and after childbirth
Reduced Working Hours	Shortened working hours to protect pregnant employees	2 hours reduced per day
Flexible Commuting Hours	Flexible commuting times applied for the convenience of pregnant employees	Adjustable within working hours
Prenatal Checkup Leave	Leave granted for health checkups of pregnant employees and their fetuses	Applied variably depending on pregnancy stage
Miscarriage & Stillbirth Leave	Leave to protect employees' mental and physical health following miscarriage or stillbirth	-
Infertility Treatment Leave	Leave for infertility treatments such as artificial insemination and in vitro fertilization	Available to all employees (male/female)

Employee Parental Leave Usage Status

Category	Target	Unit	2022	2023	2024
Number of Parental Leave Users	Male	Persons	0	2	0
	Female	Persons	1	3	3
Number of Returnees from Parental Leave*	Male	Persons	0	0	0
	Female	Persons	0	0	0
Number of Employees Working 12+ Months after Return**	Male	Persons	0	0	0
	Female	Persons	0	0	0

* Regarding the parental leave rate, there have been no employees eligible to return from parental leave in the past three years.

** The retention rate of employees who worked for 12 months or more after returning from parental leave was 100% as of 2021; since then, there have been no eligible returnees.

Talent Attraction and Competency Development

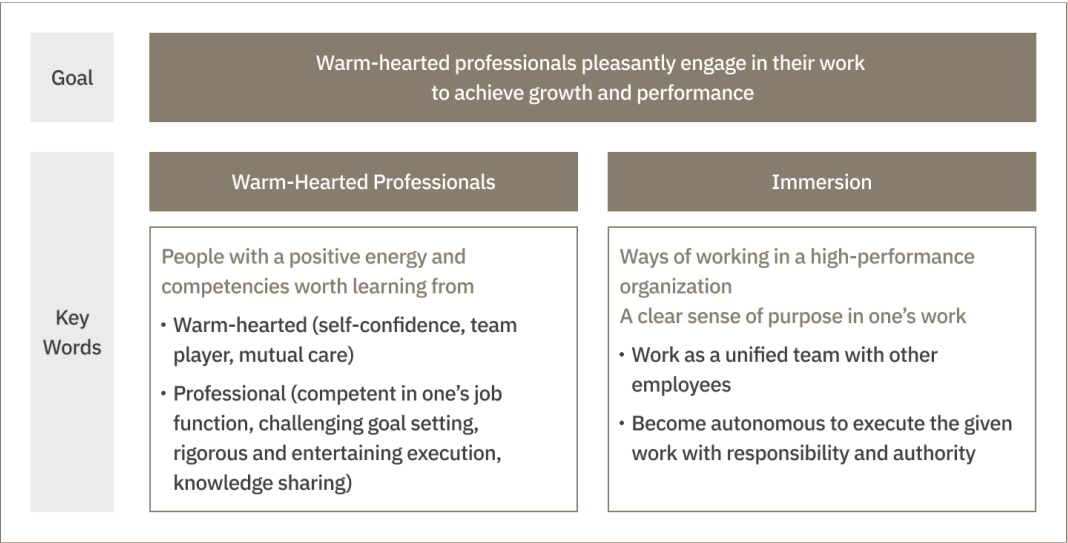
Talent Development System

SK D&D supports its employees in becoming “Warm Professionals” — individuals who grow and achieve results by immersing themselves enthusiastically and joyfully with their passionate colleagues, guided by the talent development philosophy of a “Virtuous Cycle for Deep Change and Happiness.”

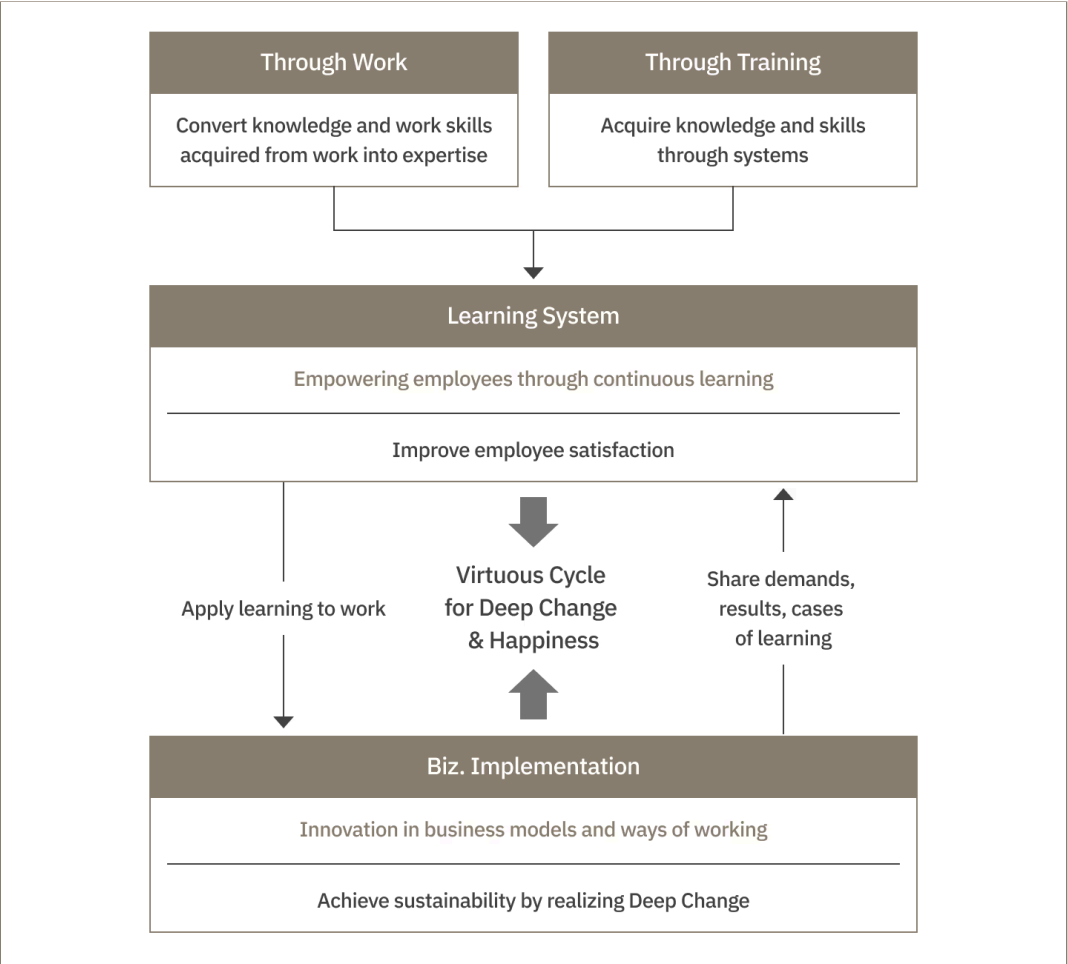
Through a systematic talent development system offering diverse work and training programs, SK D&D aims to cultivate talent who embody both the “warmth” of pride, community spirit, and mutual care, and the “professionalism” characterized by clear, challenging goals pursued with enthusiasm and shared experiences.

[SK D&D Talent Vision](#)

Warm-Hearted Professionals Framework



Direction and System for Nurturing Employees



Competency Development Programs

[GRI 2-4](#) [GRI 404-1](#) [GRI 404-2](#)

SK Academy

Through SK Academy, SK D&D disseminates the SK Management System (SKMS) and SK Values to new hires, lateral recruits, newly appointed team leaders, and executives, thereby strengthening the foundation of SK’s corporate culture of management for happiness. By establishing a structured development pipeline by position level, SK D&D aims to nurture future business leaders and experts.

SK Academy Curriculum

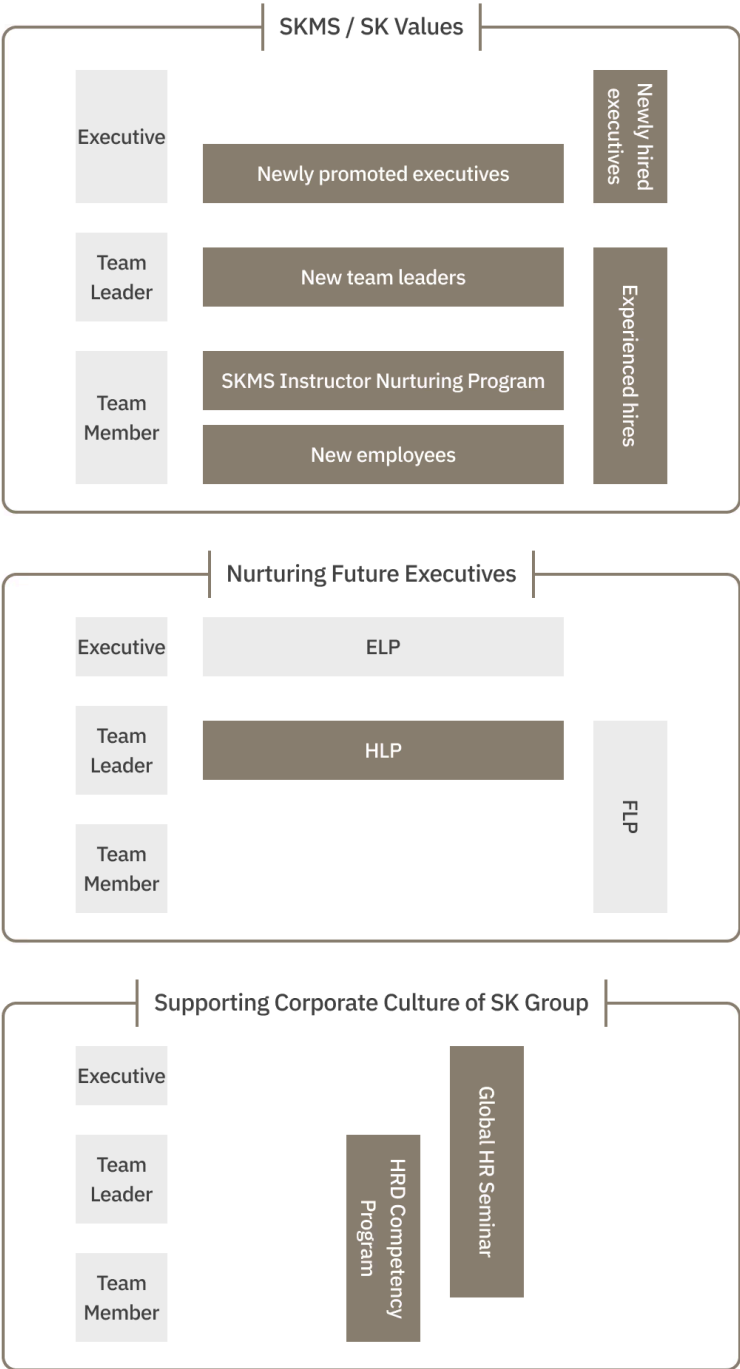


“SK Talent Development Hub, Nurturing Talent Like Growing Trees”

SK Academy strengthens the foundation of SK's corporate culture by promoting SKMS/Values and develops future leaders and business experts through a systematic development pipeline.

New/Experienced Employees # New Team Leader # Newly Promoted/Hired Executives
HLP # Women Leaders # Competency School # HR Conference # Global HR Seminar

The Entire Curriculum



Curriculum Overview

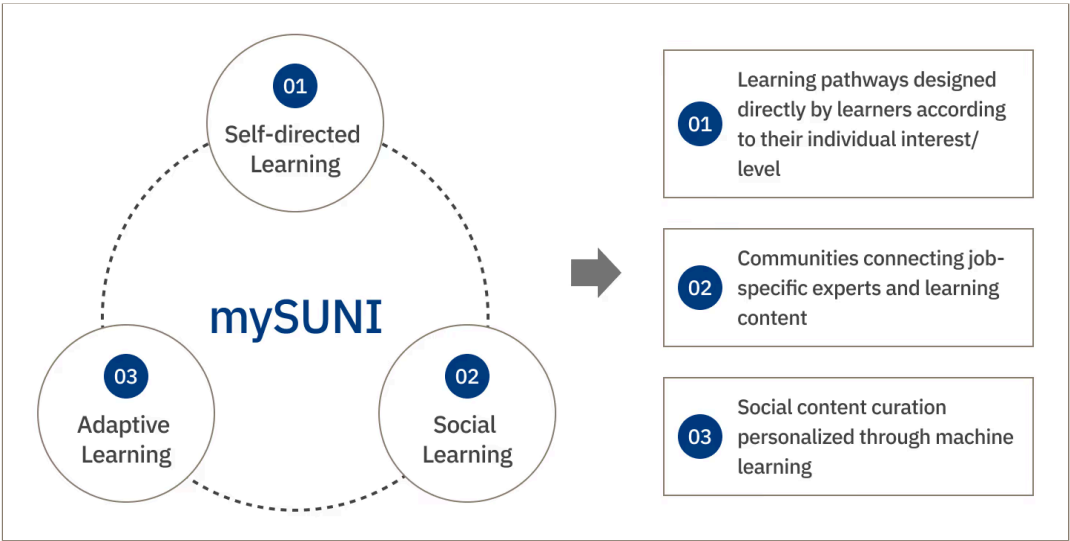
Category	Main Purpose and Content
SKMS / SK Values	<ul style="list-style-type: none">Dissemination of SKMS and core values to new hires and lateral recruitsEstablishment of roles for newly appointed team leaders to practice management for happinessSupport for SKMS instructor training programs
Future Leader Development	<p>Systematic development of future leaders linked to the SK Leadership Pipeline and Assessment</p> <p>Provision of tailored leadership programs by position level</p> <ul style="list-style-type: none">Executives: ELP (Executive Leadership Program)Team Leaders: HLP (HIPO Team Leader Program)Team Leaders/Team Members: FLP (Future Leadership Program)
Support for Subsidiary Corporate Culture	<ul style="list-style-type: none">Support for talent development in subsidiary companiesOrganizational development and change management support based on diagnosticsOperation of global HR seminars and HRD competency programs

mySUNI

SK D&D actively utilizes mySUNI, SK Group’s learning platform, to enhance employees’ individual competencies. mySUNI offers a wide range of courses and programs that employees can freely select and complete at their own pace. With web- and mobile-based access, the platform provides a flexible, always-on learning environment.

To support work–learning balance, SK D&D ensures dedicated learning time during working hours, promoting a culture of self-directed learning within the organization. mySUNI content spans not only job-related skills such as business, leadership, and innovation, but also areas like social value and green initiatives, supporting well-rounded employee growth.

mySUNI Programs



Insighter Trip

SK D&D operates a short-term overseas training program for outstanding employees to provide insights and promote mutual growth. The program target’s overseas locations related to the company’s core businesses—such as Dubai, Abu Dhabi, and Japan—and consists of a five-day itinerary exploring key local

spaces and architectural landmarks with a professional guide. Participants naturally build networks while sharing experience and deepen their understanding of the company’s core values. After returning, they share the insights gained from the trip with other employees, fostering continuous personal growth and expanding organizational learning.

In-House Training

SK D&D also offers internal training programs designed to deepen business understanding and develop specialized competencies aligned with employees’ roles and career stages. Through initiatives such as ABCD Campus, which fosters innovative and proactive experiences to nurture change-driving talent, and in-house courses focused on strengthening core competencies like business strategy and essential skills, the company supports employee development and builds a high-performance organization.

External Training

SK D&D establishes and operates an external training curriculum that reflects employees’ diverse learning needs, in addition to the common training required for job competency enhancement. Given the high demand for specialized learning in areas such as foreign languages and finance, the company provides targeted courses in these fields. SK D&D regularly assesses employee learning needs to continuously expand the scope of training support.

Major Competency Development Training Programs

Category	SK Academy	mySUNI	External Training
Frequency	At least once a year	Ongoing	At least once a year (as needed)
Target Audience	Mandatory participants (leaders, new hires, recruited employees, etc.)	All employees (voluntary participation)	All employees (voluntary participation)
Delivery Method	Blended (online and offline)	Online	Offline
Key Content	Dissemination of SK Group management policies and values; comprehensive competency support for leaders and employees	Over 1,900 curriculam including management philosophy, core competencies, and future business	Customized educational content for employees (foreign languages, finance, etc.)

Employee Competency Development Training Results*

Category		Unit	2022	2023	2024
Total Training Expenses		Million KRW	663	858	555
Training Expenses per Person		Million KRW/person	2.6	3.31	3.08
Total Training Hours		Hours	11,508	10,380	8,217
Training Hours per Person		Hours/person	44.4	38.7	45.65
Training Hours by Content**	Job Competency	Hours	7,711	8,412	4,135
	Compliance, Ethics, Human Rights, and Anti-corruption	Hours	2,002	718	1,351
	Environment	Hours	750	242	146
	Safety and Health	Hours	759	518	2,170
	Fair Trade	Hours	58	259	77
	Information Security	Hours	228	231	338

* To standardize the basis of consolidation following the spin-off, data was revised for 2023.

** The aggregation was done based on mySUNI training hours.

Talent Recruitment and Retention

[GRI 2-7](#) [GRI 2-8](#) [GRI 401-1](#) [GRI 405-1](#)

SK D&D conducts competency-based recruitment grounded in fair and equal opportunities. During the hiring process, the SK Competency Test (SKCT)* is used to objectively assess the comprehensive capabilities required of SK employees. To ensure fairness, internal policies explicitly prohibit discrimination based on gender, age, social status, place of origin, alma mater, marital status, pregnancy, or medical history. Furthermore, preferential treatment is given to socially vulnerable groups, such as individuals with disabilities and low-income candidates, during the document screening stage. SK D&D is committed to implementing fair and transparent recruitment policies, including efforts to improve hiring efficiency through internal evaluations.

* SKCT (SK Competency Test) assesses critical thinking, situational judgment, and work personality.

Additionally, SK D&D promotes the expansion of its external talent pool by operating an internal referral system to attract high-quality candidates and enhance organizational performance. To facilitate smooth adaptation of new hires to the work environment, the company runs a buddy program pairing new employees one-on-one with existing members. This program supports new hires' integration into the organizational culture and work processes, helping them adjust steadily through close interaction with their buddies.

New Employee Recruitment Status

Category		Unit	2022	2023	2024
Gender	Male	Persons	54	43	19
	Female	Persons	34	23	14
Age Group	Under 30	Persons	17	10	10
	30 to under 50	Persons	68	52	23
	50 and over	Persons	3	4	0
Total		Persons	88	66	33

Employee Turnover Status

Category		Unit	2022	2023	2024***
Gender	Male	Persons	51	47	88
	Female	Persons	24	17	31
Age Group	Under 30	Persons	8	7	9
	30 to under 50	Persons	61	52	102
	50 and over	Persons	6	5	8
Voluntary Turnover* Number		Persons	64	37	23
Voluntary Turnover Rate**		%	24.7	13.8	12.7
Total Turnover Number		Persons	75	64	119

* Voluntary Turnover: Individuals who leave the company based on personal decisions, independent of the organization’s intent. Cases such as mandatory retirement, dismissal, voluntary retirement, resignation upon recommendation, transfer to an affiliate, and contract expiration are classified as involuntary turnover.

** Voluntary Turnover Rate: (Number of voluntary leavers ÷ Total number of employees) x 100

*** Includes 84 employees transferred due to the organizational spin-off of SK Eternics.

SK D&D Employees Status

Category			Unit	2022	2023	2024
Total Employees			Persons	259	268	180
By Gender	Male		Persons	188	188	117
			%	72.59	70.15	65
	Female		Persons	71	80	63
			%	27.41	29.85	35
By Age Group*	Under 30		Persons	-	28	19
	30 to under 50		Persons	-	224	148
	50 and over		Persons	-	16	13
By Employment Type	Regular Employees	Male	Persons	183	180	110
		Female	Persons	62	69	56
	Non-Regular Employees**	Male	Persons	5	8	7
		Female	Persons	9	11	7
By Position Level***	Managers (Executives+PL)	Male	Persons	41	39	25
		Female	Persons	0	2	5
	Executives	Male	Persons	10	7	5
		Female	Persons	0	0	1
	PL	Male	Persons	-	-	20
		Female	Persons	-	-	4
	Managers (Non-management)	Male	Persons	-	-	92
		Female	Persons	-	-	58
	Non-registered Executive	Male	Persons	10	7	5
		Female	Persons	0	0	1
	G3	Male	Persons	41	39	26
		Female	Persons	0	2	0
	G2	Male	Persons	103	105	62
		Female	Persons	42	47	39
	G1	Male	Persons	34	37	24
		Female	Persons	29	31	23
Diversity & Inclusion	Female Manager Ratio		%	-	0.7	2.7
	Number of Disabled Workers		Persons	5	6	4
	Disabled Worker Ratio		%	1.9	2.2	2.2
	Disability Employment Target Ratio		%	3.1	3.1	3.1
	Number of Veterans		Persons	4	1	3
	The number of socially vulnerable workers****		Persons	9	7	7

* Classification has been refined and managed in greater detail since 2023.

** Non-regular employees are composed solely of fixed-term workers; daily workers and dispatched labor are not employed.

*** Executives and employees are classified according to SK D&D's internal job grade system, with compensation determined by grade level (G3 > G2 > G1). (Executives: Executives and G3 level employees)

**** Socially disadvantaged groups include individuals with disabilities, national veterans, and other protected categories.

SK D&D Subsidiary Employee Status

Category			Unit	DDI		DDPS	
				2023	2024	2023	2024
Total Employees			Persons	46	45	109	108
Gender	Male		Persons	78	31	45	47
			%	60.87	69	41.28	43.52
	Female		Persons	18	14	64	61
			%	39.13	31	58.72	56.48
	Employment Type	Regular	Male	Persons	28	29	39
Female			Persons	17	13	47	52
Non-regular		Male	Persons	0	2	6	4
		Female	Persons	1	1	17	9

Employee Diversity Target*

Category	Unit	2024			2025
		Achivement Rate	Target	Performance	
Employment of persons with disabilities	Persons	67%	6	4	6

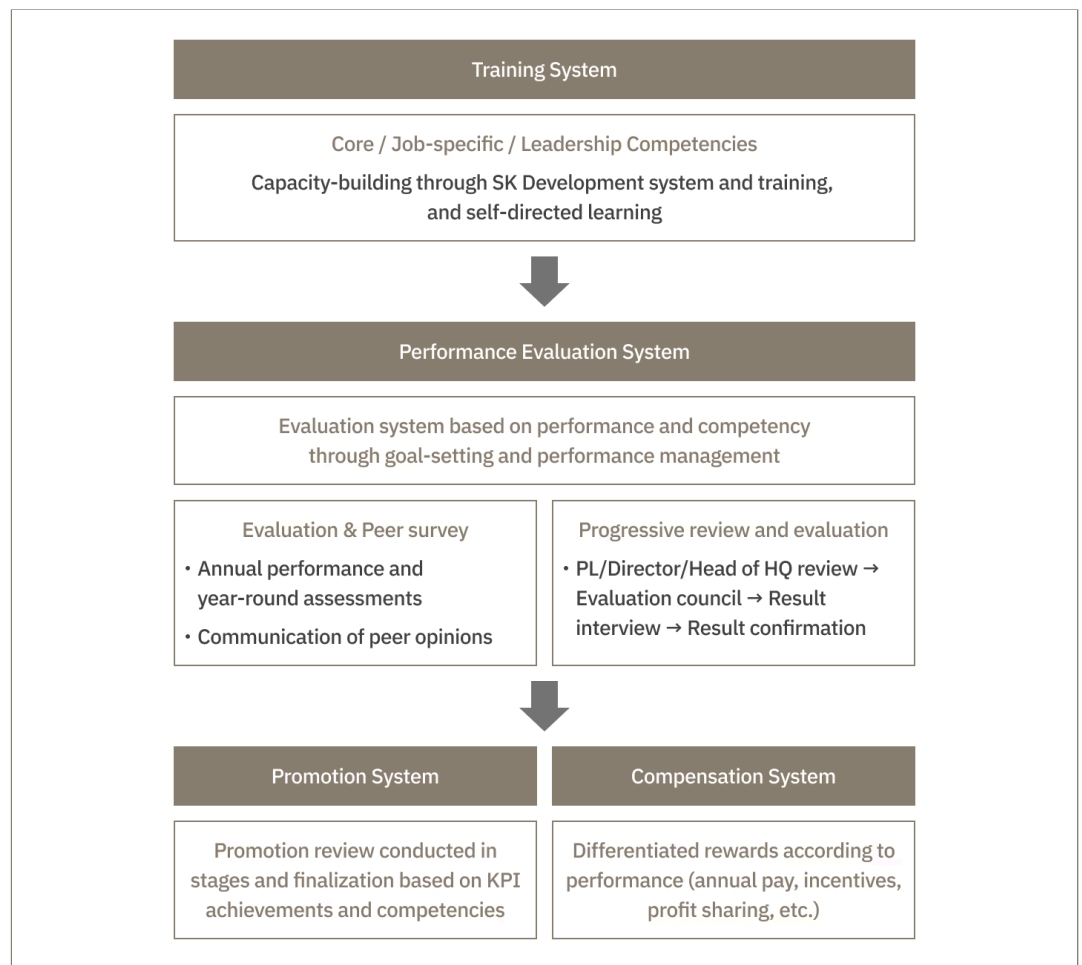
** SK D&D's legally mandated number of disabled employees: 5 persons (based on employment status as of December 31, 2024).

Performance Evaluation and Compensation

 [GRI 405-2](#)

SK D&D operates an objective performance evaluation system to foster talent development and growth among its members, while building a performance-oriented culture based on individual capabilities. Each year, employees set performance goals, which are supported throughout the year via competency assessments, stage-specific reviews, and performance management discussions to help them achieve their targets. The company offers compensation and promotion opportunities based on these evaluations, ensuring a fair and transparent process. In addition to monetary rewards, SK D&D is actively expanding a range of non-monetary incentives to enhance employee motivation and job satisfaction.

Employee Performance Management Process



Employee Performance Evaluation Status

Category		Unit	2022	2023	2024
By Position	Managers (Executives+PL)	Persons	38	34	30
		%	93.1	95.3	100
	Executives	Persons	9	7	6
		%	91.7	100	100
	PL	Persons	30	36	24
		%	93.8	84	100
	Managers (Non-management)	Persons	188	187	130
		%	90.7	85.2	86.6
	Male	Persons	175	172	109
		%	93.6	91.7	93.1
By Gender	Female	Persons	59	60	51
		%	84.5	75.4	80.9
	Total	%	91.1	85.8	88.8

Employee Compensation Status by Gender

Category		Unit	2022	2023	2024
Average Salary	Male	Million KRW	119	124	129
	Female	Million KRW	67	75	80
Female-to-Male Salary Ratio*		%	56.3	60.5	62.0

* Female-to-Male Salary Ratio = (Average Monthly Salary of Female Employees ÷ Average Monthly Salary of Male Employees) × 100



Safety and Health Management

Occupational Health and Safety (OHS) Management System

Occupational Health and Safety Management Policy

[GRI 403-1](#) [GRI 403-8](#)

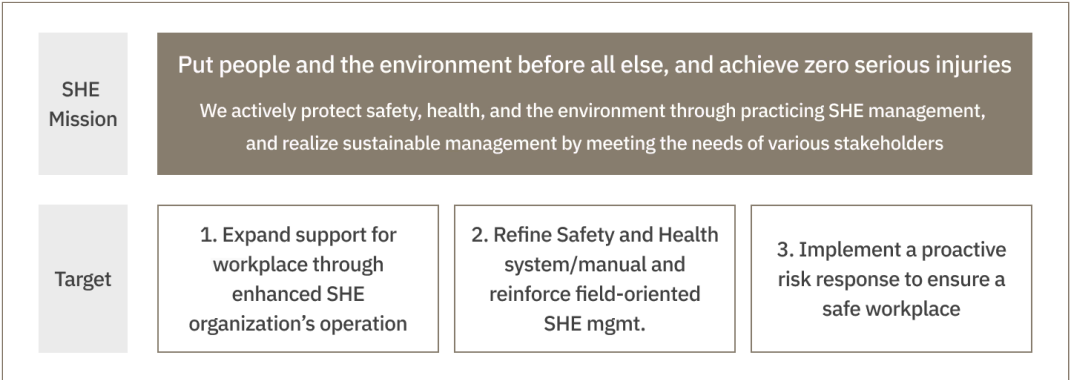
SK D&D places the highest value on people and the environment and is committed to achieving zero serious accidents through the implementation of a comprehensive Safety and Health Management System.

The company has established and actively enforces a company-wide Safety and Health Management Policy, supported by detailed operational guidelines including the Safety and Health Management Manual and Emergency Response Procedures. These frameworks are designed to ensure a safe and healthy environment across all areas of operation—including headquarters, project sites, subsidiaries, and all stakeholders involved in real estate development and operations.

SK D&D’s safety and health policy applies not only to its employees but also to all types of workers engaged in business operations, including construction contractors and subcontractors.

[Safety and Health Management Policy](#)

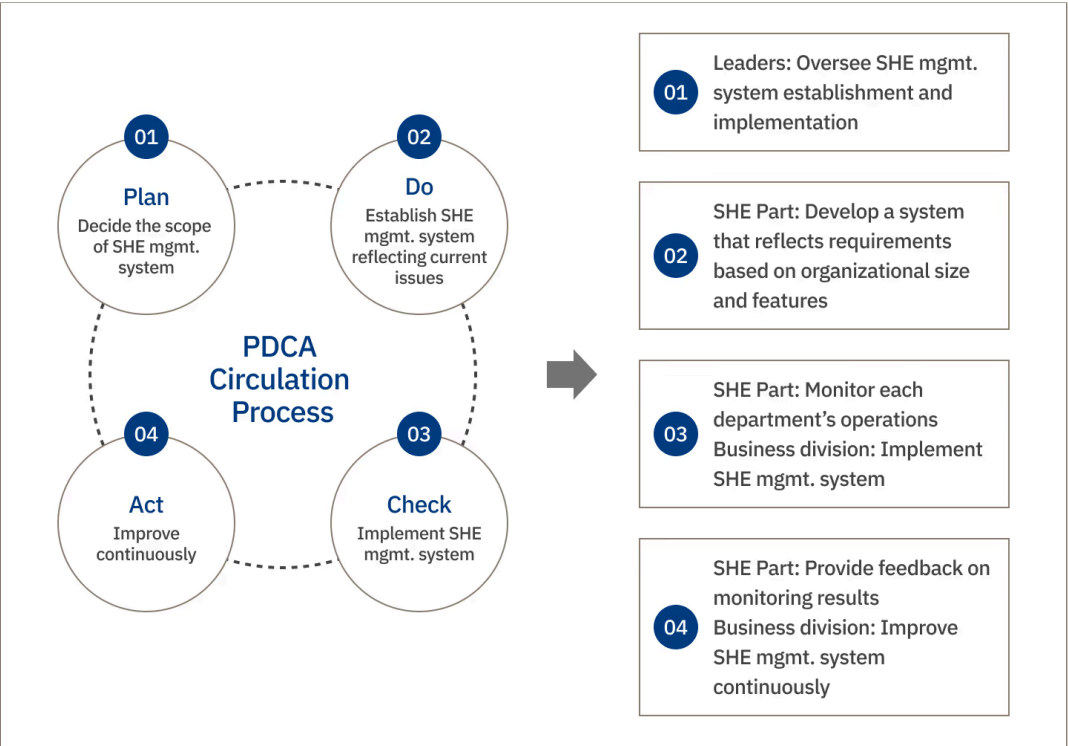
OHS Management Policy



To effectively execute its Safety and Health Management System, SK D&D has adopted the Plan-Do-Check-Act (PDCA) cycle, enabling continuous monitoring and improvement of safety and health management performance.

Furthermore, to ensure compliance with industrial safety and health regulations and to implement necessary improvements, any revisions to the Safety and Health Management Policy undergo a thorough review and approval process led by the Chief Safety Officer (CSO).

Virtuous Cycle System of Plan-Do-Check-Act Occupational



Workplace Safety and Health Management Manual

SK D&D has established standards and procedures for safety and health management and has developed a Safety and Health Management Manual to prevent industrial accidents at its business sites, reflecting requirements from the Serious Accident Punishment Act and the Industrial Safety and Health Act. The manual is composed of the company’s Safety and Health Policy, the Safety and Health Management System, Risk Assessment, as well as evaluation criteria for the safety and health capabilities and qualifications of construction contractors. Its scope applies to all business divisions and sites, including business partners and other stakeholders who access the sites.

SK D&D is committed to identifying applicable laws and standards for headquarters and business sites, and to operating the safety and health management system smoothly in accordance with established principles and procedures. Through these efforts, the company aims to prevent industrial accidents and ensure the safety of all workers.

[Safety and Health Management Manual](#)

Key Concepts of Safety and Health Management Manual

Safety and Health Policy	Organizational Rules	Risk Assessment	Worker Participation and Agreement	Competency/ Eligibility
Declaration of leadership and commitment by management	Discussion and implementation of responsibilities and authorities by each business division	Risk assessment and elimination of hazardous risks	Incorporation of field workers’ opinions	Assessment indicators for contractors’ SHE levels

Safety and Health Goals

SK D&D has established an annual roadmap with clear safety and health management objectives aimed at achieving zero serious accidents while advancing to a leading position within the industry. To accomplish these detailed targets, the company implements a variety of programs and activities designed to enhance workplace safety. To foster active participation in safety and health management across all levels of the organization, SK D&D has developed and enforces behavior principles tailored to each employee rank. In 2024, the company strengthened site-centered SHE (Safety, Health, and Environment) activities, conducted pre-checks and inspections of high-risk tasks, and supported the establishment of SHE management systems at its subsidiaries. Moving forward, SK D&D remains committed to cultivating a top-tier safety culture and enhancing SHE management capabilities to ensure the well-being of all stakeholders.

Yearly Roadmap for SHE Management

	Phase I~II(2021~2022)	Phase III(2023~2024)	Phase IV(2025~2027)
	Establishing/Operating SHE mgmt. system	Advancing SHE mgmt. system	Leaping to Top Tier level of SHE mgmt. in the industry
Target	Secure safety management foundation	Strengthen field-oriented SHE mgmt. system and activities	Establish a leading safety culture and reinforce safety & health plan's details
Strategy	<ul style="list-style-type: none"> Establish CSO organization and SHE system Identify risks related to projects and the Serious Accidents Punishment Act Establish SHE mgmt. foundation by project (safety supervision) 	<ul style="list-style-type: none"> Enhance project's safety mgmt. (safety supervision/outsourced inspections/all day inspections) Reinforce subsidiaries' SHE mgmt. Restructure SHE system rapidly following spin-off 	<ul style="list-style-type: none"> Strengthen details tailored to organizational changes Enhance internal/external safety and health communication Lead advanced safety mgmt. in partners
Specific Tasks	<ul style="list-style-type: none"> Manage safety metrics for sustainable mgmt. (accident rate, etc.) Secure occupational SHE mgmt. system (ISO 45001) Organize and manage R&R for Serious Accidents Punishment Act compliance across all sites (CSO organization) 	<ul style="list-style-type: none"> Enhance employee safety training <ul style="list-style-type: none"> Expand for all (12 hours per person) Enhance expertise and capability for safety supervision <ul style="list-style-type: none"> Specialized training for supervision targets (monthly) / Meetings (quarterly) Strengthen safety inspections at subsidiaries <ul style="list-style-type: none"> Intensify risk assessments (quarterly) Reinforce safety in blind spots 	<ul style="list-style-type: none"> Establish supply chain safety capacity assessment metrics Train and support Episode facility mgmt. partners on-site (all sites) Secure safety performance external communication system

* The strategy and detailed action plans are managed in connection with the KPI-based compensation system for the CSO and SHE Part.

SHE Behavioral Principles by Position

	Leaders	PL	Employees
Position	Leading SHE mgmt.	Leading SHE change by example	Practicing voluntary behavior for SHE
Roles	<ul style="list-style-type: none">• Propose SHE goals• Show SHE Leadership• Create environment for SHE mgmt. activities	<ul style="list-style-type: none">• Establish SHE mgmt. system• Lead/Help/Check for change• Encourage leading by example and practice	<ul style="list-style-type: none">• Comply with basics & principles for SHE• Secure ownership for on-site safety• Implement and internalize SHE mgmt. continuously

Safety and Health Management Organization

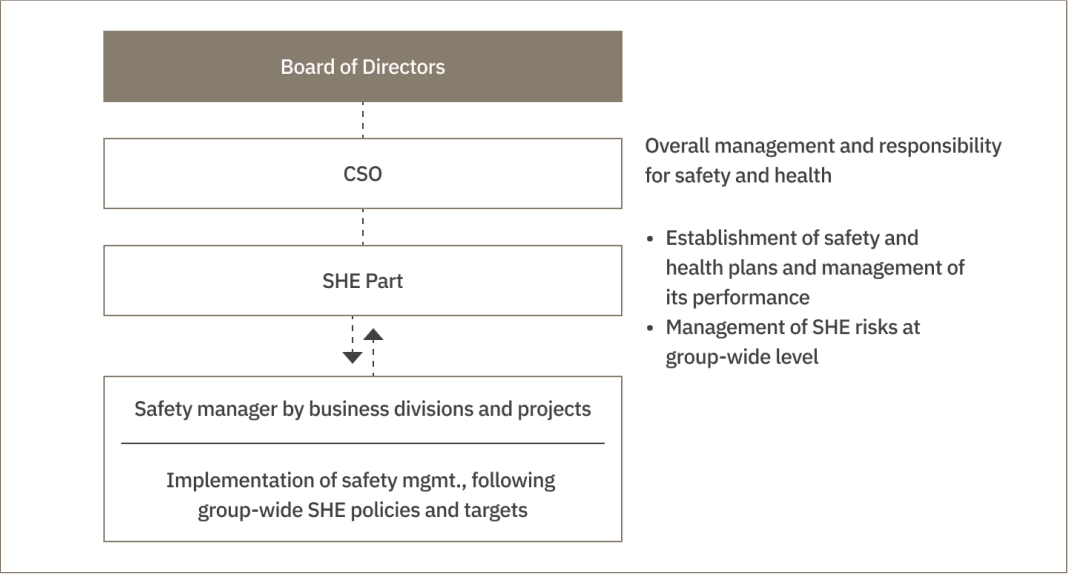
SK D&D operates an executive-led Safety and Health Management System. A Chief Safety Officer (CSO) is appointed with the authority and responsibility—delegated by the Board of Directors—for establishing safety and health strategies, setting organizational goals, and overseeing performance.

To support robust implementation, SK D&D has established a dedicated company-wide SHE (Safety, Health, and Environment) Part. This team reports annually to the Board on safety and health plans and achievements, and holds monthly regular SHE meetings with headquarters and subsidiaries to systematically manage safety and health risks across the organization.

Safety managers at business divisions and project sites work in close collaboration with the SHE Part to carry out activities such as site inspections, training, and safety programs aligned with SK D&D’s SHE policies and strategic objectives. These efforts contribute directly to the prevention and mitigation of safety and health risks at worksites.

To enhance performance management, Key Performance Indicators (KPIs) and an incentive system are used. The CSO’s KPIs include key safety goals such as achieving zero serious accidents, conducting compliance checks, and supporting the establishment of safety and health systems at subsidiaries. Performance outcomes are directly linked to the CSO’s compensation and incentives, reinforcing effective implementation, risk prevention, and the creation of a safe and healthy work environment.

SHE Management Organization and Decision-Making Structure



Safety and Health Management Meetings

Category	Key Topics / Outcomes	Frequency	No. of Meetings ('24)
Board of Directors	Report and approval of annual safety & health performance and action plans	Once a year	2 times
Regular SHE Meetings	Analysis of site inspection results and sharing of best practices	Monthly	12 times
Subsidiary SHE Meetings	Analysis of subsidiary site inspection results and sharing of improvement cases	Monthly	12 times
Safety Supervision Video Meetings	Safety performance and critical risk countermeasures for project sites	Monthly / per site	12 times / per site

Safety and Health Risk Management

[GRI 403-2](#) [GRI 403-7](#)

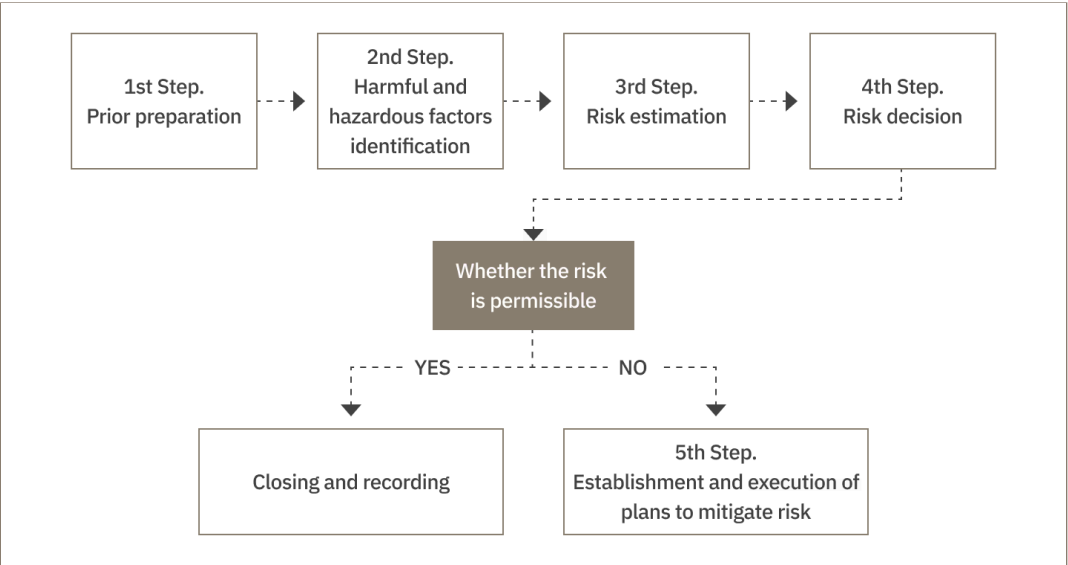
Risk Assessment and Mitigation Measures

As a project owner, SK D&D manages potential safety and health hazards at all rental housing sites under development and operation. The company conducts regular inspections of firefighting systems, fire hazards, and safety facilities to evaluate site-specific risks. These assessments comprehensively consider legal requirements, internal manuals, organizational culture, and other internal and external factors to identify potential risks.

For high-risk or serious hazards, risk-level-based mitigation plans are established. The Chief Safety Officer (CSO) or other responsible executives directly review critical risk factors, ensure appropriate corrective actions are developed, and monitor their implementation.

To further strengthen proactive risk management, SK D&D performs monthly risk assessments at all sites where it acts as project owner. For each identified hazard, risk reduction measures are developed and implemented in alignment with CSO KPIs. These efforts aim to enhance the company's safety management system and uphold a zero-accident record at construction sites.

Safety and Health Risk Management Process



Emergency Response

SK D&D has established behavioral guidelines to prevent potential accidents at its project sites. In the event of an emergency, the company aims to respond swiftly to manage the incident, prevent human casualties and environmental pollution, and minimize both direct and indirect losses to the site and the company.

The company has also developed site-specific emergency response training plans. To ensure readiness, emergency drills and training sessions are conducted at least once every six months. The implementation of these activities is reviewed biannually by senior management, including those responsible for safety.

Product and Service Safety – Episode Residential Brand

To minimize health and safety risks for residents of Episode, SK D&D's rental housing brand, the company works with a professional facilities management (FM) firm to conduct regular inspections and manage safety risks related to infrastructure, electrical systems, fire protection systems, and mechanical equipment.

Accident response procedures have been established, and mock drills are conducted to prepare for unexpected incidents and minimize potential damage. Furthermore, SK D&D has taken out natural disaster insurance to further reduce health and safety risks for its customers.

Occupational Safety and Health Activities

[GRI 403-3](#) [GRI 403-4](#) [GRI 403-5](#) [GRI 403-6](#) [GRI 403-7](#)

Safety and Health Capacity Building

SK D&D conducts safety and health education programs to enhance awareness and strengthen the safety mindset among employees and business partners. To foster a shared understanding of safety management and promote a safety-first culture, the company provides differentiated training tailored to each target group. In addition, annual health and wellness training is conducted on topics such as

occupational stress and disease management, based on comprehensive training plans developed each year.

To support the internalization of safety and health practices, SK D&D operates a “Safety Board” bulletin board that shares safety improvement goals and related information with employees. Moreover, to improve accessibility to key safety and health information—such as the Safety and Health Manual and the Serious Accidents Punishment Act—the company distributes the content in the form of card-style newsletters, making critical guidance easy to understand and widely accessible across the organization.

Safety and Health Training Status

Target Group	Training Program	Frequency & Duration
SHE Personnel	Prevention of Musculoskeletal Disorders & Job Stress	Once every 2 months (2 hours)
All Employees	Accident Prevention Management Techniques	Once every 2 months (2 hours)
On-Site Safety Supervisors	Case Studies of Accidents & Updates to Safety Regulations	Once per quarter (1 hour)
On-Site Safety Supervisors	Quality and Safety Training	Monthly (2 hours)
DY SHE Team	Joint Training with DY	One-time session (4 hours)

Supplier Safety and Health Management

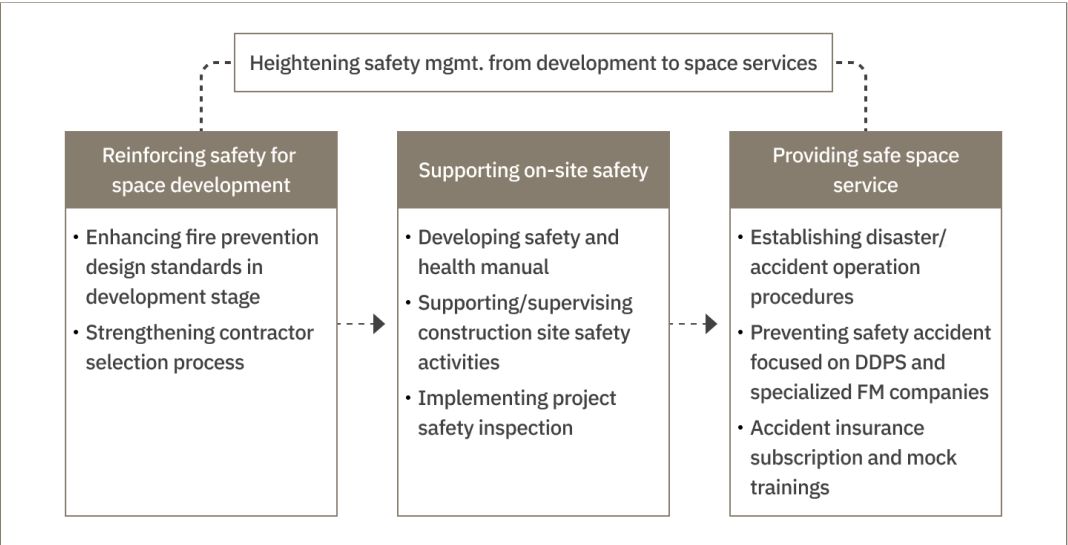
 [GRI 403-4](#)  [GRI 403-7](#)

Supply Chain Safety Management System

In 2022, SK D&D became the first company in its industry to introduce a dedicated Safety Supervision System. By 2024, a total of five safety supervisors had been deployed to active project sites. The company has also enhanced its project contracting process by applying eligibility criteria for selecting qualified contractors and by implementing technical safety guidance throughout the entire project lifecycle—from planning and design to construction—to ensure proactive safety and health management. Furthermore, SK D&D conducts quarterly safety competency assessments of its business partners to identify potential hazards. For sites with insufficient safety practices, necessary corrective actions are communicated and promptly implemented. Key findings from these assessments are actively reflected in subsequent safety inspection plans and leveraged to reinforce the company’s supply chain safety management system. As of December 2024, SK D&D carried out safety competency assessments across five ongoing development projects, identifying 221 areas for improvement—all of which have been successfully addressed.

* As of December 2024, safety competency evaluations were conducted on five development projects in progress.

Supply Chain Safety Management System



Contractor Selection Process

As an advanced developer, SK D&D establishes and implements project management guidelines for client-side project oversight to fulfill its duties and responsibilities. During the bidding phase, evaluation criteria based on project scale are applied, and the ability to implement measures for preventing major accidents and ensuring safety and health is assessed. Only contractors who meet these criteria are selected. Accordingly, SK D&D proactively prepares to prevent safety and health risks that may arise during construction and aims to avert industrial accidents at the site in advance.

Contractor Evaluation Criteria by Size

General Construction	<ul style="list-style-type: none">• Above ‘average’ in safety management assessment by MOLIT*• Possess certification in safety and health management system• Achieve three-year mortality rate below the construction industry average• Employ at least three dedicated safety and health personnel at HQs• No serious accidents in recent SK D&D construction records
Professional Construction	<ul style="list-style-type: none">• Maintain designated safety managers/officer appointment documents• Possess safety operation procedures (safety mgmt. regulations)• Conduct risk assessments for hazardous/harmful operations• No serious accidents in recent SK D&D construction records
Small-Scale Construction	<ul style="list-style-type: none">• Conduct risk assessments for hazardous/harmful operations

* Ministry of Land, Infrastructure, and Transport

On-Site Safety Inspection and Support

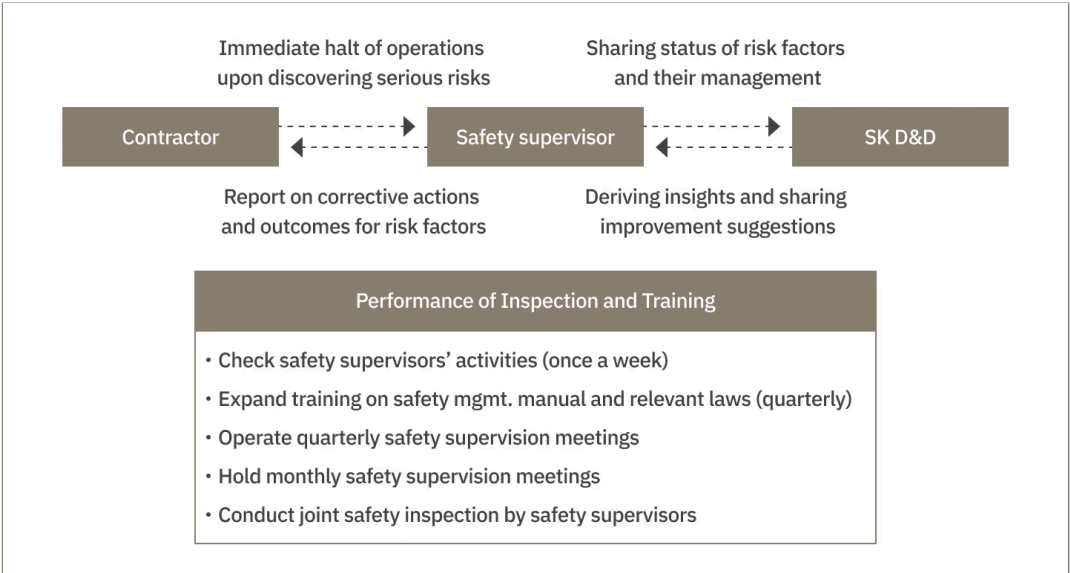
As the project owner, SK D&D strengthens its supervisory role to ensure safe worksites and prevent serious industrial accidents by conducting both regular and ad hoc inspections of on-site safety management practices. The Safety, Health, and Environment (SHE) Part and the Chief Safety Officer (CSO) personally visit project sites to conduct safety inspections and deliver training on safety supervision, thereby fulfilling

the company’s responsibilities for occupational safety and health as a project client. Additionally, SK D&D designates third-party professional institutions to provide regular safety and health consulting, ensuring the effectiveness of safety management on the ground.

On-site safety supervisors carry out compliance checks based on the construction safety and health log, as well as scheduled and unscheduled safety inspections—including intensified checks during high-risk periods. They also perform risk assessments and establish mitigation measures for identified hazardous and harmful factors. For tasks classified as high-risk, work is suspended and corrective actions are taken to systematically eliminate potential dangers. SK D&D also engages with workers by collecting their input through the Safety and Health Council (a labor-management consultative body), thereby taking the lead in building safer worksites.

All safety hazards identified during on-site inspections are promptly verified through formal risk assessments, and corresponding improvement plans are established and carried out without delay.

On-site Safety Management Process and Activities

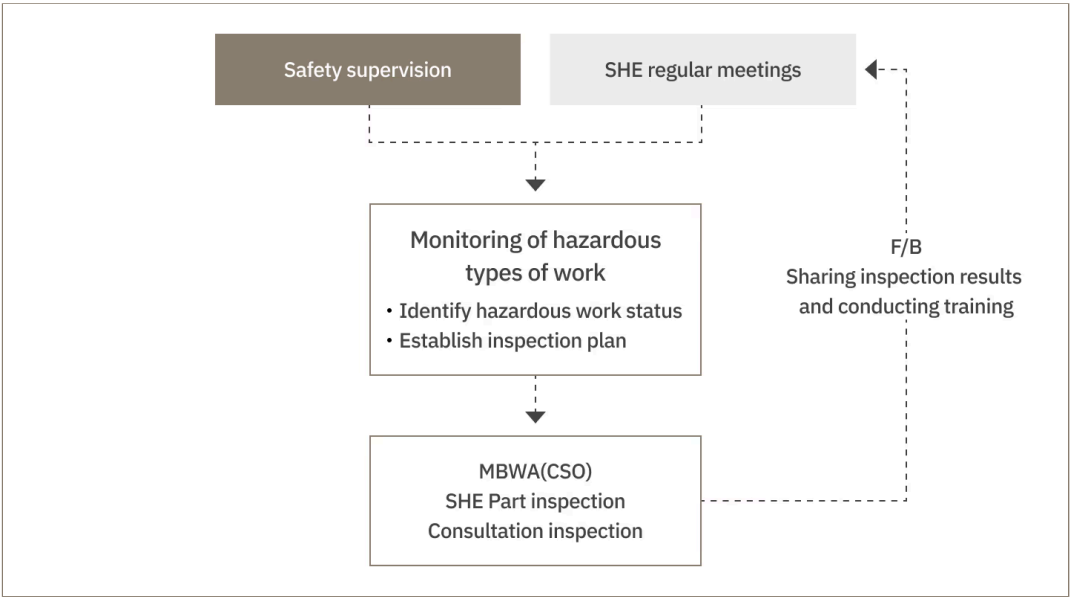


2024 On-Site Inspection Performance

Inspection Name	Purpose	Inspector(s)	Frequency ('24)
MBWA*	Executive safety inspection	CSO	24
SHE Part Inspection	Regular safety inspection	SHE Part	24
All-day Inspection	Ad hoc inspection of hazardous work types	SHE + SE Part	77
Follow-up Inspection for Improvements	Verification of improvement implementation	SHE + SE Part	15
Pre-Inspection for Vulnerable Periods	Accident prevention during vulnerable seasons (thaw, winter, heatwave, rainy season)	SHE Part	4
Joint Inspection with Contractors	Joint inspection with contractors	CSO + SHE Part	4
Specialized Agency Safety Inspection	Regular consulting	External specialized agency	15
Joint Safety Supervision Inspection	Improvement of safety supervision levels	Safety Supervisor + SK D&D + Contractor	4
Emergency Evacuation Drill Inspection	Verification of disaster evacuation drills	CSO + SHE Part	2
Priority Site Safety Inspection	Inspection of priority management sites	CSO + SHE Part	24
Risk Assessment Inspection	Identification of hazardous factors	SHE + External specialized agency	2
Compliance Inspection for Serious Accident Punishment Act	Verification of compliance with the Serious Accident Punishment Act	SHE Part	2

* MBWA (Management by Walking Around): Refers to the management practice where executives visit the worksite directly to engage in on-site communication and oversight.

Pre-monitoring System for Hazardous Construction Works/Tasks



SHE Award System

SK D&D has established and operates SHE reward and disciplinary management guidelines to recognize outstanding organizational and individual achievements and to clearly assign responsibility for compliance with SHE standards. Through this system, SK D&D aims to motivate employees to achieve safety and health performance and to foster a culture that strictly adheres to SHE standards and procedures.

SHE Award System

No-Accident Award	Project Manager Safety Award	Excellent SHE Activity Performer Award
Achievement of zero accident from beginning to end of construction	No serious accidents occurring at the business site from beginning to end of construction, excellent safety and health activities performed	Exemplary SHE practices, prevention of SHE accidents and appropriate measures taken, suggestions for SHE level improvement, etc.
Organization award	Individual award	Organization award

2024 SHE Award Performance

Category	Evaluation Criteria	Date	Recipient
Excellent Safety Supervision	Nine items including major accident prevention, safety inspection consulting evaluation ratings, monthly safety supervision reports, issuance status of work instructions, etc.	June 2024	Saenggak Factory Guro

Supplier Safety and Health Grievance Handling

To improve and supervise site safety inspections and non-compliance issues, SK D&D voluntarily deploys safety supervisors at each site. Through on-site safety supervision, communication channels are actively operated to gather feedback from the field. Additionally, quarterly regular safety supervision meetings are held to address grievances from sites and suppliers, collect opinions, and share outstanding improvement cases.

Safety and Health Performance

[GRI 403-9](#)

SK D&D manages and discloses the safety and health performance of all employees, including major subsidiaries. Over the past three years, SK D&D has maintained zero industrial accidents. We will continue to strengthen safety management at all sites and workplaces with sustained commitment.

Occupational Safety and Health Incidents

Category		Unit	2022	2023	2024
Employees	Lost Time Injury (LTI) Count	Cases	0	0	0
	Lost Time Injury Rate (LTIR)*	Cases per 200,000 working hours	0	0	0
	Number of Deaths	Cases	0	0	0
	Fatal Accidents	Persons	0	0	0
	Number of accidents	Cases	0	0	0
	Fatality Rate	%	0	0	0
	Total Recordable Injury Cases	Cases	0	0	0
	Total Recordable Injury Rate (TRIR)**	Cases per 200,000 working hours	0	0	0
Contractors	Lost Time Injury (LTI) Count	Cases	0	0	0
	Lost Time Injury Rate (LTIR)*	Cases per 200,000 working hours	0	0	0
	Number of Deaths	Cases	0	0	0
	Fatal Accidents	Persons	0	0	0
	Number of Accidents	Cases	0	0	2***
	Total Recordable Injury Count	Cases	0	0	2

* LTIR (Lost Time Injury Rate): (Number of lost time injuries x 200,000) ÷ Total hours worked

** TRIR (Total Recordable Incident Rate): (Total recordable injuries x 200,000) ÷ Total hours worked

*** The 2 reported injuries were transferred to SK Eternics sites after the SK D&D - SK Eternics corporate split

Safety and Health Violations

Category		Unit	2022	2023	2024
Safety and Health	Violations	Cases	0	0	0
	Fines	Million KRW	0	0	0
	Penalties	Cases	0	0	0



Win-Win Growth

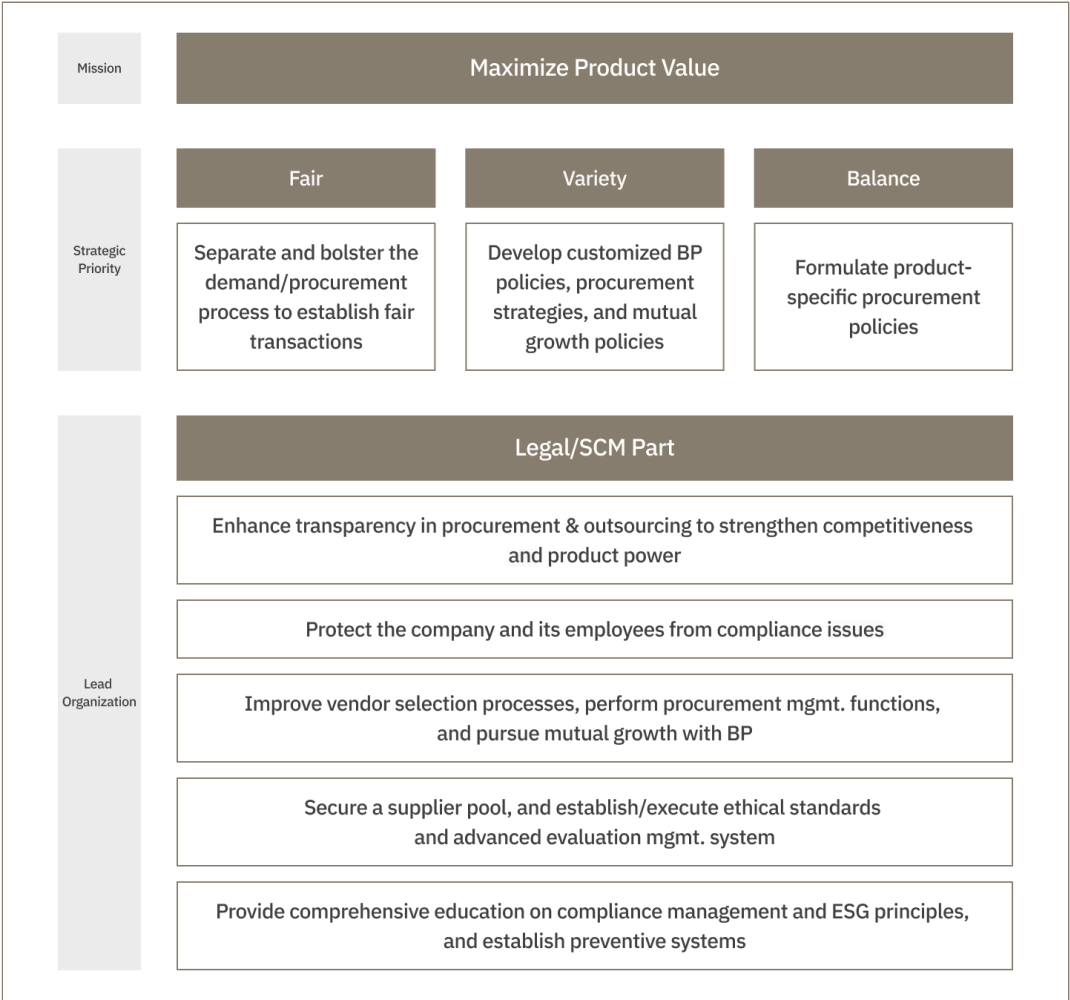
Win-Win Growth Management Framework

Win-Win Growth Management Strategy

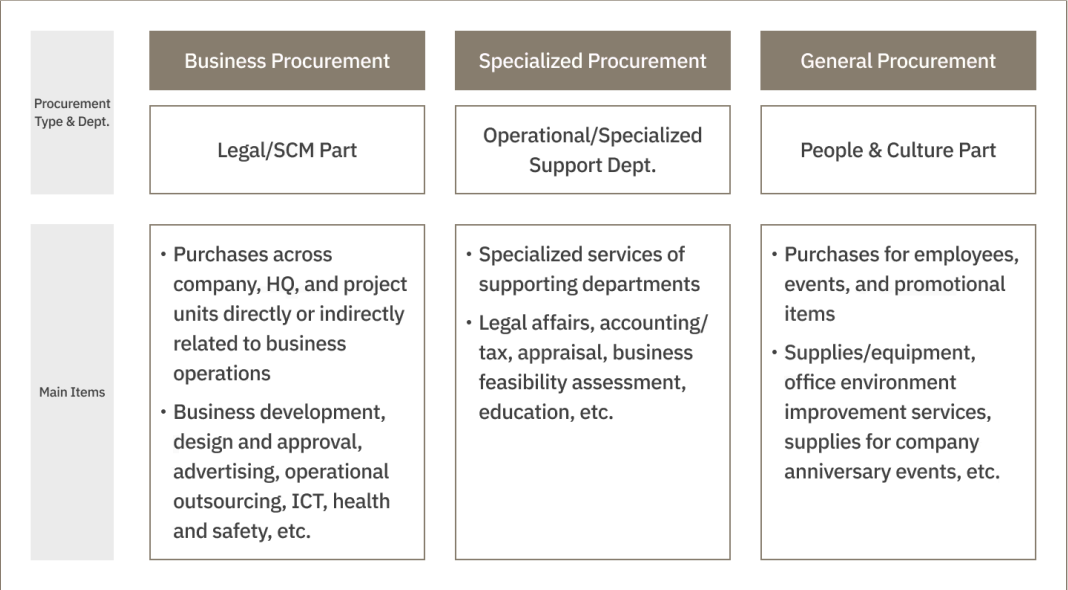
SK D&D has established and operates a win-win growth management system to strengthen mutual growth and win-win cooperation with its business partners. The Legal/SCM Part, as the lead organization, overseas and manages the entire supply chain encompassing the business value chain, striving to build a sustainable supply chain through collaboration with operational and specialized departments based on procurement types. We also strengthen partnerships with our business partners through a transparent and

fair transaction system, and operates programs that are focused on improving and supporting ESG management among partners to enhance the global competitiveness of excellent business partners. Moving forward, we aim to expand our business partners support programs to seek long-term win-win partnerships and create synergies for sustainable future growth.

SK D&D Win-Win Growth Management Framework



SK D&D Procurement Management System



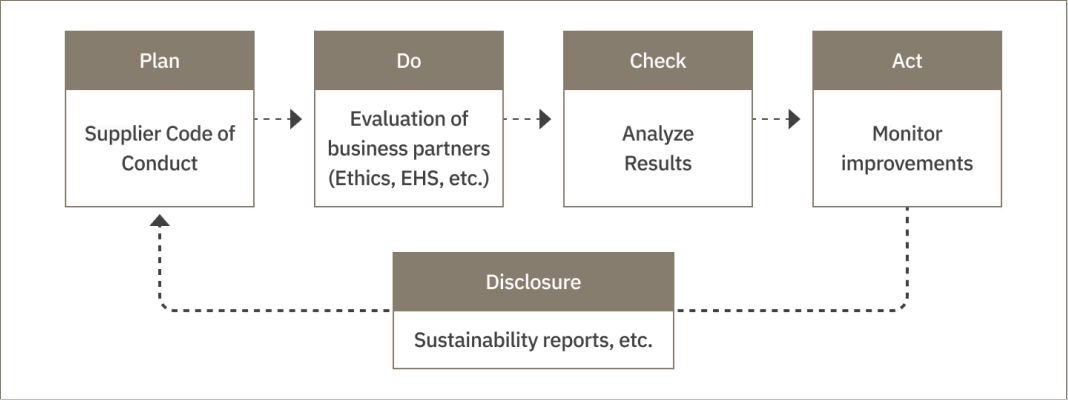
Supplier Code of Conduct

SK D&D has established and publicly disclosed its 8Supplier (Business Partner) Code of Conduct⁹ to manage a sustainable supply chain and build an ecosystem that fosters win-win cooperation. The Code includes compliance guidelines for various categories such as environmental, safety and health, business ethics, human rights, labor, and management systems, enabling business partners to internalize and implement ESG management while adhering to laws and regulations applicable to their business activities.

SK D&D requires all new and existing business partners to affirm that they will comply with the Supplier Code of Conduct upon contract signing. We assess their compliance status item by item to pursue win-win growth, encouraging them to develop alongside SK D&D as socially responsible companies. Furthermore, to strengthen ongoing partnerships with outstanding suppliers and foster healthy relationships while identifying unqualified suppliers, we evaluate partners not only on their compliance with contractual obligations but also on their ethical conduct.

[Supplier Code of Conduct](#)

Supplier ESG Monitoring System



Business Partner Support Activities

Biz. Partner Communication Channels

SK D&D operates a variety of communication channels to establish a foundation for shared growth through sincere and transparent dialogue with its business partners. The company enhances accessibility by offering multiple reporting avenues—including phone, fax, email, and an online whistleblowing system—through which concerns, grievances, or complaints can be submitted either anonymously or under one’s real name.

All submissions are promptly forwarded to the relevant department based on the severity and potential impact of the issue, ensuring timely and appropriate resolution. In addition, SK D&D actively gathers on-site feedback from partners through safety supervisors deployed at construction sites.

For reports related to unethical conduct, a dedicated Ethics & Compliance Part handles the investigation and resolution process, with strict safeguards in place to protect whistleblowers and ensure confidentiality.

2024 Biz. Partner Communication Channel Operation Results

Category	Unit	2024
Number of reports	Cases	2
Number of cases processed	Cases	2
Processing rate	%	100

Biz. Partner Report Categories

Product/service/sales complaints	Corruption reports about employees/partners
<ul style="list-style-type: none">• Product/service complaints• Delay in handling/unfriendly staff• Inadequate response/lack of guidance• Unethical business practices (identity theft, etc.)	<ul style="list-style-type: none">• Acceptance of money/entertainment• Unfair transaction• Bullying and Sexual harassment• Information leakage• Asset embezzlement/diversion• Other wrongful acts

Sustainable Procurement

Business Partner Selection Process

[GRI 414-1](#) [GRI 414-2](#)

SK D&D incorporates ESG-related factors—such as unethical conduct and violations of industrial safety and health regulations—into its criteria for selecting and managing business partners, systematically evaluating their level of social responsibility and sustainability risk.

For new business partners, SK D&D conducts a preliminary evaluation of social responsibility and sustainability risks prior to contract signing. For existing partners, the company performs an annual contract performance evaluation to continuously monitor sustainability risk.

Through this management system, all business partners working with SK D&D meet the company’s rigorous evaluation standards. In doing so, SK D&D seeks to enhance sustainability across the entire supply chain and establish a collaborative framework for mutual growth.

Status of Business Partners

Category	Unit	2022	2023	2024
Number of partners	No. of company	127	115	86
Number of Biz. Partner	No. of company	127	115	86
Purchase Volume*	100 million KRW	2,983	2,396	748

* Decrease in scale due to the 2024 organizational spin-off.

Fair Purchasing and Contracting Process

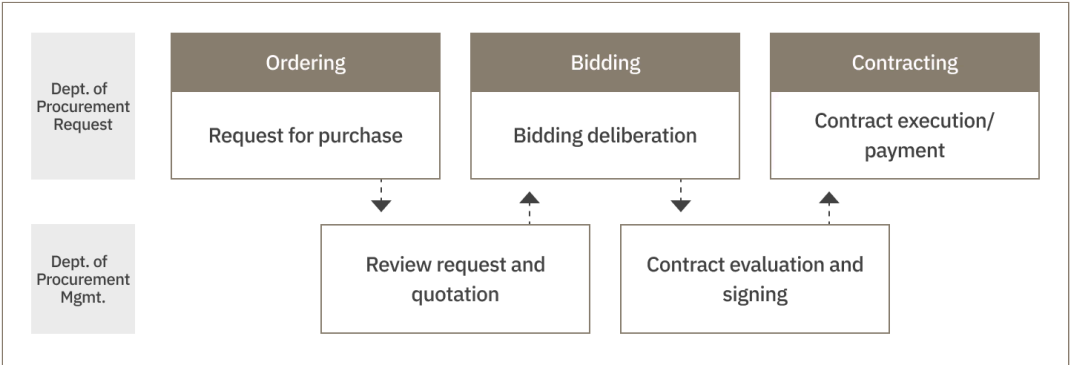
To ensure fair and transparent contracting practices, SK D&D operates separate processes for competitive bidding and negotiated (single-source) contracts.

In the procurement process, the company maintains a clear separation of duties between the requesting department—which initiates orders, manages bidding, and submits procurement requests—and the dedicated procurement team, which reviews quotations and finalizes contracts. This segregation of roles ensures fairness in procurement decisions and strengthens compliance risk management throughout the process.

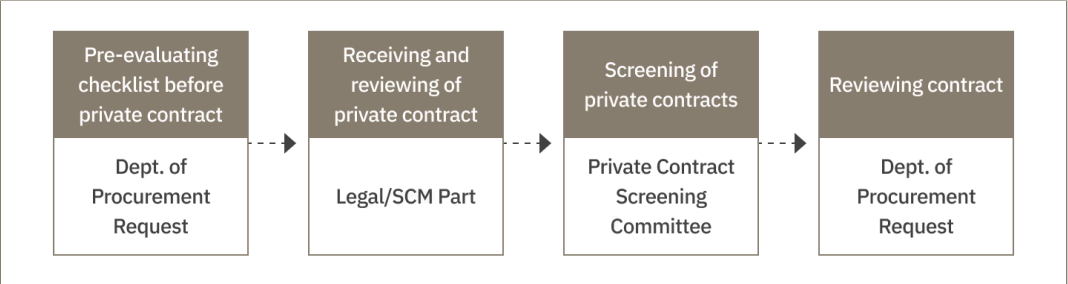
For negotiated contracts, SK D&D has established a rigorous review mechanism to address potential risks in the transaction process. The Legal/SCM Part reviews a formal single-source contract evaluation form, and all such contracts must be reviewed and approved by an internal deliberation committee. This committee—comprising a chairperson, standing members, and non-standing members appointed by the head of procurement—evaluates the appropriateness of vendor selection and pricing. Their assessments are directly reflected in the final contract terms.

Looking ahead, SK D&D remains committed to fostering a fair and transparent trading environment by clearly defining standards and procedures, while cultivating a mutually beneficial partnership ecosystem with its business partners.

Procurement Process



Private Contract Process



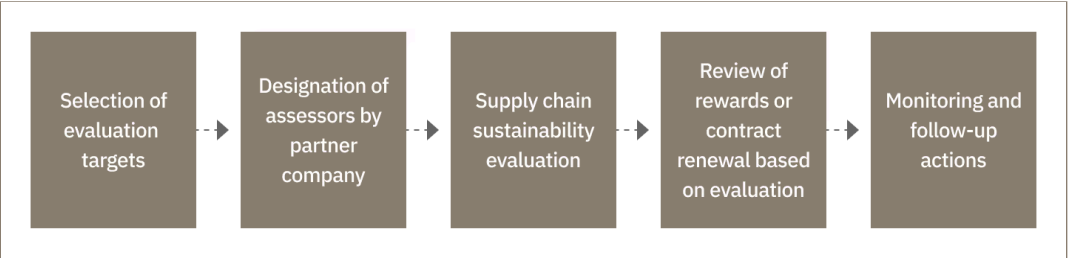
Supply Chain Sustainability Evaluation

SK D&D conducts regular contract performance evaluations of its business partners to improve supply chain management practices and comply with SK Group’s compliance standards. These evaluations cover sustainability-related criteria such as unethical conduct and the implementation of safety incident prevention measures. Through this evaluation process, the company strives to maintain a sound and responsible pool of partners.

Evaluation Items

Category	Evaluation Items
Cost	Change in Contract Amount
Quality	Level of Meeting the Required Standards for Deliverables
Schedule	Adherence to Schedule and Resource Allocation Plan
Delivery	Meeting the Delivery Schedule
Safety	Implementation of Safety Accident Prevention Measures (Construction Contracts Only)
Ethics	Occurrence of Unethical Behavior
After Service	Speed and Completeness of Defect Resolution

Evaluation Process



2024 Evaluation Results

Category	Unit	Evaluation Target	Evaluation Conducted	Evaluation Completion Rate
Supply Chain Sustainability Evaluation	No. of company	72	72	100%



Social Contribution Framework

Social Contribution Policy

SK D&D actively supports the United Nations Sustainable Development Goals (SDGs) and has set its social contribution vision as “Design Happiness With D&D – Sharing Happiness by Solving Social Issues.” The company operates a structured mid- to long-term roadmap centered on three core themes: Hope, Health, and Green (Environment). This roadmap reflects both the characteristics of SK D&D’s real estate development business and the diverse needs of local communities. By developing tailored programs, SK D&D aims to create social value and grow in harmony with the communities it serves.

The company systematically carries out social contribution programs through collaboration with partner organizations, voluntary participation of employees, and initiatives pursued jointly with the SK Group. To ensure strategic implementation, the ESG Committee annually reviews and approves the outcomes and future plans of all social contribution activities. This helps spread a culture of collective engagement and responsible management across the organization.

Beginning in 2024, SK D&D planned and launched new volunteer and mutual growth programs that actively encourage local stakeholder participation. These initiatives are designed to build a sustainable development model where residents and communities coexist and thrive, reinforcing the company’s commitment to social value creation.

Social Contribution Framework

Vision	“Design Happiness with D&D” Sharing Happiness to Resolve Social Issues		
3 Themes	Hope	Health	Green
	Environmentally and Culturally Vulnerable Groups	Environmentally and Culturally Vulnerable Groups	Response to Climate Change and Resource Circulation
	Lead a respected corporate culture by supporting local communities and vulnerable groups	A healthier social culture via the stronger social safety net and the sharing of positive values	Efforts to address such main global issues as climate change and resource issues
Goals	Offering educational and cultural opportunities Establishment of social self-reliance	Stronger social safety net Dissemination of humanities/social values	Response to climate change Resource circulation and environmental preservation
Key Activities	<ul style="list-style-type: none">Shared Table Baking Volunteer Program“Scarves with Dreams” Volunteer ProgramWarmth Letter WritingSpace RentalHope Maker	<ul style="list-style-type: none">Blood Donation CampaignPlato AcademySpace Rental	<ul style="list-style-type: none">Growing Acorn SeedlingsImprovement of Episode Waste Disposal Facilities

Social Contribution & Community Engagement Roadmap

(Short-term) 2022~2023	(Mid-term) 2024~2025	(Long-term) 2026~
<ul style="list-style-type: none">• Open a Jigwanseoga (Uljin Geumgang Pine Trail branch)• Continue to operate employee-engaged community contribution programs• Create social value through Episode	<ul style="list-style-type: none">• Advance the operation of the Uljin Jigwanseoga• Operate flagship social contribution programs aligned with business activities• Promote stakeholder-engaged community volunteer activities	<ul style="list-style-type: none">• Expand qualitative & quantitative social contribution (3% of profits before taxes)• Continue to operate stakeholder-engaged volunteer activities• Advance the operation of flagship social contribution programs

Social Contribution Activities & Achievements

[GRI 203-1](#) [GRI 413-1](#)

Hope

Shared Table Baking Volunteer Program

To provide nutritious snacks to underprivileged neighbors, SK D&D operates a baking volunteer program. This initiative is carried out in collaboration with the Korean Red Cross’s “Bread of Hope” project, where SK D&D employees personally participate by baking bread that is then delivered to low-income households.

The program is designed to foster a sense of joy and fulfillment among participating employees while promoting a culture of sharing. Through these ongoing efforts, SK D&D aims to contribute meaningfully to the local community and expand the impact of its social contribution initiatives.

Shared Table Baking Volunteer Program



“Scarves with Dreams” Volunteer Program

SK D&D operates the “Scarves with Dreams” volunteer program as part of its efforts to produce and donate cold-weather gear for underprivileged children. This initiative primarily supports children from single-parent and grandparent-headed households, delivering warm winter supplies to energy-vulnerable youth during the cold season.

SK D&D provided an opportunity for customers, specifically residents of the Episode community, to participate in this program, resulting in the production and donation of approximately 30 cold-weather items. Through these efforts, the program not only offers practical support to marginalized children but also fosters social value creation with SK D&D’s stakeholders, contributing to the development of a warm and caring community culture.

“Scarves with Dreams” Volunteer Program



Warmth Letter Writing

SK D&D operates the “Warmth Letter Writing” volunteer program to help improve the emotional well-being of neighbors in the local community. In this initiative, employees write handwritten replies to anonymous letters submitted by individuals seeking support. These heartfelt responses have had a positive impact, offering recipients emotional comfort and helping them overcome feelings of depression, loneliness, and isolation.

The program goes beyond traditional forms of volunteering by fostering active and voluntary employee participation through creative social contribution activities. It not only contributes to the improvement of mental wellness in the community but also allows employees to experience the value of sharing and build meaningful personal connections.

In addition, SK D&D expanded the “Warmth Letter Writing” program to include residents of its Episode housing complex. At Episode Sinchon, a community engagement space was created to encourage participation and connection, particularly among single-person households and young adults facing emotional challenges such as loneliness or depression. Approximately 40 residents took part in the program, helping to build a compassionate, self-sustaining community rooted in empathy and social value.

Warmth Letter Writing Activity



Hope Maker

Since 2021, SK D&D along with other SK Discovery (SKDY) member companies have been operating the “Hope Maker 2.0” program aimed at providing economic and emotional support to vulnerable children and youth. In collaboration with Hansol Comprehensive Social Welfare Center located near the headquarters, the program supports approximately 25 children and youth from low-income families annually.

Funding is secured through voluntary employee donations and company contributions, totaling 2.5 million KRW per month. This budget is used to offer financial aid as well as educational support including academic tutoring, career guidance, holiday and graduation gifts, and mentoring.

Additionally, every year at the end of the year, SK Discovery member companies host a “Year-end Night” event. This gathering reflects on the achievements of the year and provides an opportunity for employees, volunteers, and beneficiaries to come together. Gifts are given to those concluding their sponsorships, fostering a strong sense of community and connection among all participants.

Health

Blood Donation Campaign

SK D&D actively addresses the intensified blood shortage issue following the COVID-19 pandemic by conducting blood donation campaigns for employees at headquarters and all business sites to promote a culture of blood donation and giving within the company.

The company organizes these campaigns at least three times a year in collaboration with other SK Discovery member companies. On significant occasions such as World Hemophilia Day (April 17) and World Blood Donor Day (June 14), employees participate by either donating blood directly or contributing blood donation certificates.

Moving forward, SK D&D plans to implement various initiatives to improve negative perceptions about blood donation and encourage greater participation. For employees who find direct blood donation

difficult, alternative activities will be developed to provide opportunities for involvement in the blood donation program.

Support for the Platon Academy

SK D&D sponsors the Platon Academy, a public interest foundation dedicated to deepening and spreading the spirit of the humanities across society. The sponsorship funds are utilized to support research at major universities and research institutes in Korea, produce online humanities content, and operate both online and offline humanities programs, thereby expanding the reach of the humanities.

In addition, the foundation engages in various activities such as curating recommended humanities books for the general public, archiving humanities-related content, and managing humanities-focused social media channels. Furthermore, it actively participates in building a humanities ecosystem by utilizing local libraries nationwide as hubs for humanities activities.

Green

Growing Acorn Seedlings

To commemorate the opening of its office, SK D&D carried out an environmental volunteer activity involving its employees. Instead of the traditional floral wreaths, the company distributed “acorn pots” to contribute meaningfully to forest restoration. Employees carefully nurtured the acorn seedlings for approximately three months, after which the saplings were donated to an environmental organization to help create a forest around the ‘Trash Island’ area (Noeul Park).

Growing Acorn Seedlings



Episode Recycling Station Improvement

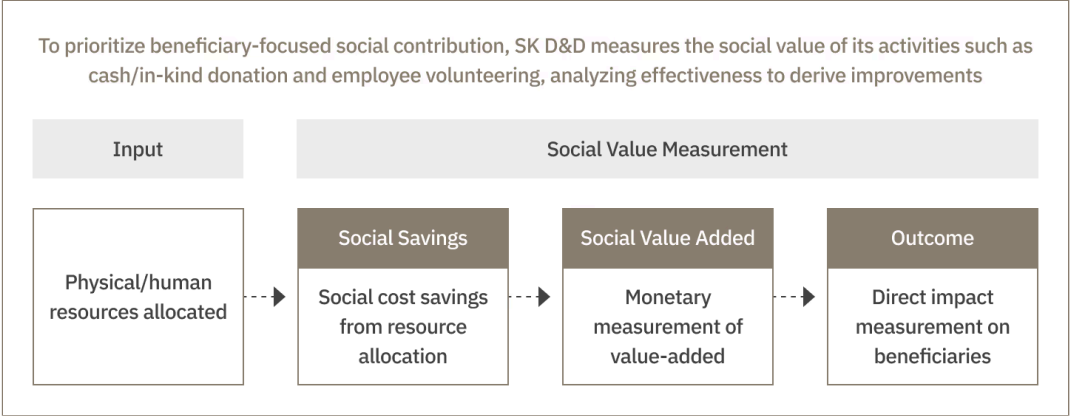
SK D&D has been continuously advancing infrastructure improvement projects to enhance the waste disposal and recycling station environments within the Episode residential complexes. Since 2023, efforts have been underway to improve recycling station conditions and establish an informational guidance system across all Episodes. Starting with the Seocho Episode in 2023, followed by the completion of

environmental improvements at the Yongsan Episode in 2024, these initiatives aim to improve residents’ waste disposal areas and encourage voluntary waste separation through a ‘nudge effect.’ This forms part of SK D&D’s eco-friendly social contribution programs.

Episode Recycling Station Improvement



Social contribution performance



Social Contribution Performance Overview

Category	Unit	2022	2023	2024
Social contribution investments	KRW million	794	844	1,560
Total amount of donations	KRW million	686	520	1,499
Number of employees participating in social contribution activities	Number of persons	215	329	151
Percentage of workplaces with community engagement activities	%	100	100	100
Total volunteer hours*	Hours	128	655	684
Number of beneficiaries from social contribution and community engagement activities*	Persons	-	702	548

* Total volunteer hours have been tracked since 2022, and beneficiaries of social contribution and community win-win activities have been managed since 2023.

Data & Policies

- [Reporting Standard Index](#)
- [GRI](#)
- [SASB](#)
- [TCFD](#)
- [UN SDGs](#)
- [Policy and Statement](#)
- [ESG Data](#)
- [Report Overview and Assurance](#)
- [Report Archive](#)
- [Awards and Initiatives](#)



GRI

UNIVERSAL STANDARDS

GRI 1: Foundation 2021

Statement of Use	SK D&D has prepared the reported information in accordance with the GRI Standards, for the period from January 1, 2024 to December 1, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	There are currently no applicable GRI sector standards for SK D&D

GRI2 : General Disclosures 2021

The organization and its reporting practice

2-1	<p>Organizational details</p> <p>ESG Strategy/.../Company Overview</p>
2-2	<p>Entities included in the organization’s sustainability reporting</p> <p>Report Overview and Assurance/.../About This Report</p>
2-3	<p>Reporting period, frequency, and contact point</p> <p>Report Overview and Assurance/.../About This Report</p>
2-4	<p>Restatements of information</p> <p>Due to changes in the scope and criteria for data calculation, some quantitative data have been restated.</p> <p>- Indicators with updated information:</p> <p>ESG Data Climate Change Response/.../Status of GHG Emission Control</p> <p>Talent Management/.../Employee Welfare</p> <p>Talent Management/.../Competency Development Programs</p>
2-5	<p>External assurance</p> <p>Report Overview and Assurance/.../Third-Party Assurance</p> <p>Report Overview and Assurance/.../GHG Verification</p>

Activities and workers

2-6	<p>Activities, value chain and other business relationships</p> <p>https://www.skdnd.com/eng/company/intro.do</p>
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2-7 Employees

[Talent Management/.../Talent Recruitment and Retention](#)

2-8 Workers who are not employees

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[Talent Management/.../Talent Recruitment and Retention](#)

<https://dart.fss.or.kr/dsaf001/main.do?rcpNo=20250314001183>

Governance**2-9 Governance structure and composition**

[Board-Centric Management/.../Current Board Composition](#)

[Board-Centric Management/.../Board Committees](#)

2-10 Nomination and selection of the highest governance body

[Board-Centric Management/.../Board Expertise](#)

[Board-Centric Management/.../Board Independence and Transparency](#)

[Shareholder-Friendly Management/.../Results of the General Shareholders' Meeting](#)

2-11 Chair of the highest governance body

[Board-Centric Management/.../Current Board Composition](#)

2-12 Role of the highest governance body in overseeing the management of impacts

[ESG Strategy/.../ESG Governance](#)

[Risk Management/.../Risk Management Framework](#)

2-13 Delegation of responsibility for managing impacts

[ESG Strategy/.../ESG Governance](#)

[Risk Management/.../Risk Management Framework](#)

2-14 Role of the highest governance body in sustainability reporting

[ESG Strategy/.../ESG Governance](#)

[Risk Management/.../Risk Management Framework](#)

[Materiality Assessments/.../Double Materiality Assessment](#)

2-15 Conflicts of interest

[Board-Centric Management/.../Board Expertise](#)

[Board-Centric Management/.../Board Independence and Transparency](#)

2-16 Communication of critical concerns

[ESG Strategy/.../ESG Governance](#)

[Board-Centric Management/.../Board Activities](#)

[Board-Centric Management/.../Board Committee Activities](#)

2-17 Collective knowledge of the highest governance body

[Board-Centric Management/.../Board Expertise](#)

[Board-Centric Management/.../Board Independence and Transparency](#)

2-18 Evaluation of the performance of the highest governance body

- ✎ [Board-Centric Management/.../Board Evaluation](#)
- ✎ [Board-Centric Management/.../CEO and Executive KPI Evaluation](#)
- ✎ [Shareholder-Friendly Management/.../Results of the General Shareholders' Meeting](#)

2-19 Remuneration policies

SK D&D Annual Business Report / ... / Executive Remuneration, etc.

- ✎ [Board-Centric Management/.../Board Remuneration](#)
- ✎ <https://dart.fss.or.kr/dsaf001/main.do?rcpNo=20250314001183>

2-20 Process to determine remuneration

- ✎ [Board-Centric Management/.../Board Remuneration](#)
- ✎ [Board-Centric Management/.../CEO and Executive KPI Evaluation](#)
- ✎ [Shareholder-Friendly Management/.../Results of the General Shareholders' Meeting](#)

2-21 Annual total compensation ratio

- ✎ [Board-Centric Management/.../Board Remuneration](#)

Strategy, policies and practices**2-22 Statement on sustainable development strategy**

- ✎ [CEO Message/.../CEO Message](#)

2-23 Policy commitments

- ✎ [Human Rights Management/.../Human Rights Policy](#)
- ✎ [Policy and Statement/.../ESG Policy and Statement](#)

2-24 Embedding policy commitments

- ✎ [Human Rights Management/.../Human Rights Policy](#)
- ✎ [Human Rights Management/.../Human Rights Risk Management](#)

2-25 Processes to remediate negative impacts

- ✎ [Human Rights Management/.../Grievance Reporting Channels](#)

2-26 Mechanisms for seeking advice and raising concerns

- ✎ [Ethical Management/.../Ethics Management Reporting Channels](#)
- ✎ [Human Rights Management/.../Grievance Reporting Channels](#)

2-27 Compliance with laws and regulations

- ✎ [Environmental Management and Performance/.../Regulatory Compliance Monitoring](#)
- ✎ [Compliance/.../Fair Trade Violations and Sanctions Status](#)

2-28 Membership associations

- ✎ [Awards and Initiatives/.../Participation in Initiatives and Associations](#)

Stakeholder Engagement

2-29

Approach to stakeholder engagement

[Materiality Assessments/.../Stakeholder Engagement](#)

2-30

Collective bargaining agreements

[Talent Management/.../Employee Communication Channels](#)

- GRI3 : Material Topics 2021

Material Topic Standards Disclosures

3-1

Process to determine material topics

[Materiality Assessments/.../Double Materiality Assessment Process](#)

3-2

List of material topics

[Materiality Assessments/.../Material Topic and Issue Selection Results](#)

3-3

Management of material topics

[Materiality Assessments/.../Material Topic Management](#)

TOPIC Standards

- Climate Change - Adaptation and Mitigation

3-3

Management of material topics

[Materiality Assessments/.../Material Topic Management](#)

201-2

Financial implications and other risks and opportunities due to climate change

[Climate Change Response/.../Identification of Climate-related Risks and Opportunities](#)

305-1

Direct (Scope 1) GHG emissions

[Climate Change Response/.../Status of GHG Emission Control](#)

305-2

Energy indirect (Scope 2) GHG emissions

[Climate Change Response/.../Status of GHG Emission Control](#)

305-3

Other indirect (Scope 3) GHG emissions

[Climate Change Response/.../Status of GHG Emission Control](#)

305-4 GHG emissions intensity

[Climate Change Response/.../Status of GHG Emission Control](#)

305-5 Reduction of GHG emissions

[Climate Change Response/.../Status of GHG Emission Control](#)

• Climate Change - Energy

3-3 Management of material topics

[Materiality Assessments/.../Material Topic Management](#)

302-1 Energy consumption within the organization

[Climate Change Response/.../Status of GHG Emission Control](#)

302-3 Energy intensity

[Climate Change Response/.../Status of GHG Emission Control](#)

302-4 Reduction of energy consumption

[Climate Change Response/.../Status of GHG Emission Control](#)

302-5 Reductions in energy requirements of products and services

[Climate Change Response/.../Status of GHG Emission Control](#)

[Green Building and Real Estate Development/.../Life Cycle Environmental Impact Assessment](#)

• All Employees, Workers in the Value Chain – Talent Management, Occupational Health and Safety Management, Human Rights Management (Work Environment)

3-3 Management of material topics

[Materiality Assessments/.../Material Topic Management](#)

401-1 New employee hires and employee turnover

[Talent Management/.../Talent Recruitment and Retention](#)

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

[Talent Management/.../Employee Welfare](#)

401-3 Parental leave

[Talent Management/.../Maternity Protection Program](#)

403-1 Occupational health and safety management system

[Safety and Health Management/.../Occupational Health and Safety Management Policy](#)

403-2 Hazard identification, risk assessment, and incident investigation

[Safety and Health Management/.../Safety and Health Risk Management](#)

403-3 Occupational health services

[Safety and Health Management/.../Occupational Safety and Health Activities](#)

403-4 Worker participation, consultation, and communication on occupational health and safety

[Safety and Health Management/.../Occupational Safety and Health Activities](#)

[Safety and Health Management/.../Supplier Safety and Health Management](#)

403-5 Worker training on occupational health and safety

[Safety and Health Management/.../Occupational Safety and Health Activities](#)

403-6 Promotion of worker health

[Talent Management/.../Work-Life Balance](#)

[Safety and Health Management/.../Occupational Safety and Health Activities](#)

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

[Safety and Health Management/.../Safety and Health Risk Management](#)

[Safety and Health Management/.../Occupational Safety and Health Activities](#)

[Safety and Health Management/.../Supplier Safety and Health Management](#)

403-8 Workers covered by an occupational health and safety management system

[Safety and Health Management/.../Occupational Health and Safety Management Policy](#)

403-9 Work-related injuries

[Safety and Health Management/.../Safety and Health Performance](#)

404-1 Average hours of training per year per employee

[Talent Management/.../Competency Development Programs](#)

404-2 Programs for upgrading employee skills and transition assistance programs

[Talent Management/.../Competency Development Programs](#)

405-1 Diversity of governance bodies and employees

[Talent Management/.../Talent Recruitment and Retention](#)

405-2 Ratio of Basic Salary and Remuneration of Women to Men

[Talent Management/.../Performance Evaluation and Compensation](#)

• Business Conduct - Ethical Management (Corporate Culture, Corruption, and Bribery)

3-3 Management of material topics

[Materiality Assessments/.../Material Topic Management](#)

205-1 Operations assessed for risks related to corruption

[Ethical Management/.../Ethics Risk Monitoring](#)

205-2 Communication and training about anti-corruption policies and procedures)

[Ethical Management/.../Ethics Management Training](#)

205-3 Confirmed incidents of corruption and actions taken

[Ethical Management/.../Ethics Management Reporting Channels](#)

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

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[Compliance/.../Fair Trade Strengthening Activities](#)

<https://dart.fss.or.kr/dsaf001/main.do?rcpNo=20250314001183>

• Metrics Not Included in Material Topics

201-1 Direct economic value generated and distributed

[ESG Data/.../Financial Performance](#)

203-1 Infrastructure investments and services supported

[Social Contribution/.../Social Contribution Activities & Achievements](#)

303-3 Water withdrawal

[Environmental Management and Performance/.../Water Resource Management](#)

303-5 Water consumption

[Environmental Management and Performance/.../Water Resource Management](#)

304-1 Business sites located in or near protected areas and areas of high biodiversity value

[Environmental Management and Performance/.../Biodiversity Protection](#)

304-4 Endangered and Nationally Protected species Inhabiting within the project impact area

[Environmental Management and Performance/.../Biodiversity Protection](#)

306-1 Waste generation and significant waste-related impacts

[Environmental Management and Performance/.../Waste Management](#)

306-2 Management of significant waste-related impacts

[Environmental Management and Performance/.../Waste Management](#)

306-3	Waste generated	Environmental Management and Performance/.../Waste Management
413-1	Operations with local community engagement, impact assessments, and development programs	Social Contribution/.../Social Contribution Activities & Achievements
414-1	New suppliers that were screened using social criteria	Win-Win Growth/.../Business Partner Selection Process
414-2	Negative Social Impacts in the Supply Chain and Actions Taken	Win-Win Growth/.../Business Partner Selection Process
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security/.../Personal Information Protection



SASB

REAL ESTATE

- Sustainability Disclosure Topics & Metrics

Energy Management

IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	Applied to all rental housings (100%) (0.728 TJ/1,000m ²)
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	Rental housing sector (Episode) (1) Total energy consumption: 148 TJ (2) Percentage of grid electricity: 95.49% (3) Percentage of renewable energy: 4.51%
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	0.8%

IF-RE-130a.4

Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector

100%

IF-RE-130a.5

Description of how building energy management considerations are integrated into property investment analysis and operational strategy

As SK D&D establishes its 2050 Net Zero strategy, including Scope 3, we are considering green buildings in our investments and operations, and implementing programs to reduce emissions from our operations.

Water Management

IF-RE-140a.1

Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector

Water withdrawal data coverage: 100%

(1) Total area : 199,000m²

(2) All Episodes are located at Seoul with high water stress

IF-RE-140a.2

(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector

Rental housing Sector (Episode)

(1) 265,000 tons

(2) 100 %

IF-RE-140a.3

Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector

37.2%

IF-RE-140a.4

Description of water management risks and discussion of strategies and practices to mitigate those risks

SK D&D uses only potable water supplied by the Korea Water Resources Corporation and implements initiatives such as adopting water-saving equipment to mitigate water resource risks during the development of Episode.

Management of Tenant Sustainability Impacts

IF-RE-410a.1

(1) Percentage of new leases that contain a cost recovery clause for resource efficiencyrelated capital improvements and (2) associated leased floor area, by property sector

(Not applicable) Rental housing sector (Episode)

(1) 0%

(2) 0m²

IF-RE-410a.2

Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector

Rental housing sector (Episode)

(1) Grid electricity consumption: 142 TJ

(2) 100% (individually measured for all households)

IF-RE-410a.3

Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants

SK D&D operates programs targeting residents to address housing and environmental issues, with plans to offer incentives in the future.

Climate Change Adaptation

IF-RE-450a.1

Area of properties located in 100-year flood zones, by property sector

Approximately 7,300m²

- Episodic Seongsu 101, 121: Located in the risk area due to river flooding (Han River and Jungrangcheon)

IF-RE-450a.2

Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks

The ESG department and business-related departments conduct analysis of domestic and international climate-related regulations and disclosure standards (such as CDP, TCFD, SASB), and benchmark against leading companies to build a pool of climate risk factors. Physical risks are assessed using external analysis tools (S&P Climonomics®), while transition risks are identified by measuring probability and severity through interviews with internal and external stakeholders. Through this process, we identify and manage key climate-related risk factors.

IF-RE-000.A

Number of assets, by property sector

8 rental housing (Episode)

IF-RE-000.B

Leasable floor area, by property sector

199,000m²

IF-RE-000.C

Percentage of indirectly managed assets, by property sector

96% (based on area)
- Episode Seongsu 101 and 121 are recognized as SK D&D assets, and Episode Gangnam 262, Seocho 393, Sinchon 369, Suyu 838, Yongsan 241, and Guui Welts are equity investments, which are being managed separately.

IF-RE-000.D

Average occupancy rate, by property sector

-

* The data above is based on SK D&D's rental housing brand, Episode. It includes SK D&D-owned assets such as Episode Seongsu 101, Seongsu 121, as well as equity investments in Episode Gangnam 262, Seocho 393, Sinchon 369, Suyu 838, Yongsan 241, and Guui Welltzt



TCFD

Governance

- a
- The board’s oversight of climate-related risks and opportunities

[Climate Change Response/.../Climate Change Governance](#)

- b
- Management’s role in assessing and managing climate-related risks and opportunities

[Climate Change Response/.../Climate Change Governance](#)

Strategy

- a

The climate-related risks and opportunities the organization has identified over the short, medium, and long term

[Climate Change Response/.../Identification of Climate-related Risks and Opportunities](#)

b

The impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning

[Climate Change Response/.../Identification of Climate-related Risks and Opportunities](#)

c

The resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

[Climate Change Response/.../Climate Resilience](#)

Risk Management

a

The organization’s processes for identifying and assessing climate-related risks

[Climate Change Response/.../Climate Change Risk Management](#)

b

The organization’s processes for managing climate-related risks

[Climate Change Response/.../Climate Change Risk Management](#)

c

How processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management

[Climate Change Response/.../Risk management process](#)

Metrics and Targets

a

The metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

[Climate Change Response/.../Status of GHG Emission Control](#)

b

Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks

[Climate Change Response/.../Status of GHG Emission Control](#)

c

The targets used by the organization to manage climate-related risks and opportunities and performance against targets

[Climate Change Response/.../GHG Reduction Targets](#)



UN SDGs

1 No Poverty



1.5

By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

Activities

- Regular employee volunteer support for children from vulnerable families.

3 Good Health and Well-being



3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Activities

- Supporting the operation of healthcare facilities and medical expenses, such as in-house dental clinics to promote the health of employees and their families.

4 Quality Education



4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Activities

- Supporting education to improve employee job skills.
- Providing education for employee safety and health.
- Providing educations for employee information protection and security.

4.5

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Activities

- Sponsoring academic foundations to support the humanities.

5 Gender Equality

5 GENDER EQUALITY

5.1

End all forms of discrimination against all women and girls everywhere.

Activities

- Stipulating non-discrimination based on gender by developing the Code of Ethics.

5.2

Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.

Activities

- Declaring a Human Rights Policy, including protection for women and children and the elimination of violence.

6 Clean Water and Sanitation

6 CLEAN WATER AND SANITATION

6.4

By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

Activities

- Using technology to improve water efficiency during the development phase.
- Managing and reducing water usage at the business sites.

8 Decent Work and Economic Growth

8 DECENT WORK AND ECONOMIC GROWTH

8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Activities

- Preparing regulations that prohibit discrimination in recruitment and compensation based on gender, social status, region of origin, etc.
- Providing recruiting advantages to socially vulnerable groups, such as the disabled and low-income candidates.

8.6

Substantially reduce the proportion of youth not in employment, education or training.

Activities

- Support for the operation of the Shinchon Campus Youth Startup Support Center
- Providing job experience opportunities to young people through Hope Maker employee mentorship

9 Industry, Innovation and Infrastructure



9.1

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Activities

- Developing customer-oriented work and residential spaces in response to trends of workplace transformations and rising single-person households.
- Building and donating educational assistance facilities for community residents and the disabled.

10 Reduced Inequalities



10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Activities

- Stipulating non-discrimination based on gender, age, social status, region of origin, school of origin, marriage or pregnancy by preparing the Code of Ethics.
- Preventing inequality and protecting victims by operating an ethical reporting channel and providing relief measures.

11 Sustainable Cities and Communities



11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.

Activities

- Developing customer-centric residential spaces and operating rental businesses.
- Improving customer lives by providing quality living solutions.

11.3

By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

Activities

- Developing and supplying eco-friendly buildings to expand a sustainable real estate ecosystem.
- Managing and reducing Scope 3 emissions from rental and investment spaces.

12 Responsible Consumption and Production



12.3

By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

Activities

- Providing waste reduction services while promoting a culture of sharing with customers.

12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Activities

- Reducing waste by managing, reusing and recycling resources in workplaces.
- Reducing waste by upcycling products.

13 Climate Action



13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Activities

- Operating a companywide committee and dedicated office for environmental management.
- Establishing and implementing climate change response measures to achieve net zero.
- Building a climate change risk management system by disclosing companywide ESG information and assessing environmental impact.

13.3

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Activities

- Providing ESG and environmental education for employees.

15 Life on Land



15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, protect and prevent the extinction of threatened species.

Activities

- Establishing measures to manage biodiversity and protect endangered species through environmental impact assessments.
- Creating economic value by restoring damaged soil and developing devastated areas.

16 Peace, Justice and Strong Institutions



16.2

End abuse, exploitation, trafficking and all forms of violence against and torture of children.

Activities

- Declaring a Human Rights Policy, including child protections such as prohibiting child labor and eliminating violence.

16.5

Substantially reduce corruption and bribery in all their forms.

Activities

- Establishing a dedicated ethics department (audit function) to investigate and prevent bribery activities.

16.7

Ensure responsive, inclusive, participatory and representative decision-making at all levels.

Activities

- Establishing and operating the ESG Committee within the Board of Directors to manage and make decisions on companywide ESG issues.
- Establishing a climate change risk management system to disclose ESG information and review ESG risks at investment stages.

17 Partnerships for the Goals



17.14

Enhance policy coherence for sustainable development.

Activities

- Establishing and operating the ESG Committee to build sustainability management policy and its systematic implementation.









Policy and Statement









ESG Policy and Statement

GRI 2-23



























Environmental

	Environmental Management Policy	
	Environmental Management Manual	
	Environmental Management System Certificate(ISO 14001)	

Social

	Human Rights Management Policy	
	Safety and Health Management Policy	
	Safety and Health Management Manual	
	Supplier Code of Conduct	

Governance

	Articles of Incorporation	
	Corporate Governance Charter	
	Regulations of the Board of Directors	
	Regulations of the Audit Committee	
	Regulations of the ESG Committee	
	Regulations of the Independent Director Recommendation Committee	
	Regulations of the Nomination and Compensation Committee	
	Separate Financial Statement (2024)	
	Consolidated Financial Statement (2024)	
	Code of Ethics	
	Internal Audit Regulations	
	Guidelines for Sound Contract Practices	
	Guidelines for Vendor Selection and Management	



Guidelines for the Establishment and Operation of the Internal Screening Committee



Guidelines for Issuance and Retention of Documents



Information Protection Policy



ESG Data

Financial Performance

[GRI 201-1](#)

Economic Value Generated and Distributed

Category	Criteria	Unit	2022	2023	2024
Customer	Sales (operating revenue)	KRW 1 million	563,437	479,676	870,877
Employee	Salary and benefits		41,792	49,081	45,904
Shareholder and investor	Total dividends		19,796	19,796	11,164
	Interest expenses		26,913	42,635	43,254
Government	Tax expenses		37,510	30,405	5,655
Business partner	Procurement costs		2,983	2,396	748
Local community	Social contribution		794	844	1,499
Total			693,225	624,833	979,101

SK D&D Financial Performance (Consolidated)

Category	Unit	2022	2023	2024
Total assets	KRW 1 million	2,191,576	2,423,076	1,462,224
Capital		24,190	24,190	18,617
Liabilities		1,494,510	1,661,198	892,194
Operating revenue		563,437	385,082	870,877
Operating profit		64,346	177,595	53,670
Pre-tax profit		113,723	131,197	46,261
Tax expenses		37,510	30,405	5,655
Net income		76,213	103,078	44,195

SK D&D Financial Performance (Separate)

Category	Unit	2022	2023	2024
Capital	KRW 1 million	24,190	24,190	18,617
Liabilities		1,245,398	1,374,342	706,906
Operating revenue		502,234	318,228	605,896
Operating profit		38,648	176,390	25,944
Pre-tax profit		98,552	139,092	42,883
Tax expenses		24,616	34,098	5,626
Net income		73,936	106,741	38,996

* Restatement of 2022–2023 data to reflect organizational restructuring following the spin-off and the unification of consolidation standards.

Environmental

Environmental Management System Certification Status

Category	Unit	2024
Number of ISO 14001 Certified Sites	Sites	2

GHG emission targets and performance in 2024

Category	Unit	Targets in 2024	Performance in 2024*	Target attainment rates**
GHG emissions (Scope 1+2)	tCO ₂ eq	230.0	212.5	108.2%
Energy consumption	TJ	20.0	19.5	102.6%

* Reflects reductions in Scope 2 from RE100 implementation

** Target attainment rates: {1-(Performance-Target)/Absolute values of targets} x 100

GHG emissions of SK D&D (Scope 1+2+3)*

Category		Unit	2022	2023	2024
Scope 1	Stationary combustion	tCO ₂ eq	134.1	133.6	115.5
	Mobile combustion	tCO ₂ eq	127.4	125.1	57.2
Total emissions in Scope 1**		tCO ₂ eq	261.5	258.7	172.7
Scope 2	Emission - Electricity	tCO ₂ eq	826.7	859.8	705.9
	Reduction - REC purchase	tCO ₂ eq	0	-859.8	-705.9
	Emission - Heat	tCO ₂ eq	62.9	58.8	39.8
Total emissions in Scope 2**		tCO ₂ eq	889.6	58.8	39.8
Total emissions in Scope 1+2		tCO ₂ eq	1,151.1	317.5	212.5
GHG emission intensity***		tCO ₂ eq/KRW 10 billion	22.9	10.0	3.5
Scope 3	Category 3 - Energy	tCO ₂ eq	144.7	160.0	130.2
	Category 6 - Business travel	tCO ₂ eq	26.4	20.5	38.9
	Category 7 - Commuting	tCO ₂ eq	276.7	240.8	193.8
	Category 13 - Rental properties	tCO ₂ eq	8,378.0	8,052.8	1,584.1
	Category 15 - Investment	tCO ₂ eq	26,159.3	46,529.0	8,622.7
Total emissions in Scope 3**		tCO ₂ eq	34,985.2	55,003.1	10,569.8
Total emissions in Scope 1+2+3		tCO ₂ eq	36,136.3	55,320.6	10,782.3

* SK D&D operates only domestic sites, and the above data is calculated based on 100% of its domestic operations. Compared to 2023, the organizational boundaries have been revised according to financial control standards to include Headquarters, Gasiri Wind Power Plant, Suncheon Solar Power Plant, Smart Work Center, Episode Seongsu 101, Seongsu 121, Canvas Lab, and Sait Building. As a result of the review based on financial control standards, Episode Seongsu 101 and Sait Building, which were previously included in Scope 3 Category 8, are now included in the Scope 1 and 2 calculation boundaries.

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** The GHG intensity for Scope 1+2 total emissions is calculated based on the annual revenue (separate) for the respective year.

GHG emissions of subsidiaries (Scope 1+2+3)*

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Total emissions in Scope 1**	tCO ₂ eq	6.7	18.2	2.4	20.0	46.5	33.1
Scope 2	Emission	35.4	89.9	43.6	110.4	109.9	150.6
	Reduction - REC purchase	0	0	-43.6	-110.4	-109.9	-150.6
Total emissions in Scope 2**	tCO ₂ eq	35.4	89.9	0	0	0	0
Total emissions in Scope 1+2	tCO ₂ eq	42.1	108.1	2.4	20.0	46.5	33.1
Scope 3	Category 3- Energy	5.7	14.4	6.8	17.6	20.9	24.9
	Category 6 - Business travel	5.9	26.4	6.8	20.5	3.6	30.8
	Category 7 - Commuting	18.4	33.5	25.9	30.5	20.6	34.5
Total emissions in Scope 3**	tCO ₂ eq	30.0	74.3	39.5	68.6	45.2	90.1
Total emissions in Scope 1+2+3	tCO ₂ eq	72.1	182.4	41.9	88.6	91.7	123.2

* Subsidiaries (DDPS, DDI) have only domestic operations, and the above data covers 100% of each domestic operation.

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** For the 2022-2023 Scope 3 emissions, GHG emissions were corrected due to the revision of organizational boundaries in accordance with financial control standards.

Energy consumption of SK D&D*

Category		Unit	2022	2023	2024	
Non-renewable Energy	LNG	TJ	2.641	2.630	2.274	
	Propane	TJ	0.163	0.090	0.007	
	Direct Energy	Gasoline	TJ	0.987	1.222	0.679
		Diesel	TJ	0.733	0.537	0.159
		Total	TJ	4.524	4.479	3.119
		Electricity	TJ	17.277	0	0
	Indirect Energy	Steam	TJ	1.700	1.633	1.135
		Total	TJ	18.977	1.633	1.135
	Total Non-renewable Energy Consumption**		TJ	23.501	6.112	4.254
	Renewable Energy	Self-consumption	TJ	0.022	0.016	0.015
Certificate Purchase		TJ	0	20.379	15.226	
Total Consumption		TJ	0.022	20.395	15.241	
Use Ratio		%	0.094	76.942	78.180	
Total Energy Consumption(Renewable Energy+Non-renewable Energy)		TJ	23.523	26.507	19.495	
Energy Intensity***		TJ/KRW 10 billion	0.468	0.833	0.322	

* SK D&D has only domestic operations, and the above data covers 100% of its domestic operations. Organizational boundaries were revised from the 2023 data in accordance with financial control standards (Headquarters, Gasiri Wind Power Plant, Suncheon Solar Power Plant, Smart Work Center, Episode Seongsu 101, Seongsu 121, Canvas Lab, and Sajo Building).

** The sum of GHG emissions may differ from the GHG verification statement due to rounding for significant figures.

*** The intensity for total energy consumption is calculated based on the revenue (separate) for the respective year.

Energy consumption of subsidiaries*

Category		Unit	2022		2023		2024	
			DDI	DDPS	DDI	DDPS	DDI	DDPS
Non-renewable Energy	Direct Energy	TJ	0.100	0.271	0.036	0.298	0.865	0.537
	Indirect Energy	TJ	0.739	1.879	0	0	0	0
	Total Non-renewable Energy Consumption**	TJ	0.839	2.150	0.036	0.298	0.865	0.537
Renewable Energy	Total Renewable Energy Consumption	TJ	0	0	0.910	2.307	2.295	3.148
	Percentage of Renewable Energy Consumption	%	0	0	96.200	88.560	72.621	85.427
Total Energy Consumption(Renewable Energy+Non-renewable Energy)**		TJ	0.839	2.150	0.946	2.605	3.160	3.685

* Subsidiaries (DDI, DDPS) operate only within Korea, and the above data covers 100% of domestic business sites. The figures for 2022–2023 have been recalculated due to changes in organizational boundaries based on financial control criteria.

** Due to rounding and significant figure adjustments, totals for greenhouse gas emissions may differ from those stated in the verification statement for energy consumption.

GHG and energy reductions

Category	Unit	2022	2023	2024
Self-consumption of renewable energy*	MWh	525.48	454.43	68.38
Energy consumption reduction	TJ	5.05	4.36	0.66
Reduction in GHG emissions**	tCO ₂ eq	244.51	1,082.29	746.75

* It refers to the self-consumption of renewable energy produced at SK D&D headquarters (Eco-hub) and the Jeju Gasiri Wind Power Plant (currently operated by SK Eternix) before the spin-off.

** As for GHG emissions, it denotes the emissions reduced through self-consumption of renewable energy and REC purchases for RE100 implementation- Regarding renewable energy generated and used at the headquarters (Eco-hub), GHG reductions are reflected in consideration of SK D&D's floor area.

SK D&D Waste Generation*

Category	Unit	2022	2023	2024
General Waste	tons	2.5	3.5	2.5
Recyclable Waste	tons	4.2	5.2	2.7
Designated Waste	tons	1.6	3.3	0
Total Waste Generated**	tons	8.3	11.9	5.2
Waste Intensity***	Tons/KRW 10 billion	0.2	0.4	0.1
Recycling Rate****	%	50.4	43.5	51.4

* Waste generation data covers the headquarters and Gasiri Wind Power Plant.

** Due to rounding and significant figure handling, the total waste generated may differ from the sum of general and designated waste.

*** Waste Intensity = Total waste generated in the year ÷ Annual sales revenue (separate accounting).

**** Recycling Rate = (Recycled waste ÷ Total waste generated) x 100; rounding may cause minor discrepancies.

SK D&D Water Usage*

Category	Unit	2022	2023	2024
Water intake**	Potable water	tons	19,021.0	19,427.7
	Rainwater intake	tons	572.1	619.2
	Total water intake***	tons	19,593.1	20,046.9
Water usage	tons	19,593.1	20,046.9	13,120.1
Water savings/Reused amount	tons	572.1	619.2	471.9
Water usage intensity****	Tons/KRW 10 billion	390.1	630.0	216.5
Water savings/ Reusage rate*****	%	2.9	3.1	3.6

* SK D&D manages water intake and usage data for headquarters and business sites.

** SK D&D uses only potable water and rainwater; intake and usage volumes are identical.

*** Due to rounding and significant figure handling, total water intake may differ from the sum of potable and rainwater intake.

**** Water Usage Intensity = Total water usage ÷ Annual sales revenue (separate accounting).

***** Water Savings/Reuse Rate = (Rainwater usage ÷ Total water intake) x 100.

Water Usage of Subsidiaries (DDI, DDPS)*

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Water intake	Potable water	ton	1,436.0	382.7	1,293.0	522.0	2,008.0
	Total water intake**	ton	1,436.0	382.7	1,293.0	522.0	2,008.0
Water usage	ton	1,436.0	382.7	1,293.0	522.0	2,008.0	3,371.0

* Water intake and usage are managed for the headquarters and business sites of subsidiaries (DDI, DDPS).

** Subsidiaries (DDI, DDPS) do not utilize water sources other than potable water.

Number of Green Building Certifications Acquired

Category	Unit	~2021	2022	2023	2024
Green Building Certification (G-SEED)	Cases	12	2	1	1
Building Energy Efficiency Rating Certification	Cases	15	1	1	2
LEED*	Cases	1	0	0	0
Total	Cases	28	3	2	3
Cumulative total	Cases	28	31	33	36

* LEED (Leadership in Energy and Environmental Design): A green building certification program organized by the U.S. Green Building Council

Percentage of Certified Green Buildings

Category	Unit	2024
Total portfolio (No. of buildings)	Number	43
No. of certified Green Buildings in portfolio	Number	17
Percentage of certified Green Buildings in the total portfolio	%	40

Status of Green Building Certifications

Building Name	Certification Name	Certification Date	Certification Institutions
Episode Yongsan 241	Green Building Certification (General)	Mar. 2024	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1+) – Residential	Mar. 2024	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (2) – Non-Residential	Mar. 2024	Korea Institute of Green Climate Technology
Gangnam Station Office	Green Building Certification (Excellent)	Mar. 2024	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Mar. 2024	Korea Institute of Green Climate Technology
Saeng-gag Gongjang in Dangsang-Dong	Green Building Certification (Excellent)	Nov. 2022	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Nov. 2022	Korea Research Institute of Eco-Environmental Architecture
Episode Suyu 838	Green Building Certification (Excellent)	Mar. 2022	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+) – Residential	Nov. 2021	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (1+) – Non-Residential	Nov. 2021	Korea Institute of Green Climate Technology
Episode Gangnam 262	Green Building Certification (Excellent)	Nov. 2021	Korea Green Building Council
	Building Energy Efficiency Rating (1+) - Residential	Nov. 2021	Korea Institute of Green Climate Technology
	Building Energy Efficiency Rating (1+) – Non-Residential	Nov. 2021	Korea Institute of Green Climate Technology
Episode Sinchon 369	Green Building Certification (Excellent)	Nov. 2021	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	Nov. 2021	Korea Productivity Center Quality Assurance
Episode Seocho 393	Green Building Certification (Excellent)	Jul. 2021	Korea Green Building Council
	Building Energy Efficiency Rating (1++)	Jul. 2021	Korea Institute of Green Climate Technology
Business Hotel in Pangyo	Green Building Certification (Outstanding)	Jul. 2021	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1+)	Jul. 2021	Korea Institute of Green Climate Technology
Business Hotel in Jeodong	Green Building Certification (Excellent)	Nov. 2020	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1)	Sep. 2020	Korea Institute of Green Climate Technology
Seongsu SK V1 center (I)	Green Building Certification (Excellent)	May 2020	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	May 2020	Korea Productivity Center Quality Assurance
Seongsu SK V1 center (II)	Green Building Certification (Excellent)	May 2020	Korea Productivity Center Quality Assurance

Building Name	Certification Name	Certification Date	Certification Institutions
Seongsu Desian Plex(W)	Building Energy Efficiency Rating (1+)	May 2020	Korea Productivity Center Quality Assurance
	Green Building Certification (Excellent)	Apr. 2020	Korea Productivity Center Quality Assurance
	Building Energy Efficiency Rating (1+)	Mar. 2020	Korea Productivity Center Quality Assurance
Seosomun Office	LEED Platinum	Dec. 2019	U.S. Green Building Council
	Green Building Certification (Excellent)	Sep. 2019	CreBiz Certification Body
	Building Energy Efficiency Rating (1)	Aug. 2019	Korea Real Estate Board
Mullae Office SK V1 center	Green Building Certification (Outstanding)	Aug. 2019	Korea Green Building Council
	Building Energy Efficiency Rating (1+)	Aug. 2019	Korea Research Institute of Eco-Environmental Architecture
Gangnam Station BIEL 106	Green Building Certification (Outstanding)	Apr. 2018	Korea Green Building Council
	Building Energy Efficiency Rating	Apr. 2018	Korea Institute of Green Climate Technology
Mullae-Dong Office	Green Building Certification (Excellent)	Dec. 2017	Korea Environmental Industry & Technology Institute
	Building Energy Efficiency Rating (1)	Nov. 2017	Korea Institute of Green Climate Technology

2024 Environmental Performance of Episode

Category	Unit	Seongsu 101	Seongsu 121	Sinchon 369	Suyu 838	Seocho 393	Gangnam 262	Yongsan 241	Guui Welltz
Total energy consumption	TJ	3.9	4.4	21.1	51.0	22.0	29.0	1.2	25.7
Renewable energy consumption	TJ	3.3	2.8	0	0.3	0.2	0.4	0.1	0.2
Renewable energy consumption rate	%	83.3	65.3	0	0.6	0.9	1.9	5.7	0.7
GHG emissions reduction*	tCO ₂ eq	147.1	136.0	0	42.4	26.1	48.9	9.0	17.1
Water consumption	ton	5,339	7,447	30,043	69,294	27,080	16,942	57,132	51,355

* This performance pertains to the rental housing sector among the products developed and operated by SK D&D. For Episode Seongsu 101 and 121, these sites fall within the organizational boundary and are RE100-compliant business locations. The greenhouse gas reductions include those achieved through the purchase of Renewable Energy Certificates (RECs) as well as reductions from on-site renewable energy generation used within the buildings.

Status of Environmental Law Violations

Category		Unit	2022	2023	2024
Number of environmental law violations	Total	Cases	0	0	0
	Lawsuits	Cases	0	0	0
	Non-monetary sanctions	Cases	0	0	0
	Others	Cases	0	0	0
Fines Due to Environmental Law Violations		Million KRW	0	0	0
Penalties Due to Environmental Violations		Million KRW	0	0	0

Environmental Investment Performance

Category		Unit	2023	2024
Environmental Investment Plan		Million KRW	240	220
RE100 Implementation		Million KRW	178	198
Environmental Improvement (e.g., Episode site recycling station upgrades)		Million KRW	33	20
Total		Million KRW	211	218

Environmental Education Curriculum*

Category		Unit	2023	2024
Total Training Hours		hours	242	146
Training Hours per Person		hours/person	0.9	0.81

* Includes total training hours from the mySUNI education program.

Eco-friendly vehicles

Category		Unit	2024
Total no. of company-owned vehicles		Number	8
No. of eco-friendly vehicles owned		Number	5
Percentage of eco-friendly vehicles		%	62.5

* Total number of vehicles leased under the company's name. No vehicles are company-owned.

** Eco-friendly vehicles: Electric vehicles (EVs) and hybrid vehicles.

Social

SK D&D Employees Status

Category			Unit	2022	2023	2024
Total Employees			Persons	259	268	180
By Gender	Male		Persons	188	188	117
			%	72.59	70.15	65
	Female		Persons	71	80	63
			%	27.41	29.85	35
By Age Group*	Under 30		Persons	-	28	19
	30 to under 50		Persons	-	224	148
	50 and over		Persons	-	16	13
By Employment Type	Regular Employees	Male	Persons	183	180	110
		Female	Persons	62	69	56
	Non-Regular Employees**	Male	Persons	5	8	7
		Female	Persons	9	11	7
By Position Level***	Managers (Executives+PL)	Male	Persons	41	39	25
		Female	Persons	0	2	5
	Executives	Male	Persons	10	7	5
		Female	Persons	0	0	1
	PL	Male	Persons	-	-	20
		Female	Persons	-	-	4
	Managers (Non-management)	Male	Persons	-	-	92
		Female	Persons	-	-	58
	Non-registered Executive	Male	Persons	10	7	5
		Female	Persons	0	0	1
	G3	Male	Persons	41	39	26
		Female	Persons	0	2	0
	G2	Male	Persons	103	105	62
		Female	Persons	42	47	39
	G1	Male	Persons	34	37	24
		Female	Persons	29	31	23
Diversity & Inclusion	Female Manager Ratio		%	-	0.7	2.7
	Number of Disabled Workers		Persons	5	6	4
	Disabled Worker Ratio		%	1.9	2.2	2.2
	Disability Employment Target Ratio		%	3.1	3.1	3.1
	Number of Veterans		Persons	4	1	3
	The number of socially vulnerable workers****		Persons	9	7	7

* Classification has been refined and managed in greater detail since 2023.

** Non-regular employees are composed solely of fixed-term workers; daily workers and dispatched labor are not employed.

*** Executives and employees are classified according to SK D&D's internal job grade system, with compensation determined by grade level (G3 > G2 > G1). (Executives: Executives and G3 level employees)

**** Socially disadvantaged groups include individuals with disabilities, national veterans, and other protected categories.

Employee Diversity Target*

Category	Unit	2024			2025
		Achivement Rate	Target	Performance	
Employment of persons with disabilities	Persons	67%	6	4	6

** SK D&D's legally mandated number of disabled employees: 5 persons (based on employment status as of December 31, 2024).

SK D&D Subsidiary Employee Status

Category			Unit	DDI		DDPS	
				2023	2024	2023	2024
Total Employees			Persons	46	45	109	108
Gender	Male		Persons	78	31	45	47
			%	60.87	69	41.28	43.52
	Female		Persons	18	14	64	61
			%	39.13	31	58.72	56.48
	Employment Type	Regular	Male	Persons	28	29	39
Female			Persons	17	13	47	52
Non-regular		Male	Persons	0	2	6	4
		Female	Persons	1	1	17	9

New Employee Recruitment Status

Category		Unit	2022	2023	2024
Gender	Male	Persons	54	43	19
	Female	Persons	34	23	14
Age Group	Under 30	Persons	17	10	10
	30 to under 50	Persons	68	52	23
	50 and over	Persons	3	4	0
Total		Persons	88	66	33

Employee Turnover Status

	Category	Unit	2022	2023	2024***
Gender	Male	Persons	51	47	88
	Female	Persons	24	17	31
Age Group	Under 30	Persons	8	7	9
	30 to under 50	Persons	61	52	102
	50 and over	Persons	6	5	8
Voluntary Turnover* Number		Persons	64	37	23
Voluntary Turnover Rate**		%	24.7	13.8	12.7
Total Turnover Number		Persons	75	64	119

* Voluntary Turnover: Individuals who leave the company based on personal decisions, independent of the organization's intent. Cases such as mandatory retirement, dismissal, voluntary retirement, resignation upon recommendation, transfer to an affiliate, and contract expiration are classified as involuntary turnover.

** Voluntary Turnover Rate: (Number of voluntary leavers ÷ Total number of employees) x 100

*** Includes 84 employees transferred due to the organizational spin-off of SK Eternics.

Employee Performance Evaluation Status

	Category	Unit	2022	2023	2024
By Position	Managers (Executives+PL)	Persons	38	34	30
		%	93.1	95.3	100
	Executives	Persons	9	7	6
		%	91.7	100	100
	PL	Persons	30	36	24
		%	93.8	84	100
	Managers (Non-management)	Persons	188	187	130
		%	90.7	85.2	86.6
	Male	Persons	175	172	109
		%	93.6	91.7	93.1
By Gender	Female	Persons	59	60	51
		%	84.5	75.4	80.9
	Total	%	91.1	85.8	88.8

Employee Compensation Status by Gender

Category		Unit	2022	2023	2024
Average Salary	Male	Million KRW	119	124	129
	Female	Million KRW	67	75	80
Female-to-Male Salary Ratio*		%	56.3	60.5	62.0

* Female-to-Male Salary Ratio = (Average Monthly Salary of Female Employees ÷ Average Monthly Salary of Male Employees) × 100

Employee Parental Leave Usage Status

Category	Target	Unit	2022	2023	2024
Number of Parental Leave Users	Male	Persons	0	2	0
	Female	Persons	1	3	3
Number of Returnees from Parental Leave*	Male	Persons	0	0	0
	Female	Persons	0	0	0
Number of Employees Working 12+ Months after Return**	Male	Persons	0	0	0
	Female	Persons	0	0	0

* Regarding the parental leave rate, there have been no employees eligible to return from parental leave in the past three years.

** The retention rate of employees who worked for 12 months or more after returning from parental leave was 100% as of 2021; since then, there have been no eligible returnees.

Employee Welfare Support Status*

Key Item	Unit	2022	2023	2024
Welfare Budget	Million KRW	5,953	5,107	6,120
Total Expenditure	Million KRW	5,953	5,107	6,120
Welfare Expenditure Rate**	%	100	100	100
Welfare Spending per Employee	Million KRW/Person	23.0	25.7	34.0

* To ensure consistency with consolidated data following the spin-off, the 2023 data have been revised.

** Total welfare benefits execution rate: (Total amount executed ÷ Total budget) × 100

Employee Competency Development Training Results*

Category	Unit	2022	2023	2024
Total Training Expenses	Million KRW	663	858	555
Training Expenses per Person	Million KRW/person	2.6	3.31	3.08
Total Training Hours	Hours	11,508	10,380	8,217
Training Hours per Person	Hours/person	44.4	38.7	45.65
Training Hours by Content**	Job Competency	7,711	8,412	4,135
	Compliance, Ethics, Human Rights, and Anti-corruption	2,002	718	1,351
	Environment	750	242	146
	Safety and Health	759	518	2,170
	Fair Trade	58	259	77
	Information Security	228	231	338

* To standardize the basis of consolidation following the spin-off, data was revised for 2023.

** The aggregation was done based on mySUNI training hours.

Employees Covered by Management Development Council Agreements

Category	Unit	2022	2023	2024
Number of employees subject to Council agreements	Persons	249	261	174
Number of employees covered by the agreements of the Management Development Council	Persons	249	261	174
Percentage of employees covered by Council agreements	%	100	100	100

Status of Human Rights Grievance Reported and Resolved

Category	Unit	2022		2023		2024	
		Reported	Resolved	Reported	Resolved	Reported	Resolved
Lack of respect for colleagues	Cases	0	0	0	0	2	2
Discrimination and workplace bullying	Cases	0	0	0	0	2	2
Other (non-administrative reports like complaints)	Cases	7	7	4	4	1	1
Resolution rates	%	100		100		100	

Status of Human Rights Regulation Violations

Category	Unit	2022	2023	2024
No. of Human Rights Regulation Violations	Cases	0	0	0
Administrative Fines	KRW 1 million	0	0	0
Penalties	KRW 1 million	0	0	0

Status of Human Rights Training Program*

Category	Unit	2022	2023	2024
Legally Mandated Training	Number of Participants	Persons	205	191
	Completion rate	%	100	100
	Total hours	Hours	170	560
Additional training	Total hours	Hours	1,831	158
				508*

* Conducted human rights education once during ESG training for employees.

Occupational Safety and Health Incidents

Category	Unit	2022	2023	2024
Employees	Lost Time Injury (LTI) Count	Cases	0	0
	Lost Time Injury Rate (LTIR)*	Cases per 200,000 working hours	0	0
	Number of Deaths	Cases	0	0
	Fatal Accidents	Persons	0	0
	Number of accidents	Cases	0	0
	Fatality Rate	%	0	0
	Total Recordable Injury Cases	Cases	0	0
	Total Recordable Injury Rate (TRIR)**	Cases per 200,000 working hours	0	0
Contractors	Lost Time Injury (LTI) Count	Cases	0	0
	Lost Time Injury Rate (LTIR)*	Cases per 200,000 working hours	0	0
	Number of Deaths	Cases	0	0
	Fatal Accidents	Persons	0	0
	Number of Accidents	Cases	0	0
	Total Recordable Injury Count	Cases	0	0
				2***
				2

* LTIR (Lost Time Injury Rate): (Number of lost time injuries x 200,000) ÷ Total hours worked

** TRIR (Total Recordable Incident Rate): (Total recordable injuries x 200,000) ÷ Total hours worked

*** The 2 reported injuries were transferred to SK Eternics sites after the SK D&D - SK Eternics corporate split

Safety and Health Violations

Category	Unit	2022	2023	2024
Safety and Health	Violations	Cases	0	0
	Fines	Million KRW	0	0
	Penalties	Cases	0	0

Status of Business Partners

Category	Unit	2022	2023	2024
Number of partners	No. of company	127	115	86
Number of Biz. Partner	No. of company	127	115	86
Purchase Volume*	100 million KRW	2,983	2,396	748

* Decrease in scale due to the 2024 organizational spin-off.

2024 Biz. Partner Communication Channel Operation Results

Category	Unit	2024
Number of reports	Cases	2
Number of cases processed	Cases	2
Processing rate	%	100

Social Contribution Performance Overview

Category	Unit	2022	2023	2024
Social contribution investments	KRW million	794	844	1,560
Total amount of donations	KRW million	686	520	1,499
Number of employees participating in social contribution activities	Number of persons	215	329	151
Percentage of workplaces with community engagement activities	%	100	100	100
Total volunteer hours*	Hours	128	655	684
Number of beneficiaries from social contribution and community engagement activities*	Persons	-	702	548

* Total volunteer hours have been tracked since 2022, and beneficiaries of social contribution and community win-win activities have been managed since 2023.

Governance

Board Composition*

Category		Number / Ratio
Number of Executive Directors		1 Person
Number of other Non-executive Directors		1 Person
Number of Independent Directors		4 Persons
(Legal Minimum Requirement) Number of Independent Directors		2 Persons
Ratio of Independent Directors		66.7%
Target Ratio of Independent Directors on Board		50%
Gender	Male	5 Persons
	Female	1 Person
Age Group	30 to under 50	1 Person
	50 to under 60	4 Persons
	60 and over	1 Person

* As of May, 2025

Board Composition Status*

Category		Number of People
ESG Committee	Director	4 Persons
	Independent Director	2 Persons
Audit Committee	Director	3 Persons
	Independent Director	3 Persons
	Financial Experts	1 Person
HR Committee	Director	4 Persons
	Independent Director	3 Persons
Independent Director Recommendation Committee	Director	4 Persons
	Independent Director	4 Persons

* As of May, 2025

Board Diversity and Expertise

Category	Unit	2022	2023	2024
Number of directors aged 50 or below	Persons	0	0	1
Number of directors aged over 50	Persons	8	8	5
Number of financial experts on the Board	Persons	2	1	1
Number of financial/accounting experts on the audit committee	Persons	1	1	1

Board Activity Overview

Category		Unit	2022	2023	2024
Number of meetings held		Times	13	14	12
Number of agenda items submitted		Cases	31	36	35
Number of agenda items resolved		Cases	31	36	35
Number of agenda items approved		Cases	22	18	35
Number of agenda items rejected		Cases	0	0	0
Number of agenda items amended		Cases	0	0	0
Number of agenda items abstained		Cases	0	0	0
Number of agenda items deferred		Cases	0	0	0
Number of agenda items passed		Cases	31	36	35
Number of agenda items reported		Cases	22	18	19
Attendance	ExecutiveDirectors	Cases	13	14	12
	Non-executive Directors	Cases	39	42	20
	Independent Directors	Cases	52	56	39
Average Board Attendance Rate		%	100	100	100

Committee Activity Status

Category		Unit	2022	2023	2024
ESG Committee	Meetings held	Times	4	5	2
	Agenda Cases (Resolutions)	Cases	1	0	0
	Agenda Cases (Reports)	Cases	5	5	2
	Attendance Count	Times	16	28	24
	Attendance Rate	%	100	100	100
	Independence Director Attendance Rate	%	100	100	100
HR Committee	Meetings held	Times	5	5	1
	Agenda Cases (Resolutions)	Cases	1	0	0
	Agenda Cases (Reports)	Cases	10	8	1
	Attendance Count	Times	19	20	19
	Attendance Rate	%	100	100	93.75
	Independence Director Attendance Rate	%	91.66	100	90.91
Audit Committee	Meetings held	Times	10	10	10
	Agenda Cases (Resolutions)	Cases	6	6	8
	Agenda Cases (Reports)	Cases	20	25	16
	Attendance Count	Times	40	30	30
	Attendance Rate	%	100	100	100
	Independence Director Attendance Rate	%	100	100	100
Independent Director Recommendation Committee	Meetings held	Times	1	0*	1
	Agenda Cases (Resolutions)	Cases	1	0	2
	Agenda Cases (Reports)	Cases	0	0	0
	Attendance Count	Times	4	0	6
	Attendance Rate*	%	100	-	100
	Independence Director Attendance Rate	%	100	-	100

* The independent director candidate recommendation committee was not convened in 2023 as no independent directors' terms expired that year.

Board Evaluation Results

Category		Unit	2022	2023	2024
Board Composition		Points	4.92	5	4.67
Board Operations		Points	4.8	4.94	5
Board Performance	Board Accountability	Points	4.8	4.94	5
	Board Role Fulfillment	Points	4.88	4.9	4.93
Committee Activities		Points	5	4.94	4.93
Overall score*		Points	4.89	4.94	4.96

* Out of a maximum score of 5.00

Directors' Remuneration in 2024

Category		Unit	2024
Total remuneration for registered directors	Executive directors	KRW million	1,152
	Non-executive directors	KRW million	0
	Independent Directors	KRW million	303
Registered Directors (Excluding independent directors and audit committee members)	Number of recipients	Persons	1
	Total remuneration	KRW million	1,152
	Average remuneration per person	KRW million	1,152
Independent Directors (Excluding audit committee members)	Number of recipients	Persons	0
	Total remuneration	KRW million	16
	Average remuneration per person	KRW million	16
Audit Committee Members	Number of recipients	Persons	3
	Total remuneration	KRW million	287
	Average remuneration per person	KRW million	96

CEO-to-Employee Pay Ratio

Category		Unit	2022	2023	2024
CEO	Total annual compensation	KRW million	1,502	1,267	1,152
Employee*	Average compensation	KRW million	105	110	112
CEO-to-employee pay ratio		Times	14.3	11.5	10.3

* Excludes the CEO (Executive Director)

Fair Trade Training Performance

Target Group	Training Content	Unit	2022	2023	2024
All Employees	Supply Chain ESG Management (Anti-corruption, Fair Trade, Compliance, etc)	Total Training Hours	58	258.75	77
		Training Hours per Person	0.22	10	0.43

Fair Trade Violations and Sanctions Status

Category	Unit	2022	2023	2024
Number of Unfair Trade Practices (e.g., anti-competitive acts, monopolies)	Cases	-	-	0
Number of Violations Due to Unfair Trade Practices	Cases	0	0	0
Monetary Fines Due to Unfair Trade Practices	Million KRW	0	0	0
Number of Non-Monetary Sanctions Due to Unfair Trade Practices	Cases	-	-	0
Number of Lawsuits Due to Unfair Trade Practices	Cases	-	-	0
Number of Monetary Sanctions Due to Legal or Regulatory Violations	Cases	0	0	0

Fair Trade Violations and Sanctions Status for Subsidiaries (DDI, DDPS)

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Fair Trade Violations and Sanctions Status for Subsidiaries (DDI, DDPS)	Cases	0	0	0	0	0	0
Monetary Fines Due to Unfair Trade Practices	Million KRW	0	0	0	0	0	0
Number of Monetary Sanctions Due to Legal or Regulatory Violations	Cases	0	0	0	0	0	0

2024 Ethics Management Training and Achievements

Category	Frequency	Activity Description	Participation Rate
Ethics Management Letter	4 times/year	Quarterly updates on ethics management plans and performance	100%
Ethics Practice Pledge	Once/year	Signing the pledge to adhere to the ethics code and ethical conduct guidelines	100%
Online Ethics Management Training	Once/year	Guidance on workplace harassment cases and how to use the reporting channel (“Communication Hotline”)	100%
Mandatory Ethics Education	5 times/year	Training on disability awareness, prevention of workplace sexual harassment and bullying, data privacy	100%
Ethics Practice Workshop	Once/year	Enhancing ethical decision-making skills by rank and department; sharing feedback on internal policies and issues	96%
Holiday Ethics Compliance Notice	Twice/year	Encouraging ethics compliance and gift reporting during holidays for employees and partners (including updates on anti-graft laws)	100%

Status of Ethical Management Reports

Category			Unit	2022	2023	2024
Reporting	Type of Report	Unfair practices and abuse toward partners	Cases	1	1	2
		Lack of respect among employees	Cases	0	0	2
		Conflict of interest in job duties	Cases	0	0	0
		Improper job handling	Cases	0	4	2
		Undermining of social value	Cases	0	0	0
		Legal compliance violations	Cases	0	0	1
		Violation of internal ethics regulations	Cases	0	0	0
		Others (e.g, civil complaints, non-managed)	Cases	7	4	1
	Number of Violations by reporting channel*	Number of Violations	Cases	-	-	8**
		Number of cases addressed	Cases	-	-	8
	Subject of Report*	Employee	Cases	-	-	5
		Partner company	Cases	-	-	3
		Customer	Cases	-	-	0
		Other	Cases	-	-	1
	Category of Report*	Other reports received	Cases	-	-	2
		Discrimination and Harassment cases	Cases	-	-	2***
		Anti-corruption cases	Cases	-	-	5
Disciplinary actions	Dismissal	Cases	0	0	0	
	Suspension	Cases	0	0	1	
	Salary Reduction	Cases	0	0	0	
	Reprimand/Warning	Cases	1	5	1	
	Under Investigation	Cases	0	0	0	
	Transferred	Cases	0	0	1	
	Others	Cases	7	4	6	
Processing Rate			%	100	100	100
Status of Anti-Corruption Measures	Results of Anti-Corruption Measures	Contract Termination	Cases	0	0	0

* Items newly disclosed and managed from 2024; no data available for 2022–2023.

** Of the total nine cases, one was closed and excluded due to "lack of investigation authority."

*** The two cases reported as discrimination/harassment pertain to the same matter and have been resolved with disciplinary action by the HR Committee.

Information security investment details

Category	Unit	2022	2023	2024
Total IT Investment	Million KRW	13,120	14,108	13,267
Information Security Investment	Million KRW	1,101	667	944
Information Security Investment as a % of Total IT Investment	%	8.4	4.7	7.1

Information Security Compliance

Category	Unit	2022	2023	2024
Number of information security violations/incidents*	Cases	0	0	0
Total fines or penalties related to information security	Million KRW	0	0	0

* Excludes violations/incidents related to personal information protection

Subsidiaries (DDI, DDPS) Information Security Compliance

Category	Unit	2022		2023		2024	
		DDI	DDPS	DDI	DDPS	DDI	DDPS
Number of information security violations/incidents	Cases	0	0	0	0	0	0
Total fines or penalties related to information security	Million KRW	0	0	0	0	0	0

Personal Information Protection Compliance*

Category	Unit	2022	2023	2024
No. of privacy-related information security breaches/incidents	Cases	0	0	0
Total amount of privacy-related fines or penalties	KRW 1 million	0	0	0
No. of complaints filed regarding breaches of customer privacy and loss of customer data	Cases	0	0	0
No. of proven customer data breaches, thefts, or losses	Cases	0	0	0
Customers impacted by the data breaches	Persons	0	0	0

* There have been no complaints received related to personal information protection, leakage, theft, or loss

Shareholder Composition

Category		Unit	2022	2023	2024
Total Shares	-	Shares	24,190,164	24,190,164	18,617,382
Minority Shareholders	Common Shares	Shares	5,240,624	7,935,054	6,968,876
	Preferred Shares	Shares	0	0	0
Treasury Shares	Common Shares	Shares	640	0	11,291
	Preferred Shares	Shares	0	0	1

Voting Rights Status

Category		Unit	2022	2023	2024
Total Number of Issued Shares	Common Shares	Shares	22,190,164	22,190,164	18,617,382
	Preferred Shares	Shares	2,000,000	2,000,000	1
Shares without voting rights*	Common Shares	Shares	640	0	11,291
	Preferred Shares	Shares	2,000,000	2,000,000	1
Voting Rights Excluded by Articles of Incorporation	Common Shares	Shares	0	0	0
	Preferred Shares	Shares	0	0	0
Voting Rights Excluded by law	Common Shares	Shares	0	0	0
	Preferred Shares	Shares	0	0	0

* Treasury Shares (Acquisition of Fractional Shares)

SK D&D Disclosure status

Category	Unit	2022	2023	2024
Voluntary Disclosures	Cases	5	1	4
Investor Relations (IR)*	Cases	4	5	3

* The number of Investor Relations (IR) sessions reflects the disclosed meetings held for analysts and domestic and international institutional investors. In addition, more than two sessions per month are conducted for a broader range of stakeholders.

Dividend History

Category		Unit	2020	2021	2022	2023	2024
Common Shares	Number of Shares Eligible for Dividend	Thousand Shares	18,990	22,190	22,190	22,190	18,606
	Dividend per Share	KRW	600	800	800	800	600
	Dividend Yield	%	1.41	2.56	3.51	3.12	8.33
Preferred Shares	Number of Shares Eligible for Dividend	Thousand Shares	5,200	2,000	2,000	2,000	-
	Dividend per Share	KRW	1,022	1,022	1,022	1,022	-
Payout Ratio		%	25.35	14.85	25.83	19.20	25.26
Total Dividend Amount		Million KRW	16,708	19,769	19,769	19,769	11,164

ESG Rating (KCGS)

Category	2022	2023	2024
Overall (ESG)	A	A	A
Environmental	A	A	A
Social	A	A+	A+
Governance	A	A	A

ESG Rating(MSCI)

Category	2022	2023	2024
Overall (ESG)	BB	BBB	A



Report Overview and Assurance

About This Report

GRI 2-2 GRI 2-3

Overview

SK D&D regularly publishes sustainability management reports to enhance transparency and accountability regarding non-financial performance. The “2024 SK D&D Sustainability Management Report” is the fourth edition and comprehensively covers the company’s sustainability management strategies, key achievements, and medium-to-long-term directions.

The report identifies material issues based on a materiality assessment aligned with global ESG disclosure trends and systematically discloses management systems and performance related to these issues. Notably, in the area of climate change response, it proactively incorporates the domestic sustainability disclosure standards (KSSB) S2 guidelines, thereby strengthening the disclosure level of climate-related risks and opportunities.

SK D&D quantitatively and qualitatively reports key performance across Environment (E), Social (S), and Governance (G) sectors and plans to continue expanding trust-based communication with stakeholders while advancing sustainability information to meet international standards.

Reporting Standards

This report was prepared in accordance with the reporting principles of the Global Reporting Initiative (GRI) Standards 2021, a global sustainability reporting framework. It also referenced the United Nations Sustainable Development Goals (SDGs), the Task Force on Climate-related Financial Disclosures (TCFD), Korea Sustainability Standards Board (KSSB) Sustainability Disclosure Standard No. 2 (S2), and the Sustainability Accounting Standards Board (SASB) disclosure guidelines.

Furthermore, the materiality assessment was conducted based on the concept of Double Materiality as outlined in the European Sustainability Reporting Standards (ESRS). Through this process, SK D&D selected reporting topics by comprehensively considering the company's business characteristics and the interests of its stakeholders.

Report Scope

This report primarily covers SK D&D's domestic business sites based on separate accounting standards, detailing its sustainability management activities and performance. However, for certain environmental indicators (greenhouse gases, energy, water resources), social indicators (employee status), and governance indicators (fair trade, information security, etc.), the performance of subsidiaries D&D Investment Co., Ltd. (DDI) and D&D Property Solution Co., Ltd. (DDPS) is partially included. Subsidiary performance data are separately indicated within the respective sections.

Reporting Period

The reporting period for this report is from January 2024 to December 2024. However, some activities include information from the first half of 2025.

Reporting Frequency

Annually

Report Verification

This report has undergone third-party verification by BSI, an independent external professional verification organization, to ensure the reliability, fairness, and completeness of the report content and preparation process. The third-party verification was conducted in accordance with the international verification standard AA1000AS.

Contact Information for Disclosure

Department: SK D&D ESG Part
Phone: +82-2-398-4700
Email: skdnd@sk.com
Website: www.skdnd.com
Date of Issue: June 28, 2025

Third-Party Assurance

 [GRI 2-5](#)

Independent Assurance Statement

The Stakeholders of SK D&D Co., Ltd.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the SK D&D ESG Report (hereinafter referred to as the "Report"). The Assurer is independent of SK D&D and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the SK D&D report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the SK D&D and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

SK D&D 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 D&D only.

The Assurer is responsible for providing SK D&D management 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 D&D. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than SK D&D in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

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

- Reporting contents during the period from January 1st to December 31st 2024 included in the report, some data included the first half of 2025.
- Major assertion 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 materiality assessment.

- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

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

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

Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description 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 D&D.

[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]

201-1~2, 203-1, 205-1~3, 206-1, 302-1~5, 303-3, 303-5, 304-1, 304-4, 305-1~5, 306-1~3, 401-1~3, 403-1~9, 404-1~2, 405-1~2, 413-1, 414-1~2, 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;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to 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 materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results

- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the SK D&D Pan-Gyo Office to confirm the data collection processes, 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 the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) 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 almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with SK D&D. 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 an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that SK D&D's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

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 environment 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). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

SK D&D defined employees, business partners, customers, communities, shareholders and investors as a Key Stakeholder Groups. In order to collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. SK D&D conducted a review of the stakeholder engagement process in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. SK D&D disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

SK D&D implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, SK D&D conducted the analysis of global sustainability reporting or assessment standards, analysis of benchmarking the same industry to derive the impact and financial materiality. SK D&D derived 7 material topics through the relevant process, and disclosed GRI topic standard disclosures related to material topics in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

SK D&D operated a management process for material topics in the context of sustainability derived from the materiality assessment. SK D&D established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. SK D&D reviewed through major management organizations, disclosed the process including policy, indicator, activity and response performance on material topics in the Report.

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

SK D&D identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material topics reported. SK D&D established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material topics at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclosure were carried out in the assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic Standards: 201-2, 205-1~3, 206-1, 302-1~5, 303-3, 303-5, 305-1~5, 306-3, 401-1~3, 403-1~9, 404-1~2, 405-1~2, 414-1~2

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

Considering the key business characteristics,

- It may be helpful to advance the sustainability management system by identifying key stakeholders within the value chain and shaping sustainability strategies and objectives based on their needs.
- It may be helpful to ead the sustainability management system advancing the system for calculating sustainability performance indicators for ownership and operating assets and strengthening internal control procedures for those performance indicators.

GRI-reporting

SK D&D provided us with their self declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by SK D&D. The sector standard was not applied.

Issue Date: 20/06/2025
For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee,
Lead Assurer, LCSAP



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 772222



GHG Verification

GRI 2-5

GHG Verification Statement

Verification Opinion Statement

SK D&D Co. Ltd.

ISO 14064-1:2018

The Korea Management Registrar Inc. (hereinafter "KMR") has conducted the verification on the greenhouse gas (hereinafter "GHG") emission in 2024 of SK D&D Co. Ltd.

SCOPE

Verification of places of business and emission facilities under the control of SK D&D Co. Ltd.

STANDARDS

- ISO 14064-1:2018, ISO 14064-2:2019
- PCG Guidelines for National Greenhouse Gas Inventories (2006)
- Operational guidelines for reporting and certification of the Greenhouse Gas emissions trading scheme (Ministry of Environment, 2024-152)
- ISO 9001:2015 (2015)

GHG emissions & Energy consumption

Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Total (kgCO ₂ e)
1,176	18,228	1,105	19,409

Authorized by E. J. Hwang
CEO SK D&D

Verification Opinion Statement

D&D INVESTMENT INC.

ISO 14064-1:2018

The Korea Management Registrar Inc. (hereinafter "KMR") has conducted the verification on the greenhouse gas (hereinafter "GHG") emission in 2024 of D&D INVESTMENT INC.

SCOPE

Verification of places of business and emission facilities under the control of D&D INVESTMENT INC.

STANDARDS

- ISO 14064-1:2018, ISO 14064-2:2019
- PCG Guidelines for National Greenhouse Gas Inventories (2006)
- Operational guidelines for reporting and certification of the Greenhouse Gas emissions trading scheme (Ministry of Environment, 2024-152)
- ISO 9001:2015 (2015)

GHG emissions & Energy consumption

Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Total (kgCO ₂ e)
40	40	40	120

Authorized by E. J. Hwang
CEO D&D

Verification Opinion Statement

D&D PROPERTY SOLUTION INC.

ISO 14064-1:2018

The Korea Management Registrar Inc. (hereinafter "KMR") has conducted the verification on the greenhouse gas (hereinafter "GHG") emission in 2024 of D&D PROPERTY SOLUTION INC.

SCOPE

Verification of places of business and emission facilities under the control of D&D PROPERTY SOLUTION INC.

STANDARDS

- ISO 14064-1:2018, ISO 14064-2:2019
- PCG Guidelines for National Greenhouse Gas Inventories (2006)
- Operational guidelines for reporting and certification of the Greenhouse Gas emissions trading scheme (Ministry of Environment, 2024-152)
- ISO 9001:2015 (2015)

GHG emissions & Energy consumption

Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Total (kgCO ₂ e)
13	13	13	39

Authorized by E. J. Hwang
CEO D&D

SK D&D GHG verification DDI GHG verification DDPS GHG verification

Report Archive

SK D&D
2024
Sustainability
Report

SK D&D ESG

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2022 SK D&D TCFD Report

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ESG Ratings and Awards



Awards and Initiatives

KCGS (Korea Institute of Corporate Governance and Sustainability)

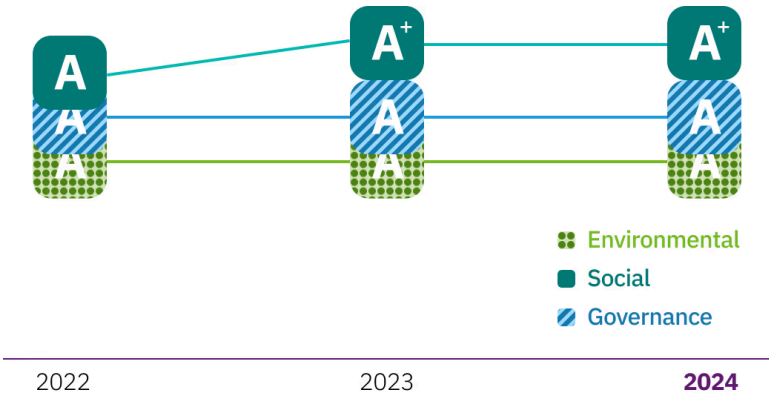


The Korea Institute of Corporate Governance and Sustainability (KCGS) has been conducting corporate governance evaluations since 2003 based on a high level of transparency and expertise. Since 2011, it has also carried out ESG assessments to evaluate the sustainability management practices of publicly listed companies in Korea on an annual basis. The KCGS ESG evaluation model aligns with international standards such as the OECD Principles of Corporate Governance and ISO 26000, while also reflecting Korea’s legal system and business environment.

SK D&D ESG Evaluation Results



2024 KCGS ESG Evaluation

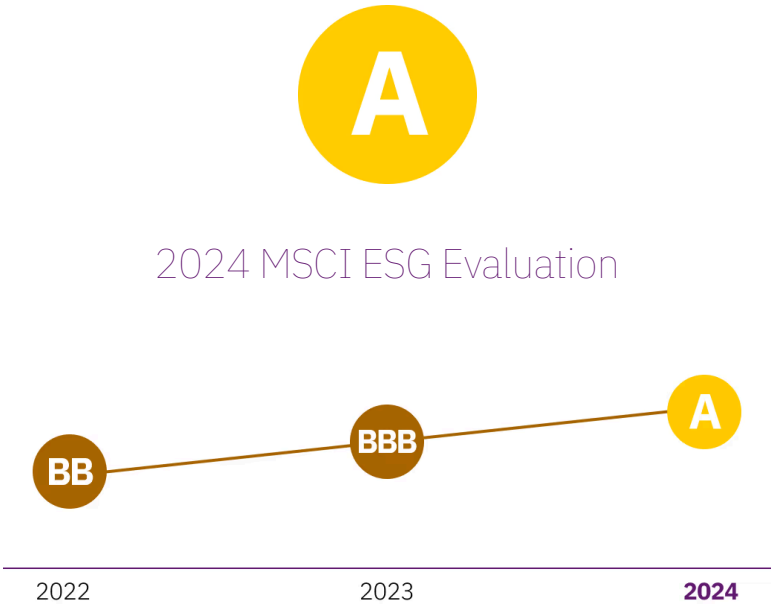


MSCI (Morgan Stanley Capital International) ESG Rating



MSCI (Morgan Stanley Capital International) has been providing ESG evaluations since 1999. The assessment covers 10 themes and 35 key issues across the Environmental, Social, and Governance (ESG) domains. Companies are rated on a seven-tier scale, ranging from AAA (highest) to CCC (lowest). The Governance pillar is given additional weighting in the overall rating. In addition to the overall ESG rating, MSCI also provides individual scores for each ESG category as well as rankings within the company’s industry peer group.

SK D&D ESG Evaluation Results



Awards and Recognitions

SK D&D’s awards and recognitions

ESG External Credibility and Awards	
2023 Korea ESG Standards Institute (KCGS) Excellent Company Award	Selected as an ‘Excellent Governance Company,’ recognized for transparent and robust corporate governance
LACP 2023 Inspire Awards – Platinum Award	Received the highest Platinum Award from the League of American Communications Professionals (LACP) for outstanding corporate communication and report quality

Episode & Saenggakgongjang Awards

2021 Coliving Award

Best Coliving Operator of the Year

2021 Global Design Awards

Special Mention in Brand Identity

2021 A 'Design Awards & Competition'

Bronze in Graphic Communication

2021 Serviced Apartment Awards

Best Coliving Development

2021/2022 Mercury Awards

Honors in Design Culture / Lifestyle category

German Design Award Special 2021

Special Mention in Brand Identity

2022 Red Dot Design Award

Winner in Spatial Communication Interior Design

2022 MarCom Awards

Platinum Award in Integrated Marketing & Collaboration

Golden Scale Design Award

Client Award for Gangnam 262 & Seocho 393

Korea Design Award

Corporate Value Innovation Award

FRAME Design Awards 2022

'Co-living Complex of the Year'

INNOVATION BY DESIGN Awards

Placement in Space and Places

2023 iF Design Award

Winner in Residential Interior – Interior Architecture

2023 Coliving Award

Winner in Impact & Sustainability category

2023 MarCom Awards

In Research/Study and Corporate Social Responsibility categories

2023 41st Seoul Metropolitan Government Architecture Award

Excellence Award for Saenggakgongjang Dangsan

2023 Korea Green Building Awards

Ministry of Environment Award for Saenggakgongjang Dangsan

2024 London Design Awards

Gold & Silver Awards

2025 iF Design Award

Winner in Interior – Interior Architecture

2025 Asia Design Prize

Winner in Space, Architecture & Communication categories

Episode Awards

SK D&D aims to realize its residential philosophy through the rental housing brand Episode, which emphasizes living space, valuing individual life, a small society, and connecting value. Episode is the largest shared housing brand in South Korea, shifting away from supplier-centered space design to offer diverse living experiences from the user's perspective.

Each Episode location emphasizes unique community spaces that reflect its environment. In the office-dense Gangnam area, it creates spaces where work and quality of life are balanced. In the trendy and vibrant Seongsu district, it offers stylish community lounges that capture the area's unique population, local culture, and social atmosphere. This approach has established Episode as a leader in distinctive residential culture, earning prestigious awards such as the 2025 iF Design Award for Residential and Office Interior – Interior Architecture, the 2024 London Design Awards Gold and Silver Awards, the 2023 MarCom Awards Platinum Award, and the 2022 Red Dot Design Award in Spatial Communication Interior Design.

Participation in Initiatives and Associations

[GRI 2-28](#)

Participation Initiatives

TCFD (Declared Support for TCFD: January 2023)



TCFD

The Task Force on Climate-related Financial Disclosures (TCFD) was established in 2017 to provide recommendations that enable companies and financial institutions to transparently disclose climate-related financial risks to investors, shareholders, and the public. SK D&D declared its support for the TCFD and its recommendations in 2022 and published a TCFD report. Since then, SK D&D has been annually disclosing climate-related financial information in accordance with the TCFD recommendations through its sustainability reports.

[TCFD framework](#)

RE100 (Joined K-RE100: 2023)



K-RE100

SK D&D established its RE100 implementation target in 2023 to achieve the 2030 Net Zero roadmap. Accordingly, SK D&D completed its RE100 commitment (100% renewable energy transition) by purchasing

Renewable Energy Certificates (RECs) equivalent to its total electricity consumption of 16.58 TJ in 2023. Moving forward, SK D&D is considering expanding its RE100 implementation methods by utilizing Power Purchase Agreements (PPAs) and long-term REC purchase contracts, aiming to contribute to the national goal of achieving carbon neutrality by 2050 through a clean energy transition.

Membership in Associations

Current Association Memberships

Association Name
Korea Data Center Association
Korea PropTech Forum

SK D&D ESG Report

