

SK siltron Sustainability Report 2026

SK SILTRON SUSTAINABILITY REPORT

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Interactive User Guide

This report has been published as an interactive PDF containing links to web pages as well as relevant pages in the document.

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CEO Message

We will pursue sustainable management in our journey to become the Global Top Wafer Company.

As the AI era begins, SK siltron is leading a new paradigm of growth and innovation.

The semiconductor industry is rapidly shifting its focus from general-purpose devices to customized devices optimized for specific algorithms and power efficiency. Amidst this change, perfectly customized solution from the wafer stage is required to maximize the performance of customers' chips.

SK siltron's 'Customization' strategy extends beyond business into sustainability management.

We have established and are executing a 'customer-customized Wafer (cWafer)' production strategy that goes beyond simply meeting required specifications to resolving customers' technical pain points and maximizing chip yields. Furthermore, by initiating mass production at our new plant, we are responding to the explosively increasing demand in the AI market and securing a competitive advantage. This customization strategy extends beyond business into the domain of sustainability. In line with changes in the global ESG landscape, front-line customers' demands for decarbonization are becoming stronger, and this is the core non-financial pain point faced by our customers. SK siltron's wafers provide customized value encompassing all ESG areas, including decarbonization, labor and human rights, health and safety, environment, ethics, and supply chain management, in addition to technical and quality value.

SK siltron's sustainability activities, aligned with global ESG standards, are securing a solid position for the company.

In 2025, SK siltron has made remarkable achievements such as obtaining 'Leadership A' in both CDP Climate Change and Water Resource Management categories for three consecutive years and receiving the highest RBA rating score.

In particular, we have solidified our eco-friendly and safety management capabilities by establishing an 'AI-based Integrated SHE Response System.' We are building a globally trusted supply chain ecosystem through the joint discovery of best practices for carbon neutrality with our suppliers. Moreover, we are establishing a reduction roadmap that includes Scope 3 besides Scope 1/2 emissions. Starting in 2027, we will sequentially introduce a total 150MW of PPAs secured with the goal of transitioning to renewable energy.

SK siltron will advance toward becoming a 'Global Top Wafer Company' with a firm commitment to ESG best practices.

Guided by the conviction that ESG is the very foundation for the company's survival and fundamental competitiveness, SK siltron will continue to tirelessly elevate its level of sustainability management.

We are confident that this conviction, combined with SK siltron's unique cWafer business strategy, will establish a solid foundation for SK siltron to leap forward as a 'Global Top Wafer Company.' We ask for our stakeholders' warm interest and unwavering support for SK siltron's journey of continuous growth through relentless pursuit of challenges that transcend limits regardless of the business environment.



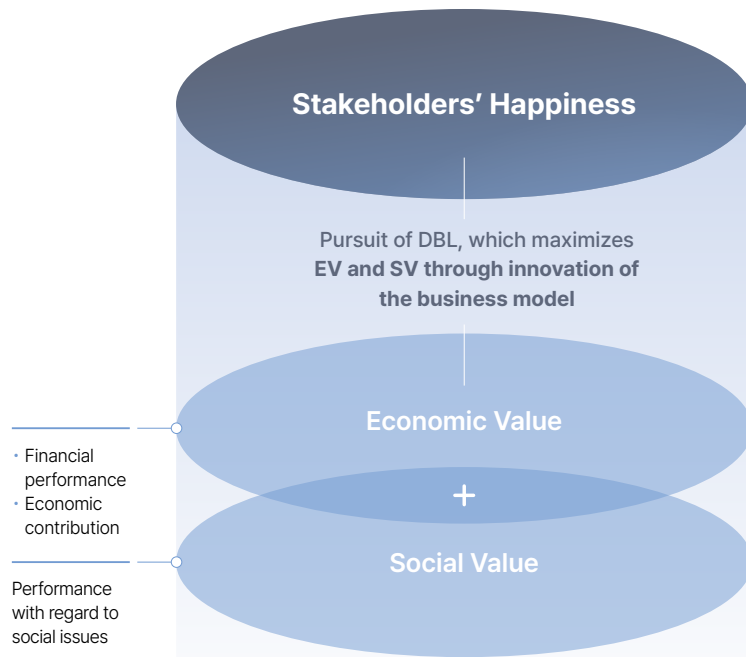
SK siltron CEO
Jung, Kwang-Jin

DBL Management

SK Group's DBL Management

The SK Group practices Double Bottom Line (DBL) management, which creates both Economic Value (EV) and Social Value (SV) simultaneously. The social value that SK pursues is defined as 'all value created by the company for stakeholders' happiness'.

SK siltron has also established the 'pursuit of social value' as a core management strategy to enhance the happiness of stakeholders, including customers, business partners, shareholders, and society. Based on this strategy, we are innovating our business model while listening closely to understand stakeholders' needs, thereby strengthening corporate sustainability and ESG responsibility and expanding a trust-based relationship with stakeholders.



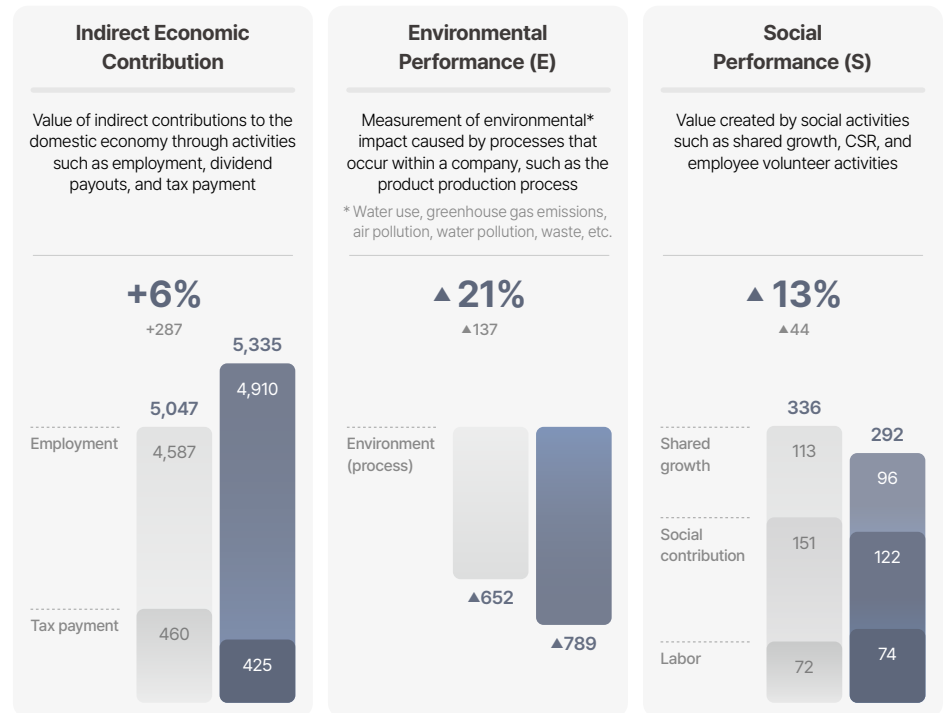
Creation of Social Value

The SK Group recognizes that a company's role should include resolving social issues and enhancing stakeholder happiness beyond simply creating economic value. Accordingly, we define all value created by the company as 'social value' and measure relevant performance annually.

In 2025, SK siltron generated KRW 483.7 billion in social value, an increase of KRW 10.5 billion (+2.2%) compared to the previous year. We recorded indirect economic contribution of KRW 533.5 billion, continuing the growth driven by improved wages and welfare benefits. Meanwhile, environmental performance decreased by KRW 13.7 billion (-21%) due to higher greenhouse gas emissions from higher production volume. Social performance declined by KRW 4.4 billion (-13%), totaling KRW 29.2 billion, due to the completion of certain localization projects and changes to investments in joint technology development with suppliers.

● 2024 ● 2025

Unit: KRW 100 million



Company Overview

SK siltron is Korea's one and only semiconductor materials company that specializes in the production of silicon wafers, which is a key component in semiconductors. After our foundation in 1983, we have shared a journey of exponential growth with the Korean and global semiconductor industries for about 40 years, evolving into one of the global top 5 companies. Instead of settling for the present accomplishments, SK siltron utilizes its competitiveness in stable manufacturing of silicon wafers to proactively respond to various stakeholders' needs, such as responding to climate change and enhancing sustainable supply chain competitiveness.

Company Name
SK siltron Co., Ltd.

CEO
Jung, Kwang-Jin

Foundation
April 25, 1983

Number of Employees
3,624(as of December 31, 2025)

Head Office Address
132-11, 3-Gongdan 3-ro, Gumi-si,
Gyeongsangbuk-do

Business
Manufacturing of silicon wafers,
a core component of semiconductors

Sales
KRW 2.126 trillion

Operating Profit / EBITDA
KRW 193.1 billion / KRW 459.3 billion

1983
-
2000

History

- 1983 Founded the company
- 1984 Started semiconductor silicon wafer business
- 1990 Changed company name to Siltron Co., Ltd.
- 1996 Produced 200mm Si wafers

2001
-
2016

- 2003 Developed 300mm silicon wafer single crystal growth equipment
- 2008 Expanded the wafer production plant
- 2013 Established 450mm pilot production line

2017
-
2025

- 2017 Launched SK siltron Co., Ltd.
- 2019 Designated large-diameter semiconductor wafer crystal growth technology as 'national core technology'
- 2022 Entered the advanced EV materials sector (Nano carbon heating film and chip bonding)
- 2024 Successfully localized ultrapure water
- 2025 Established the Semiconductor Materials Research Center Received the USD 800 Million Export Tower Award on the 62nd Trade Day

Global Network

SK siltron operates domestic production bases and a semiconductor research center, and strives to provide customized products and services to our customers through subsidiaries, branches, and offices in major global hubs. By creating mutual synergy through cooperation with customers, we will strive to strengthen our position as a wafer company that grows together with customers.



1) 2 domestic subsidiaries, 4 overseas first-tier subsidiaries, and 2 overseas second-tier subsidiaries

OUR STORY

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Sustainability Management Promotion Strategy

Sustainability Management Strategic Framework

Vision

Global Top Wafer Company

Sustainability Management Commitment

A leading wafer player with exceptional ESG performance that creates happiness for all stakeholders, including customers, employees, supply chain, and society, through incorporating sustainability management into the essence of its business

Strategic Directions

Leading the lowest carbon wafer



Empowering our company



Advancing the engagement with society



Preserving the principles



Key Areas

Climate Change Response

Resource Circulation

- Achieving Net Zero 2040 & RE100
- Achieving industry-leading levels in CDP Climate change & Water security

- Reducing water intake per unit by 10% (compared to 2022 levels)
- 100% waste recycling rate

Health and Safety

Human Resources

- Maintaining Lost-Time Injury Rate (LTIR) below 0.1
- Zero serious accidents

- Conducting regular human rights assessments and implementing preventive activities to eliminate human rights risks
- Fostering an organizational culture that upholds respect for diversity and human rights/developing relevant systems
- Culture that supports work-life balance

Sustainable Supply Chain

Social Contribution

- 100% of key suppliers achieving Grade A in ESG evaluation
- Acquiring the highest rank in shared growth index

- Creating a sustainable community safety net
- Building a culture of voluntary participation among employees

Ethics and Compliance

Information Security

- Zero legal violations and corrupt behaviors
- 100% completion rate of anti-corruption training for employees and suppliers

- Zero cases involving leakage of corporate data and customer information
- Securing a system for protecting next-generation industrial technology

Medium- to Long-term Strategic Initiatives

Stakeholder Engagement

SK siltron operates communication channels with various stakeholder groups based on its business model and industry characteristics. To identify the key interests and issues of our stakeholders, we listen to their feedback and incorporate it into our strategies and initiatives. By disclosing the resulting performance in detail through our sustainability report, we aim to strengthen cooperation and trust-based relationships with our stakeholders.

Stakeholder	Key Interests	Communication Channels	Key Activities
Customers 	- Strengthening the management of greenhouse gas emissions - Developing next-generation, future technology - Providing products that meet customers' needs - Product and service quality	- ESG Survey - Customer satisfaction surveys - Customer meetings and visits - VOC surveys	- Sharing plans and outcomes related to greenhouse gas emissions and Net Zero - Developing next-generation products and advanced technologies through the Semiconductor Materials Research Center - Developing ultra-precision analysis technologies to provide solutions tailored to customers' needs - Enhancing quality control and manufacturing competitiveness through improved core process technologies
Suppliers 	- Establishing a fair trading order - Support for strengthening ESG capabilities - Managing the work environment, health, and safety	- One-on-one meetings with suppliers - Supporting shared growth and handling suppliers' grievances - Occupational health and safety council - BP Award	- Ensuring compliance with laws and principles through the creation of an ethical culture, including the operation of a fair trade compliance program - Providing ESG education programs - Operating health and safety councils to achieve zero serious accidents
Employees 	- Providing fair evaluations and compensation - Creating a great environment to work - Respecting employees' human rights and diversity	- Labor union and labor-management council - In-house broadcasts, newsletters, and online forum - Reporting and grievance handling channel - CEO Live Talk, T.O.P Day of each organization	- Operating systems for fair evaluation, compensation, and promotion focused on employee growth - Operating various systems and programs to facilitate work-life balance - Improving human rights monitoring systems to protect human rights and promote a culture of respect for human rights
Shareholders and Investors 	- Ensuring financial soundness and profitability - Securing responsible governance - Managing ESG risks	- General meetings of shareholders - Regular IR - Dart electronic disclosure - Sustainability report	- Disclosing sustainability activities, performance, and goals transparently - Listening to shareholders and investors' opinions on improvement directions - Strengthening and disclosing risk management systems for ESG issues
Local Communities 	- Creating social value through social contribution activities - Revitalizing local economies - Minimizing negative impacts around business sites	- Social contribution activities - Local community meetings - Meetings and interviews with public institutions	- Encouraging employees' voluntary participation at head office sites - Contributing to resolving social issues based on three core social contribution strategies (future generations, environment, and coexistence with local communities) - Identifying and continuously operating social contribution programs such as charities and volunteer activities.
Government 	- Compliance with laws and regulations - Protecting industrial technologies - Prompt and transparent disclosure of information	- Conferences - Meetings - Participation in national projects	- Managing and responding to legal risks associated with each issue through relevant departments - Complying with the government guidelines to prevent greenwashing - Establishing a compliance system to maintain compliance with laws and regulations

Materiality Assessment

SK siltron selects material issues through a double materiality assessment based on the European Sustainability Reporting Standards (ESRS) and GRI Standards 2021. This allows us to comprehensively analyze the materiality of impacts that corporate activities have on society and the environment as well as the financial materiality of impacts that external issues have on our financial value, and to systematically manage them in connection with our management strategy. This year's assessment was conducted through stakeholder surveys and in-depth interviews on the company-wide activities and processes, as well as through the monitoring of global semiconductor industry trends and the regulatory environment. As a result, we confirmed that the existing material issues still adequately reflect the changing internal and external risks and opportunities. Accordingly, we will focus on the same material issues for the current reporting period, and we will pursue continuous improvement activities by deepening related initiatives and transparently disclosing our implementation performance.

Understanding Business

Deriving a sustainability issue pool based on the analysis of business activities, value chain relationships, and affected stakeholders

Analyzing Domestic and Global Environments

- Identifying global ESG regulations and semiconductor industry and market trends
- Reviewing internal data, including key stakeholder inquiries



Grounds for Deriving Issues

Internal Status Analysis	Reviewing alignment with the core corporate value and strategy • Analyzing drivers for corporate value measurement • Discussion agendas of the ESG Management Committee • Company-wide ESG KPI metrics and achievement status
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Indicators for Capital Market Assessment	Checking compliance with domestic and international ESG disclosure and rating standards • Industry standards and ESG evaluation metrics in the capital market • Major ESG initiatives (MSCI, SASB, KCGS, etc.) • Global supply chain assessment criteria (RBA self-assessment checklist, etc.)
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Bench-marking	Identifying industry trends and key stakeholder interests • Analyzing issues of leading companies in the semiconductor industry • Reviewing case studies of global industry peers
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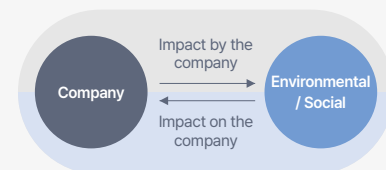


Derived the list of issues subject to identification and assessment (27 items)

Identifying Impact, Risk, and Opportunity

Identifying and categorizing the issue pool derived based on the double materiality perspective

Identifying Impact, Risk, and Opportunity



Impact Materiality (Inside-Out)	Impacts of the company's activities related to sustainability topics on the environment and society (Categorized into positive/negative and actual/potential impacts depending on the nature of the impact)
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Financial Materiality (Outside-In)	Financial impacts of external factors related to sustainability topics on the company (Categorized into risks and opportunities depending on the nature of the impact)
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Gathering Feedback from Key Domestic and Overseas Stakeholders

Gathering feedback from key internal and external stakeholders with a high understanding of the relevant issues to assess the materiality of the identified impacts, risks, and opportunities

Internal Employee Interviews

Conducting interviews with employees from relevant business units and the sustainability organization regarding the issue pool (Identifying strategic alignment and internal perceptions)

Assessing Impact, Risk, and Opportunity

Conducting the assessment based on the design of evaluation scales and stakeholder engagement to evaluate the materiality of each issue

Assessment Indicators (27 Items)

Category	Impact	Financial
Scale	Significance of negative impacts or positive benefits on the environment and society	Financial impact on the company's revenues, costs, capital, etc.
Scope	Number of stakeholders affected / Geographic scope	Scope of financial impact within business divisions and the value chain
Likelihood	Expected timeframe for the materialization of potential impacts	
Remediability	Difficulty of remediating negative impacts	

Selecting, Reporting, and Disclosing Material Issues

Selecting the final material issues based on the double materiality assessment, and transparently disclosing them in the report following management review and reporting to the ESG Management Committee

Review of Material Issues

- Review by the sustainability organization**
: Reviewing the appropriateness of the selected material issues related to sustainability
- Reporting to and approval by the ESG Management Committee**
: Reviewing and finalizing the material issues

Final Material Issues

Environmental	Climate change - GHG emissions - Use of renewable energy - Expansion of the eco-friendly portfolio Resource circulation - Reuse and recycling of resources - Water use - Emission of waste / environmental pollutants
Social	Human resources - Protection of labor and human rights - Development of employee competencies Supply chain - Supply chain ESG management Health and safety - Prevention of serious accidents
Governance	Ethics and compliance - Prevention of unethical and corrupt behaviors - Compliance violation

Materiality Assessment

Materiality Assessment Results

The final 13 material topics were derived across all environmental, social, and governance areas. The selected issues are integrated and managed into six focus areas reflecting the alignment with our sustainability advancement strategy. Specifically, these include seven issues related to climate change response and resource circulation in the environmental area; four issues related to human resources, supply chain sustainability, and health and safety in the social area; and two issues related to ethics and compliance in the governance area.

Impact of Material Issues

Focus Area	Issue	Impact		Financial	
		Materiality	Description	Materiality	Description
Climate change response	Greenhouse gas emissions	● [Positive]	• Reduction of emissions and carbon footprints through the implementation of Net Zero	● [Risk]	• Increase in carbon burden due to stricter regulations
	Use of renewable energy	● [Positive]	• Expansion of the lineup of low-carbon products	● [Opportunity]	• Decline in sales volume due to weakened product competitiveness
	Expansion of the eco-friendly portfolio	● [Negative]	• Increased emissions due to increase in energy use • Lack of supply compared to demand for renewable energy	● [Opportunity]	• Reduction of costs for responding to carbon credit scheme through emissions reduction • Expansion of sales opportunities based on the competitiveness of low-carbon products
Resource circulation	Resource circulation	● [Positive]	• Reinforcement of circular economy through expansion of resource circulation	● [Risk]	• Increase in waste treatment costs
	Emission of waste/ environmental pollutants	● [Positive]	• Contribution to maintaining natural capital and strengthening resilience	● [Opportunity]	• Imposition of fines in the event of violation of environmental regulations
	Water use	● [Negative]	• Negative social impact caused by increase in waste • Environmental damage near business sites and threat to residents' health	● [Opportunity]	• Reduction of raw material supply costs through resource circulation • Lowering of costs from reduced water intake volume
Human resources	Protection of labor and human rights	● [Positive]	• Empowerment of organizational capabilities through enhancement of diversity, in terms of aspects such as gender and region	● [Risk]	• Disputes associated with human rights infringements and discrimination
	Development of employees' capabilities	● [Positive]	• Enhancement of work satisfaction through strengthened job capabilities	● [Opportunity]	• Weakened competitiveness due to human resource losses • Increase in productivity based on strengthening of employees' job capabilities
Sustainable supply chain	Supply chain ESG management	● [Positive]	• Increased competitiveness and spread of fair trading through the selection and maintenance of competent suppliers	● [Risk] ● [Opportunity]	• Damage to the company's competitiveness and reputation due to suppliers' ESG risks • Establishment of sustainable partnerships
Health and safety	Prevention of serious accidents	● [Positive]	• Increased worker safety through prevention of serious accidents	● [Risk]	• Work stoppage and rise in insurance premiums due to occupational accidents
		● [Negative]	• Threat to worker safety due to on-site risk factors • Decline in quality of life among employees and their families when accidents occur		
Ethics and compliance	Prevention of unethical and corrupt behaviors	● [Positive]	• Expansion of compliance culture through ethical management practices	● [Risk]	• Transaction interruptions and decline in trust due to ethics violation
	Compliance violation	● [Negative]	• Decline in stakeholder trust due to corporate ethics violation	● [Opportunity]	• Stricter compliance system leading to reduced costs associated with legal risks

[Reference] Priority Material Issues

● Environmental ● Social ● Governance

Pri- ority	Cate- gory	Issue
1	●	Greenhouse gas emissions
2	●	Use of renewable energy
3	●	Resource circulation
4	●	Expansion of eco-friendly product portfolio
5	●	Water use
6	●	Supply chain ESG management
7	●	Prevention of unethical and corrupt behaviors
8	●	Protection of labor and human rights
9	●	Prevention of serious accidents
10	●	Emission of waste
11	●	Emission of environmental pollutants
12	●	Development of employees' capabilities
13	●	Compliance violation
14	●	ESG engagement of the Board of Directors and top management
15	●	Stakeholder communication and engagement
16	●	Personal information protection and information security
17	●	Support for suppliers' physical and human growth
18	●	Product safety and recall
19	●	Health and life quality of employees and their families
20	●	Fair performance evaluation
21	●	Management of customer satisfaction
22	●	Contribution to local communities
23	●	Worsened labor-management relationship
24	●	DE&I workforce composition
25	●	Handling of employee grievances
26	●	Independence, expertise, and diversity of the Board of Directors
27	●	Reduced biodiversity

Management of Material Issues

Response Status for Each Material Issue

Material Issue	Promotion Strategy	Risk Management	Performance	Medium-to-Long-Term Goals
Climate change response	Organizing and operating the ESG Management Committee, consisting of key executives including the CEO	- Identifying risks and opportunities based on the enterprise risk management system and the TCFD framework - Reflecting the results of scenario analysis in business strategies - Analyzing impact, risk, and opportunity factors related to climate change	- Executed GHG emissions reduction initiatives - Reduced 10,836 tCO₂-eq through 45 initiatives - Signed renewable energy PPA contracts - Secured PPAs for a cumulative 150MW - Built GHG inventories for subsidiaries	- Net Zero & RE100 (by 2040) - Achieve industry-leading levels in CDP Climate Change & Water Security
Resource circulation	- Reviewing and approving core strategic directions, key metrics, and medium- to long-term strategies and goals - Discussing sustainability issues, making decisions, and overseeing execution performance	- Monitoring water resource risks - Conducting water risk impact assessments by studying and tracking water-stressed areas - Reducing and managing life cycle water consumption through product water footprint certification and renewal - Linking levels of resource reduction and recycling achievements to compensation	- Promoted water savings by expanding the use of alternative water resources - Expanded the scope of utilizing reclaimed wastewater - Implemented initiatives to reduce waste generation - Reused auxiliary materials (plastic pallets) through process modifications - Secured the highest ZWTL rating (Platinum for Gumi Plants 2 and 3)	- Reduce water intake intensity by 10% 100% waste recycling rate
Health and safety	- Appointing a Chief Safety Officer (CSO) under the CEO - Establishing the SHE Management Committee to manage and oversee health and safety issues	- Systematically managing health and safety activities through the health and safety management system (ISO 45001) - Strengthening prevention by rolling out the company-wide OHS Risk Free campaign	- Introduced an AI-based chemical accident response assistant - Established a prevention-oriented SHE culture by conducting CEO-led MBWA - Established a system to activate the right to stop work	- Zero serious industrial accidents - Lost Time Injury Frequency Rate of 0.1 or below
Human resources	- Appointing a Chief Human Rights Officer (CHRO) under the CEO - Reviewing the human rights management system under the supervision of the CHRO - Strengthening stable labor-management partnerships by holding regular Labor-Management Council meetings	- Reporting human rights violations and handling grievances - Enhancing accessibility for internal and external stakeholders by ensuring anonymity and operating diverse channels for reporting - Enacting guidelines for human rights violation remediation procedures and establishing and operating a Remediation Committee	- Carried out human rights promotion activities - Conducted RBA Labor section assessments for in-house suppliers - Declared support for Diversity, Equity, and Inclusion - Operated diverse labor-management communication channels - Regularly held labor-management working-level meetings, grievance handling bodies, and Labor-Management Councils	- Regularize human rights due diligence and strengthen preventive activities - Internalize an organizational culture that respects diversity and inclusion and establish relevant systems - Establish an employee-led culture of work-life balance
Sustainable supply chain	- Regularly reporting and discussing supply chain ESG risk management plans and execution performance at the ESG Management Committee - Systematically inspecting and managing related major risks by regularly holding meetings of the Internal Subcontracting Deliberation Committee	- Conducting regular supplier level assessments based on audits and due diligence - Conducting self-assessments and demanding improvements based on RBA guidelines - Expanding the scope of management to SMEs through collaboration with public institutions	- Achieved the highest rating in the shared growth index - Managed supplier ESG risks - Conducted assessments of 202 companies and on-site due diligence for 33 suppliers - Provided tailored improvement support for 8 suppliers	- Ratio of group A suppliers achieving an A grade: 100% - Achieve the highest rating in the shared growth index
Ethics and compliance	- Establishing the Compliance Management Committee as the top decision-making body to manage and oversee corporate ethics and anti-corruption measures - Organizing the Risk Management & Corporation Auditing Office directly under the CEO, designating it as the dedicated office for ethical management	- Operating a preventive system to proactively identify and control corruption risks based on the anti-bribery management system (ISO 37001) - Establishing a transparent whistleblowing process and comprehensive regulations for protection of whistleblowers	- Promoted and internalized an ethical management culture - Achieved 100% participation in the ethics and anti-corruption pledge - Conducted specialized ethical management training for stakeholders, including internal employees and suppliers - Conducted internal audits across all divisions at least every three years	100% anti-corruption training completion rate (including subsidiaries and suppliers) - Zero regulatory violations and corruption incidents

Sustainability Management Governance

SK siltron has established the ESG Management Committee to strengthen business sustainability and reviews related pending issues. Key agenda items discussed at the ESG Management Committee are submitted to the Board of Directors for final decision. We operate a dedicated sustainability organization to consult with relevant departments on each pending issue, support the establishment of KPIs and strategies to achieve medium- to long-term goals, and monitor the progress of execution initiatives.

Board of Directors

SK siltron's Board of Directors recognizes the strengthening of sustainability as a core value of corporate management and is the highest decision-making body that oversees and manages related company-wide activities. The Board of Directors reviews and resolves sustainability strategies, policies, and goals, and provides strategic direction by reviewing impacts, opportunities, and risks caused by environmental changes.

ESG Management Committee

The ESG Management Committee is responsible for elevating the company-wide sustainability level and supporting the Board of Directors in the decision-making process. Chaired by the CEO and comprised of C-level executives from key organizations, the committee enables management to review and discuss sustainability-related matters with the heads of each respective area. The committee is held regularly on a semi-annual basis and also on an ad hoc basis as needed, operating a system to respond swiftly to major pending issues.

Sustainability Working Group

The Sustainability Working Group is a consultative body composed of working-level organizations that execute sustainability initiatives. We organize working groups for each material issue to discuss key topics and seek directions for improvement. Matters requiring a decision are deliberated and resolved by the relevant committees, and if necessary, further discussions are held at the ESG Management Committee level. The working group operates regularly on a quarterly or semi-annual basis.

Composition of ESG Management Committee



Management System for Each Material Issue

Material Issue	ESG Management Committee	Sustainability Working Group				
		SHE Management Committee	Labor-Management Council	Personnel Committee	Internal Subcontracting Deliberation Committee	Compliance Management Committee
Climate change	●					
Resource circulation	●					
Health and safety	●	●				
Human resources	●		●	●		
Supply chain	●				●	
Ethics and compliance	●					●

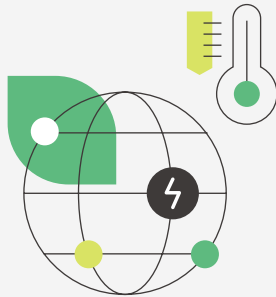
LEADING THE LOWEST CARBON WAFER

16 Climate Change Response

24 Resource Circulation

Climate Change Response

2025 Highlight



Renewable energy

Renewable energy transition rate

19%

PPA

PPA supply quantity secured

150MW

Promotion Strategy

SK siltron declared 2040 Net Zero in 2021 and is establishing and implementing a company-wide reduction strategy, as part of its response to global climate regulations and customer demands. We are establishing a reduction roadmap that aligns with global standards in accordance with the SBTi methodology, building a consolidated greenhouse gas inventory that includes subsidiaries, and aiming for SBTi validation through third-party verification.

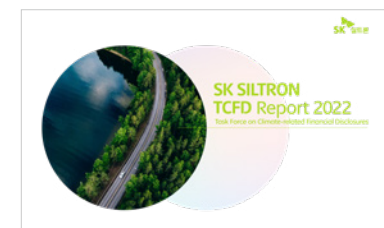
We report and resolve key agenda items regularly through the Board of Directors and the ESG Management Committee, reflecting them in our management decision-making. In 2025, we reviewed strategies for additional PPAs and supply chain-centric Scope 3 reduction. We plan to review cooperation measures to support the Scope 3 reductions of key customers in stages moving forward, and we will actively secure PPAs with the goal of achieving 100% renewable energy use. Furthermore, to elevate our level of climate change response, we incorporate core indicators into KPIs and link them to executive performance evaluation and remuneration, thereby strengthening Net Zero execution capabilities company-wide.

Risk Management

Based on the TCFD framework and company-wide risk management system, SK siltron identifies and analyzes climate change risks and opportunities, evaluates their financial and strategic impacts, and incorporates them into management decision-making. Risks and opportunities are derived by comprehensively reflecting IPCC scenarios, opinions from internal and external experts, and stakeholder demands, and they are verified through the working group. Through this process, our Net Zero roadmap, renewable energy transition, and GHG reduction initiatives are integrated into our company-wide strategy and financial planning. Climate risks are incorporated in the company-wide risk management system, and in the event of acute risks such as wind and flood damage, we immediately activate our BCP to respond. At our domestic business sites, we maintain a response system by continuously monitoring GHG emissions, energy consumption, and changes in major carbon regulations.

Analysis of Climate Change Risks and Opportunities

SK siltron systematically reviewed climate change risks and opportunities through its 2022 TCFD Report. Applying the low-carbon (SSP1-2.6) and high-carbon (SSP5-8.5) scenarios based on the IPCC Sixth Assessment Report, we quantitatively analyzed the physical risks to our major domestic and overseas business sites and key suppliers with 2030 as the target year. Based on a comprehensive analysis of nine types of climate hazards including floods, heatwaves, and typhoons, it was determined that the Mean Annual Anticipated Loss (MAAL) of all business sites did not reach the severe risk level (16% or higher) defined by S&P, and was evaluated as low or manageable overall. The deviation by scenario is also limited in the short and medium term, indicating that our existing business sites have secured a certain level of climate resilience. On the other hand, the influence of transition risks due to regulatory and market changes is gradually expanding. The strengthening of domestic and international carbon regulations, the increasing ratio of paid allocation of emission allowances, rising carbon prices, and the introduction of the EU CBAM could increase costs and weaken export competitiveness. Furthermore, expanding the use of renewable energy, managing supply chain carbon, and providing product carbon footprint information are emerging as essential conditions for business transactions, particularly among customers who have joined global initiatives such as RE100 and SBTi. Accordingly, we are accelerating our carbon reduction strategy by diversifying renewable energy sources, improving energy efficiency, and innovating processes. At the same time, we aim to secure a sustainable competitive advantage even in an external environment characterized by growing uncertainty by responding in real-time to volatility of carbon credit prices and policy changes.



Climate Change Response

Process for Selecting Climate Change Risks and Opportunities

Based on the TCFD framework, SK siltron systematically identifies risks and opportunities related to climate change considering the specific characteristics of the semiconductor and wafer industries. The identified items are integrated into and managed within our company-wide risk management system, and the selected climate risks and opportunities are used as key considerations not only for ensuring the sustainability of existing businesses, but also when exploring new business opportunities and entering new markets.

Step 1

Identifying climate risks and opportunities



- Applying the company-wide risk management system and TCFD framework
- Selecting items reflecting the specificity of semiconductor and wafer industries
- Gathering the needs of internal and external stakeholders and expert opinions

Step 2

Conducting qualitative and quantitative assessments and determining priorities



- Evaluating likelihood and impact
- Identifying material risks/opportunities and reporting to management

Step 3

Analyzing climate scenarios



- Physical risks: Applying the IPCC SSP1-2.6 / SSP5-8.5
- Transition risks: Utilizing multiple IEA / OECD scenarios

Step 4

Incorporating the findings into business strategy and financial plan



- Establishing a response system for material risks
- Investing in material opportunities and establishing product innovation strategies
- Integrating the measures into the company-wide risk management system

Selection of Three Major Risks

Risk	Grounds for Selection	
Rising customer demand for setting and implementing carbon footprint reduction targets for wafer products	Likelihood	• Strengthening demands among global semiconductor customers for carbon emissions management across the entire supply chain, such as participating in initiatives like SBTi • Reduction of the product carbon footprint emerging as a prerequisite for executing customers' Scope 3 emissions reduction strategies
	Impact	• Potential loss of existing customers and restricted new orders if the response to demands for reducing the product carbon footprint is insufficient • Loss of opportunities for revenue generation due to downgraded supplier evaluations resulting from poor performance in CDP Supply Chain Engagement
Increase in carbon prices due to the introduction or strengthening of greenhouse gas regulations or carbon taxes at business sites	Likelihood	• Expected rise in carbon credit prices due to the full implementation of the EU CBAM in 2026 and the expanded ratio of paid allocations in the 4th phase of the emissions trading scheme • As a company subject to the domestic ETS, expecting an increase in the required volume of carbon credit purchases and expanded cost burdens
	Impact	• Inevitable increase in manufacturing costs due to higher carbon credit purchasing costs in the event of excess emissions • Potential expansion of risks associated with decreased operating profit and deteriorating profitability due to limits in passing on costs, a characteristic of the semiconductor materials industry
Increase in electricity costs due to decarbonization of the power sector	Likelihood	• Expected rise in industrial electricity rates due to expanded investments in grid infrastructure for decarbonization of the power sector and the continued financial deterioration of KEPCO • Possibility of grid stabilization costs, arising during the expansion of renewable energy, being passed on to consumers
	Impact	• High sensitivity to electricity cost fluctuations due to highly power-intensive semiconductor and wafer manufacturing processes • Rising electricity rates, having negative impacts not only on cost competitiveness but also on process stability and reliability of power supply

Selection of Three Important Opportunities

Type	Description	Financial Impact
Market opportunity (products and services)	• Expanding zero-carbon and low-carbon wafers (e.g., CFZ) • Strengthening marketing through the acquisition of product carbon footprint certifications • Supplying products that meet customers' Scope 3 reduction demands	• Ability to apply premium pricing • Revenue growth and stabilization of orders
Strategic opportunity (trust and relationships)	• Supporting customers in achieving Net Zero • Establishing cooperative frameworks aligned with global initiatives such as RE100 and SBTi • Strengthening supply chain position through proactive responses to carbon regulations (e.g., CBAM)	• Expanded opportunities for long-term procurement contracts • Enhancement of business continuity
Resource efficiency (energy and resources)	• Hedging against the risk of rising electricity prices • Transitioning to renewable energy and procuring power based on PPAs • Optimizing consumption through energy efficiency improvement activities	• Reduction of power costs compared to purchasing grid electricity • Optimization of operational expenditure (OPEX)

Climate Change Response

Execution and Performance

SK siltron actively improves energy efficiency with the goal of achieving Net Zero Scope 1 and Scope 2 net emissions across all business sites by 2040.

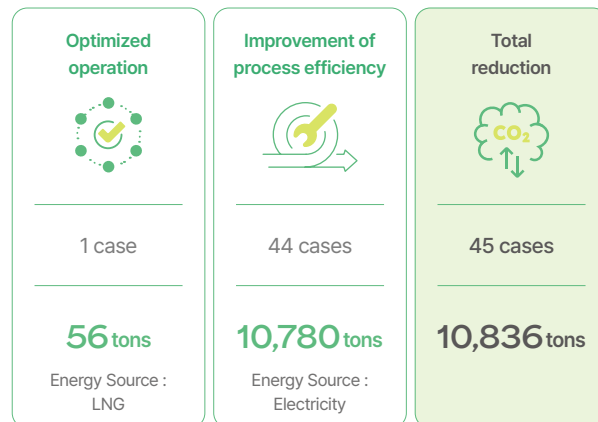
Reduction of Direct and Indirect Greenhouse Gas Emissions

SK siltron manages energy use at its business sites systematically based on the ISO 50001 energy management system and drives direct greenhouse gas reduction through energy-saving activities. We have established company-wide energy reduction targets and assigned specific reduction projects for each organization, and have been implementing them to optimize energy consumption.

To enhance execution of energy-saving activities, a dedicated organization at each business site oversees project implementation status and reviews and evaluates key achievements regularly. In 2025, we implemented 45 energy-saving projects focused on reducing the use of major energy sources such as electricity and LNG. As a result, we were able to reduce 10,836 tons of greenhouse gases.

Greenhouse Gas Reduction Project Performance

Unit : tCO₂-eq



Promotion of Renewable Energy Use

As over 95% of SK siltron's Scope 1 and 2 emissions come from Scope 2, we pursue the transition to renewable energy as our key strategy for reducing indirect emissions. To meet the renewable energy demands and carbon transparency expectations of our major customers, we have established a systematic and verifiable transition strategy centered on PPAs.

In 2025, considering changes in the internal and external procurement environment, we temporarily adjusted our green premium-centric strategy, which somewhat affected our transition rate. However, this was a process intended to build the foundation for a stable and sustainable long-term roadmap. Going forward, we plan to use PPAs, which ensure supply stability, as a core measure, and we are also reviewing the introduction of our own PPA model.

Execution of Direct Renewable Energy PPA

To reduce greenhouse gas emissions and respond to climate change, SK siltron is driving the transition of electricity used at its business sites to renewable energy as a core strategy. By 2025, we secured 150 MW of renewable energy and are continuously exploring avenues to secure additional volumes. We are actively considering the introduction of on-site PPAs by installing solar power generation facilities within our manufacturing sites. Through this, we plan to enhance energy self-reliance and maximize our carbon reduction effects.

The secured renewable energy will be introduced step-by-step starting in late 2026 to meet energy demand at our major domestic production bases, and we plan to continuously expand this in line with future energy consumption trends and progress toward achieving our reduction targets.

Green Premium Purchasing

SK siltron continues to expand its renewable energy procurement despite constraints regarding site availability and power grids. In 2025, we procured 181,980 MWh, equivalent to approximately 20% of our total power consumption, through green premium. This achievement is part of our strategy to swiftly secure renewable energy.

Reflecting stakeholders' demands for carbon transparency and strengthened international standards (such as revisions to the GHG Protocol), we have redefined the role of the green premium as a short-term and complementary measure, and have established a core initiative of implementing a long-term PPA system as a practical and verifiable power source. We plan to use the green premium as a means of securing flexibility to respond to volatility in power supply and demand in the future.

Establishment of Subsidiary Greenhouse Gas Inventory

SK siltron has completed a complete survey of emission sources and calculated emissions for the Head Office and all subsidiaries. Through this effort, we established a consolidated greenhouse gas inventory and strengthened our consolidated emissions management system by comprehensively identifying our emission status.

This is the result of reflecting international standards such as ISSB and SBTi, as well as the expectations of customers and investors. We have laid the foundation for establishing practical and actionable reduction strategies for each scope tailored to the national and industrial characteristics of our subsidiaries. In the future, this inventory will be referenced as key data for responding to global disclosure standards.

Climate Change Response

Reducing Carbon Footprint of Silicon Wafers

SK siltron measures the carbon emissions of all its products (silicon wafers) throughout their product life cycle. We quantitatively manage greenhouse gas emissions at each stage, from procurement of raw and auxiliary materials to logistics and the entire production process. Based on this, we identify and implement reduction opportunities. In the Scope 1 and Scope 2 areas, we are reducing greenhouse gases through direct emission reduction and the transition to renewable energy. In the Scope 3 area, we are cooperating with the supply chain and requesting participation in carbon reduction efforts. Through such proactive reduction activities across the entire value chain, we are actively responding to client demands. At the same time, we are mitigating risks stemming from strengthened carbon regulations and the rising costs in the global supply chain.

Climate Policy Risk Response and Credit Trading Optimization

SK siltron is establishing medium-to-long-term greenhouse gas reduction targets and systematizing its regulatory response strategies to respond proactively to climate policy risks resulting from the government's tightening of carbon emissions regulations. We continuously monitor domestic and international emissions trading scheme policies and regulatory trends, and optimize trading timing and volume through simulations of allowance prices, thereby efficiently managing regulatory compliance costs. In particular, we proactively analyzed the potential impacts on corporate operations due to changes in allocation methods, strengthened reduction obligations, and increased price volatility during the 4th period (2026-2030). The results of this analysis will be reflected in the establishment of our future reduction roadmap and investment decision-making, laying the foundation for enhancing our strategic response capabilities to regulatory changes and minimizing cost uncertainties.

Reflecting ESG Evaluation in Investment Reviews

When pursuing investment projects, SK siltron makes sustainable investment decisions by jointly reviewing effects and risks from an ESG perspective. In the environmental aspect, we review the effects of greenhouse gas reductions and energy efficiency improvements, focusing on alignment with the Net Zero strategy. In the social and governance aspects, we consider related impacts and risks together with the stakeholders. Before executing an investment, we review preliminary risks through an Investment Subcommittee that includes an expert organization. This committee operates on the basis of holding face-to-face meetings once a month. For investment agenda items subject to review, the score of each member is calculated using a scoring scale by investment type, and the investment priority is evaluated within the budget range to determine whether to approve the agenda.

In addition, the organization responsible for sustainability management uses an ESG Self Checklist to pre-review internal and external ESG impact factors for the investment agenda. Through this, we determine environmental impacts such as greenhouse gas and energy reduction effects, reductions in water and waste discharges, and the expansion of resource recycling, and analyze the annual carbon reduction effect by quantifying it. Furthermore, in preparation for rising carbon prices, we evaluate investment economics together by applying an internal carbon pricing system. Decisions on agenda items that have undergone the ESG review are ultimately taken after review by the Investment Review Committee and the Board of Directors.

Emission Offsetting by Securing External Reduction Credits

Since 2018, SK siltron has been promoting a project to distribute high-efficiency cookstoves in Myanmar, a developing country vulnerable to climate crisis. This project realizes multidimensional social and environmental values, including not only GHG reduction but also the prevention of deforestation, conservation of ecosystems, fuel cost savings for low-income households, local job creation, health improvements for women and children, and reduced cooking times.

The United Nations Framework Convention on Climate Change (UNFCCC) reorganized the existing CDM and introduced the Paris Agreement Crediting Mechanism (PACM), a new crediting mechanism aimed at preventing double counting and enhancing transparency in accordance with Article 6.4 of the Paris Agreement. SK siltron's Myanmar cookstove project was the first to obtain emission credit approval following the transition to the PACM framework. This project contributes to the Myanmar government's national GHG reduction targets and the achievement of its Nationally Determined Contributions (NDC), fulfilling its role as a practical global carbon reduction measure.

Climate Change Response

Greenhouse Gas Emissions Indicators of Entire Value Chain (Scope 1, 2, 3)

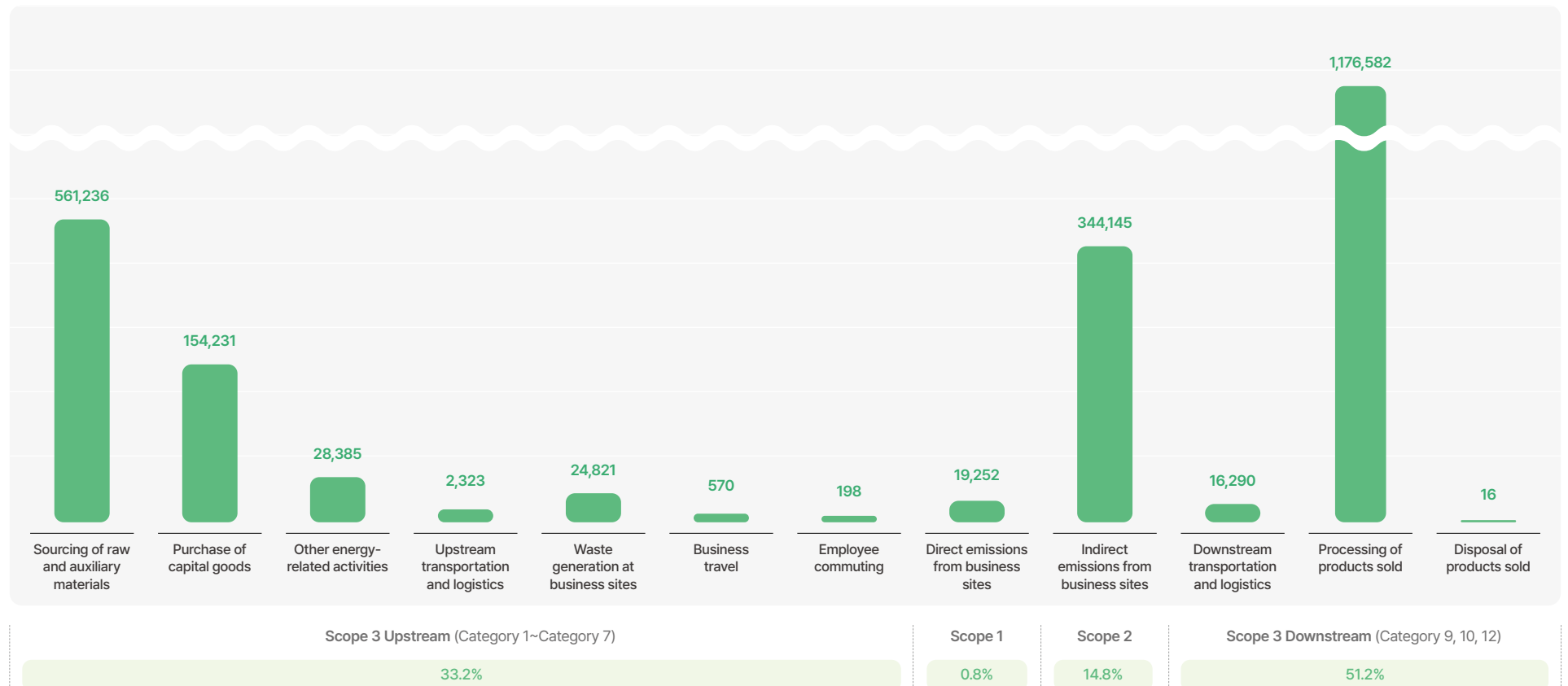
Implementation Framework and Process for Integrated Management of Company-wide Climate Change Risks

SK Siltron calculates not only Scope 1 and Scope 2 but also Scope 3 emissions to identify major sources of greenhouse gas emissions across the entire value chain to establish a stepwise reduction roadmap.

In 2025, the total greenhouse gases emitted by SK siltron across the entire value chain were 2,328 thousand tons, with business site (Scope 1 and 2) emissions accounting for 15.6% (363 thousand tons) of the total, and Scope 3 accounting for 84% (1,964 thousand tons). In detail, emissions from the processing of sold products accounted for the highest proportion of emissions at 1,176 thousand tons (51%), followed by the purchase of raw and auxiliary materials (561 thousand tons, 24%), indirect emissions from business sites (344 thousand tons, 15%), and the purchase of capital goods (154 thousand tons, 7%). SK siltron has set and is implementing a target to reduce business site emissions to Net Zero by 2040 through energy reduction and efficiency improvement at business sites and the transition to renewable energy. We are also strengthening cooperation on greenhouse gas reduction with the supply chain for raw and auxiliary materials.

Greenhouse Gas Emissions of Entire Value Chain (2025, Market-based)

(Unit: tCO₂-eq)



Climate Change Response

Climate Change Response Activity at Business Sites

01

Initiative

Electrification of safety patrol vehicles

→ Transitioning three patrol vehicles to eco-friendly energy to reduce greenhouse gas emissions

Cost Reduction

Electrification can reduce operational costs compared to fossil fuel

Greenhouse Gas Reduction

Greenhouse gas emissions reduced by 20% annually

Category	Annual Usage	GHG Emissions (1 Year)
Electric vehicles	Electricity 5,622 kWh	2.58 tCO ₂
Internal combustion engine vehicles	Diesel 1,224 L	3.25 tCO ₂

* Calculated based on annual operational data of one vehicle

Expanding the Scope of Eco-Friendly Mobility Transition to Patrol Vehicles

SK siltron is continuously introducing hydrogen commuter buses and electric forklifts, expanding the scope of eco-friendly in-house mobility. This year, we further broadened the application of eco-friendly mobility by transitioning on-site patrol vehicles to electric models. In particular, to support the stable operation and further expansion of electrified vehicles, we newly introduced 13 in-house EV charging stations and comprehensively improved the related charging infrastructure. Through this, we have effectively transitioned direct greenhouse gas emissions (Scope 1) to indirect emissions (Scope 2). Going forward, we plan to achieve Net Zero for indirect emissions by linking RE100 implementation with the use of renewable energy. Furthermore, we plan to continuously expand the scope of application by considering the steady introduction of electrified vehicles at the time of plant expansions or vehicle replacements.



Key In-House Examples of Transition to Eco-Friendly Mobility

2023

Hydrogen electric bus (for commuting)



Background

To increase commuting convenience for employees and strengthen management of Scope 3 emissions

Key Activity

Securing clean energy mobility by replacing diesel buses with hydrogen electric buses

GHG Reduction Effect

Annual reduction of 364 tCO₂
(simultaneous reduction of air pollutants)

2024

Electric forklift (for logistics and production)



To achieve carbon neutrality at logistics sites and improve working environments (noise, vibration)

Establishing a low-carbon logistics system by replacing internal combustion engine forklifts with electric forklifts

Annual reduction of 6 tCO₂
(GHG emissions reduced by 96%¹⁾)

1) GHG emissions (1 year): Electric: 0.22t / Internal combustion engine: 6.21t

Climate Change Response

Climate Change Response Activity at Business Sites

02

Initiative

Enhancement of energy efficiency through optimized air conditioning system controls

→ Reducing energy consumption by minimizing the
simultaneous operation of heating and cooling

Energy Reduction

Annual steam reduction of 9,514 tons
Annual electricity reduction of 1,373,722 kWh

Greenhouse Gas Reduction

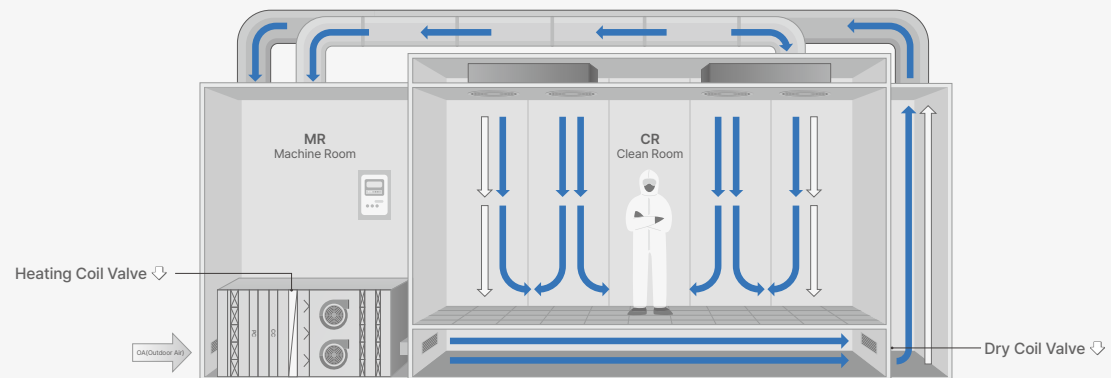
631 tCO₂eq

reduction annually

Optimization of Air Conditioning System for Maintaining Clean Room Positive Pressure

SK siltron is continuously advancing the control logic of its air conditioning system to maintain the cleanliness of the clean room and maximize energy efficiency. In 2024, we preemptively carried out basic reduction activities to block unnecessary power consumption by adjusting the air volume of Fan Filter Units (FFUs), the air circulation devices within the clean room. Based on this, we optimized the air conditioning system for maintaining positive pressure to improve fundamental inefficiencies in 2025. The existing system had a structure in which the heating of the air conditioning unit and the cooling

inside the clean room occurred simultaneously for the precise control of temperature and humidity, which caused an energy offset effect leading to the degradation of efficiency. Accordingly, by applying the improved control logic, we interconnected and precisely controlled the opening degrees of the air conditioning unit's hot water steam valve and the clean room's chilled water valve in real time. Through this, we were able to optimize the system to minimize the redundant operation of conflicting energies and maintain a stable clean room environment with the minimum necessary energy.



Energy Reduction through Clean Room FFU Adjustments

2024

SK siltron optimized the RPM of clean room Fan Filter Units (FFUs) for each process, thereby preventing unnecessary power consumption. As a result, we were able to maximize energy efficiency by minimizing operation rates while maintaining wafer quality and cleanliness.



Before

Operation method

Full-time operation
at high RPM

Energy consumption

Unnecessary power
consumption

Key effects

High utility costs Increased
carbon emissions

After

Variable RPM control based
on process load

Optimized electricity use

Maximized energy efficiency
Reduced operational expenses
(OPEX) and carbon emissions

Climate Change Response

Metrics and Targets

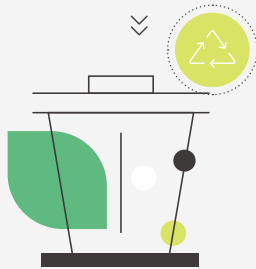
Performance in 2025 and Medium-to-Long-Term Targets

	Initiatives	2025	Medium-to-Long-Term Targets
Greenhouse Gas/ Energy 	Carbon neutrality* (baseline year of 2020, Scope 1, 2) * Market Based	2% reduction	2040 Net Zero by 2040
	Greenhouse gas Scope 3 reduction	Expanded Scope 3 upstream reduction initiatives	2030 Establishing a roadmap Establishing a roadmap for Scope 3 reduction and implementing reduction measures
Participation in Initiatives 	RE100* (compared to electricity consumption during the year) * All domestic business sites of SK siltron, all business sites of SK siltron CSS in the U.S.	19% transition	2040 100% transition by 2040
	Reduced energy use	2% reduction compared to BAU¹⁾	
	Participating in CDP and obtaining a grade	Leadership Maintaining CDP Climate Change & Water Security leadership	2030 Industry-leading Maintaining industry-leading performance in CDP Climate Change & Water Security
	Obtaining Carbon Trust certification	Carbon Trust Promoting Carbon Trust certification for all renewable products	

1) BAU: 446,998 tCO₂-eq, direct reduction: 10,836 tCO₂-eq, approximately 2%

Resource Circulation

2025 Highlight



Recycling rates

Increased in water
recycling rate

35.7%

(Gumi Business Site)

Achieved waste
recycling rates

94.4%

ZWTL

Obtained highest ZWTL grade

Platinum

(Plants 2, 3)

Promotion Strategy

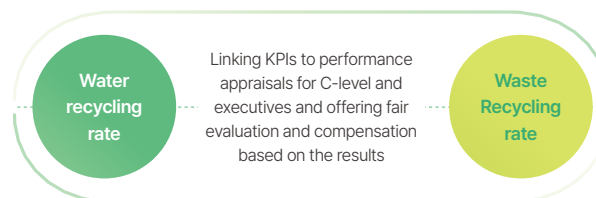
SK siltron has established and manages a systematic governance structure to strengthen resource circulation, including water and waste. The ESG Management Committee reviews and approves core strategic directions, key metrics, and medium- to long-term strategies and targets in the environmental area. It strengthens the performance-based resource circulation management system by receiving and reviewing regular reports on water consumption, waste recycling performance, and the status of performance achievements against reduction targets.

Risk Management

To identify and respond systematically to risks related to resource circulation, we operate a company-wide risk management system. Under the supervision of the company-wide risk organization, we regularly examine the demands of internal and external stakeholders related to resource circulation issues, as well as review the major risks and opportunities impacting sustainability. The following response strategies are implemented.

Establishing a Resource Circulation Risk Response System

To manage risks and opportunities related to resource circulation in an integrated manner, we have designated dedicated organizations such as the Pure Water Facility Team and the SHE Team 3. We are strengthening management responsibility and execution capabilities by reflecting resource circulation performance in the KPIs of key executives. The level of achievement in resource saving and recycling targets is linked to the compensation for our management, ensuring strong execution of sustainability management.

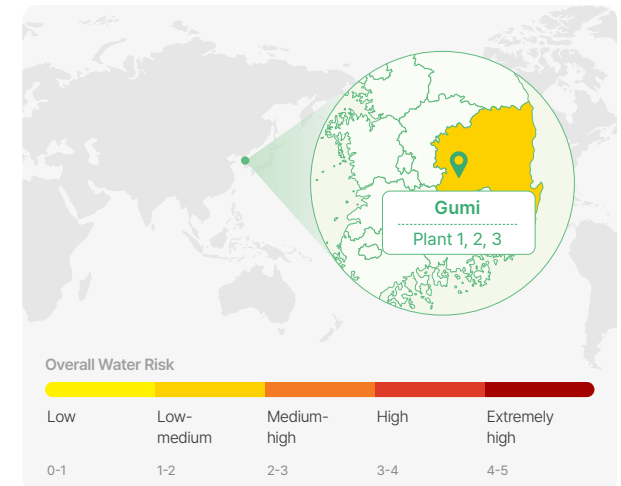


Water Resource Risk Analysis

To identify and respond systematically to water risks caused by climate change, SK siltron precisely evaluates the water stress levels of its business sites and key supply chains every year using WRI (World Resources Institute)'s Aqueduct Tool. The assessment heavily focuses on reflecting the latest criteria, such as precise analysis based on high-resolution data, regional risk reclassification standards, and the reflection of strengthened climate change scenarios.

According to the 2025 assessment results, our major business sites generally maintain a Low-Medium level of physical risk, and the risk level is expected to remain limited in the medium- to long-term. Nevertheless, we are establishing diverse response scenarios based on data regarding water consumption, reuse rates, and vulnerabilities within the supply chain to proactively respond to potential risks. Through this effort, we aim to minimize the possibility of business interruptions caused by climate change and strengthen our sustainable water management system.

Water Risk Analysis Results at All Business Sites of SK siltron



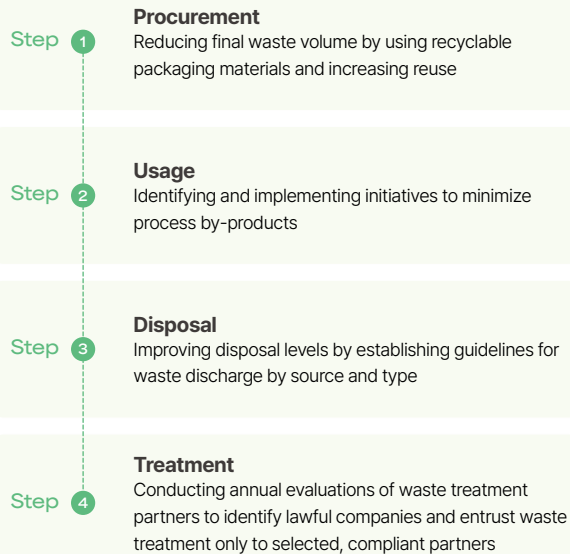
Resource Circulation

Execution and Performance

SK siltron has acquired ISO 14001 (environmental management system) certification for all its business sites in Gumi and applies the system rigorously to minimize environmental pollution caused by production activities. We are solidifying our foundation for eco-friendly manufacturing by strengthening environmental expertise. Furthermore, we are raising awareness regarding environmental protection by regularly conducting training on the importance of the environmental management system for all employees.

In addition, we operate a monitoring and inspection system that reflects the characteristics of the semiconductor industry to proactively manage internal and external regulatory risks. We have formed an internal inspection organization to respond proactively to the changing regulatory environment through regular and ad-hoc inspection activities.

Waste Management Process



Waste Management

SK siltron is strengthening its goal setting and execution capabilities to minimize waste generation in accordance with the characteristics of the wafer manufacturing process. Each department conducts an environmental impact assessment every year to forecast the volume of waste generated and analyze its impact on the environment. Based on this, we contribute to improving the waste recycling rate by establishing and implementing specific improvement initiatives such as reusing raw and auxiliary materials and improving processes. Additionally, to ensure the stable and responsible treatment of waste, we provide guidance and conduct regular evaluations, management, and inspections of our suppliers.

Waste Generation Reduction Activities

SK siltron is promoting systematic 3R (Reduce, Reuse, Recycle) activities to minimize waste generation and enhance resource circulation.

Reduce

- Extending the usage cycle of raw and auxiliary materials¹⁾ through process improvements to minimize resource consumption

Reuse

- Increasing the number of uses of packaging materials²⁾
- Increasing the number of reuses of transport pallets
- Increasing the ratio of raw and auxiliary materials reused, such as wire-saw slurry

Recycle

- Diversifying the pool of certified resource circulation companies selected by the government
- Selecting lawful companies through SHE evaluations
- Promoting continuous transition of incineration waste, such as waste synthetic resin, into recycling
→ Minimizing landfill and incineration volumes

1) Abrasive, slurry, open cassette, etc.

2) FOSB, Hybox, Carton Box, etc.

CASE

01

Introducing a Plastic Pallet Reuse Process



SK siltron is continuously strengthening collaboration with key suppliers to enhance resource circularity across the supply chain. As part of this, we are facilitating a circular economy by introducing a plastic pallet reuse process with our poly suppliers. Previously, the plastic pallets used in the poly delivery process were classified and treated as waste every year. SK siltron sought to reduce the volume of waste generated by establishing a circulation system with its suppliers. In this procedure, the pallets used in the poly delivery process are collected and stored, inspected for defects, and reintroduced into the delivery process.

Following the introduction of the reuse process, approximately 50% of the pallets are reused, substantially reducing waste discharge. The reuse of pallets has minimized the emission of environmental pollutants generated during the production and disposal processes, which translates to a greenhouse gas reduction effect of 10.2 tCO₂-eq per year. We will maximize reuse efficiency through continuous process optimization. Furthermore, we will accelerate our efforts for waste resource recovery by expanding the target items to encompass all packaging and auxiliary materials.

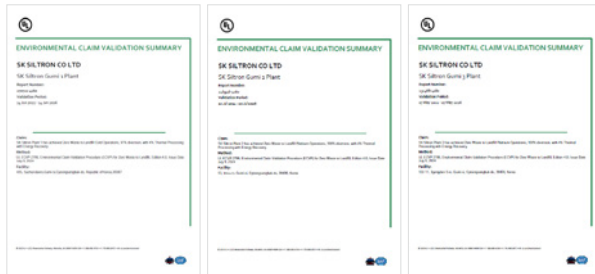
Resource Circulation

Obtaining ZWTL Certification at All Gumi Sites

Through systematic efforts to strengthen the circulation of waste resources, SK siltron achieved the ZWTL Platinum rating for the first time in the industry. Gumi Plants 2 and 3 acquired the highest rating by achieving a recycling rate of over 99.5%¹⁾, and Gumi Plant 1 also achieved the ZWTL Gold rating (recycling rate of over 95.0%), thereby gaining external recognition for our waste reduction and recycling performance. In the future, we plan to further strengthen our resource circulation system by minimizing the generation of incinerated and landfilled waste and continuously identifying and collaborating with specialized recycling companies.

1) This figure is based on ZWTL certification standards and refers to the actual recycling rate, which excludes incinerated and landfilled items (such as waste paint) among designated waste categories and considers the residual waste generated during external treatment.

Zero Waste to Landfill Verification Results



Minimization of Environmental Pollutant Discharge

SK siltron considers the proper treatment and minimization of environmental pollutant emissions generated in the wafer manufacturing process as a top priority. To proactively respond to future plant expansions and increases in production volume, we are continuously expanding our investments in environmental facilities.

Improvement of Water and Air Pollution Prevention Facilities

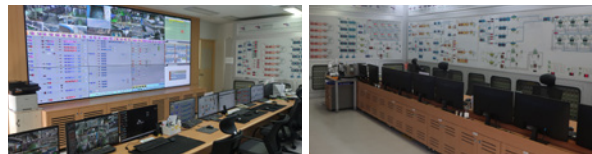
SK siltron has secured a treatment capacity of approximately 60,000 m³/day by expanding its wastewater treatment facilities. By doing so, we have enhanced the stability of our wastewater treatment capabilities to prepare for the pollution load resulting from the expansion of production facilities and the increase in production volume. In addition, we strictly comply with legal and operational standards by replacing aging equipment in our air pollution prevention facilities and investing in new equipment.



Establishment of Environmental Equipment Management System

SK siltron is strengthening its management expertise by working with specialized partners for environmental facility operation. By setting and monitoring real-time data-based key operating parameters for each treatment facility, such as chemical injection rates, pH, exhaust pressure, and turbidity, we have established a stable facility operation system to minimize pollutant emissions.

Environmental Equipment Monitoring System



Water Resource Management

SK siltron recognizes water resource management as a core initiative for strengthening business sustainability. By reducing industrial water usage and improving recycling rates, we not only fulfill our environmental responsibilities but also simultaneously pursue the enhancement of economic efficiency. We advancing our water management by continuously identifying and executing specific initiatives, such as improving wastewater recycling processes and introducing reclaimed wastewater. As of 2025, the rate of water reuse and recycling at our Gumi sites achieved 35.7%, continuing the improvement trend compared to the previous year.

Expansion of Alternative Water Resource Use

Currently, SK siltron uses reclaimed wastewater, which is reprocessed sewage from the industrial complex, for approximately 17.5% of its total water usage (about 3.05 million tons per year). By utilizing this water as cooling water for utility facilities and certain processes, we are contributing to the reduction of new water withdrawal and the enhancement of our resource circulation rate. Additionally, by actively considering the potential use of reclaimed wastewater from the design stage of our new plants, we are expanding its application to diverse uses beyond utility facilities, such as pump sealing water and cleaning water for high-concentration drain pipes. In the future, we plan to continuously expand the scope of water reuse. In particular, starting in 2026, we will promote initiatives such as transitioning the cooling tower make-up water for chillers from the existing reclaimed wastewater to recycled water based on wastewater reprocessing.

Product Water Footprint Certification

Starting with the Product Water Footprint certification for 300 mm Polished/EPI Wafers, SK siltron has expanded the certification scope to include 200 mm Polished/EPI Wafer products, and is continuously renewing and managing them. By measuring and verifying the water footprint for each product, we objectively manage the water consumption and impacts across the entire product life cycle.

Resource Circulation

Process Improvements to Reduce Water Intake

To reduce water intake, SK siltron executed approximately 36 process optimization and facility improvement initiatives involving ultra pure water, industrial water, and reclaimed wastewater. Through this effort, we achieved a water intake reduction of 3,034 tons per day on average.

Improvement Activities to Reduce Water Intake

Category	Amount Reduced (Daily)	Reduction Activity
Ultra Pure Water	876 tons	Reduction activities such as shortening the cleaning cycle/duration of the UPW process
Industrial water	334 tons	Water reduction activities such as improving process piping
Reclaimed wastewater	1,824 tons	Water reduction such as optimizing drain flow in the cooling tower

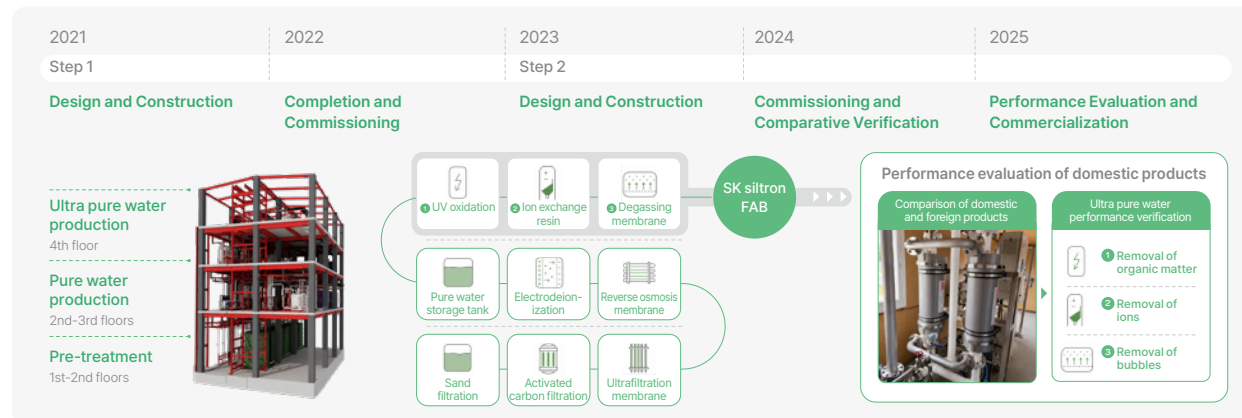
Establishment of Demonstration Plant for Localization of Ultra Pure Water (UPW)

To strengthen technological independence in the semiconductor industry's core UPW supply system and proactively manage supply chain risks, SK siltron successfully launched Korea's first fully localized UPW demonstration plant. Covering design, construction, and operation, the facility produces 2,400m³ of UPW daily, ensuring stable supply for our silicon carbide wafer processes.

Executed as a government-led R&D project, the plant achieved over 70% localization of core equipment, significantly reducing reliance on Japanese and U.S. suppliers. Often called the "Water of Life" in semiconductor manufacturing, UPW quality is critical. This initiative resolves past technological dependencies and enhances national competitiveness by establishing a stable, localized supply chain.

Moving forward, operational rights will transfer to SK siltron. The government plans further R&D to advance technology and establish a UPW platform center, laying the groundwork for standardizing localized technologies and strengthening the entire industrial ecosystem.

Ultra Pure Water Localization Roadmap



CASE

01

Recovery of PCW Drain to Recycled Water Tank

SK siltron executed piping connection improvements to recover the entire volume of Process Cooling Water (PCW) drain discharged from the utility process and supply the recovered water to the Recycled Water (RW) tank. Through this initiative, we accomplished a water savings effect of approximately 40,186 tons annually. We also enhanced resource circulation efficiency by achieving the associated effects of reduced energy consumption and chemical usage resulting from the decreased wastewater treatment load.

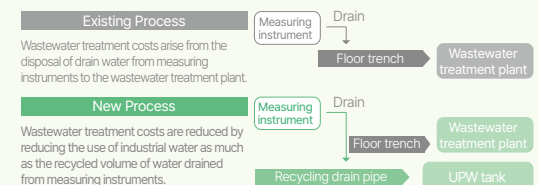


CASE

02

Recycling Drain Water from UPW Supply Quality Measuring Instruments

SK siltron introduced piping improvements to recover the high-purity drain water discharged from the UPW supply quality measuring instruments into the UPW manufacturing raw water tank, rather than sending it to the existing wastewater treatment system. Through this initiative, we established a recirculation system for high-quality water resources. Starting in December 2025, we achieved a reduction of about 63.4 tons per day in water consumption. This initiative achieved a dual economic effect: reducing water purchasing costs due to the decreased input of industrial water and reducing treatment costs resulting from the lower volume of wastewater treatment.



Resource Circulation

Metrics and Targets

Performance in 2025 and Medium-to-Long-Term Targets

	Initiatives	2025	Medium-to-Long-Term Targets
Water¹⁾ 	Reduction in unit water intake	772 tons/KRW 100 million²⁾	2030 10% reduction in unit water intake (from baseline year of 2022³⁾)
	Increase in rates of water reuse and recycling	Achieved water recycling rate of 35.7%	2030 Water recycling rate of 38.8%
Waste 	Obtaining ZWTL grade	Obtained Platinum grade at Plants 2 and 3	2030 Obtaining Platinum grade at all business sites
	Improvement in waste recycling rate	94.4%⁴⁾	2030 100.0%
Pollutants 	Standards for management of water pollutants	ZERO Maintained pollutant levels within legal standards, with zero violations of laws and regulations	2030 ZERO Maintaining pollutant levels within legal standards, with zero violations of laws and regulations
	Standards for management of air pollutants		

1) For the Gumi business site 2) Water intake has increased in comparison to the previous year due to facility commissioning and process stabilization tests following plant expansion 3) 705.3 tons/KRW 100 million

4) Percentage of waste recycled in total waste generated in-house, including incinerated and landfilled items among designated waste and all residual waste occurring from the treatment companies.

EMPOWERING OUR COMPANY

- 30 Health and Safety
- 39 Human Resources
- 49 Research and Development

Health and Safety

2025 Highlight



Advancing health and safety management systems

SHE
operating system
Upgrade

Hazard and risk
improvement rate
100%

Zero serious accidents

0 cases

LTIR
Drastic improvement
(Reduced by about 56%¹⁾)

1) This figure represents the reduction rate compared to the recent three-year average (0.208), based on the number of incidents per 200,000 hours worked.

Promotion Strategy

Guided by the philosophy that "Safety is the foundation of employee happiness," SK siltron operates a company-wide health and safety management system with the goal of achieving zero serious industrial accidents and reducing personal injuries. To this end, we manage and oversee company-wide health and safety issues under the leadership of the Chief Safety Officer (CSO). Furthermore, we operate an Occupational Safety and Health Committee at each business site to deliberate and resolve key pending issues. In addition, based on a SHE operating system that reflects stakeholder needs as well as internal and external issues, we proactively identify and improve risk factors, focusing on promoting a voluntary safety culture.

SHE Management Group Organization/Personnel



Risk Management

In order to prevent risks preemptively, SK siltron operates a health and safety management system that complies with the international standard ISO 45001. Through the separate formation of a dedicated organization that performs health and safety planning, operation, and assessment functions, we are advancing the management system while simultaneously strengthening our execution capabilities. We identify potential risks and implement a systematic safety management process through regular SHE assessments that inspect the level of regulatory compliance and the safety status of equipment and facilities. In addition, we operate an ongoing hazard improvement system and gather employee feedback to spread an on-site participatory culture. We have established a disaster prevention center equipped with a swift and accurate emergency response system, and we conduct periodic emergency response drills for all employees.

Health and Safety Risk Free Activities

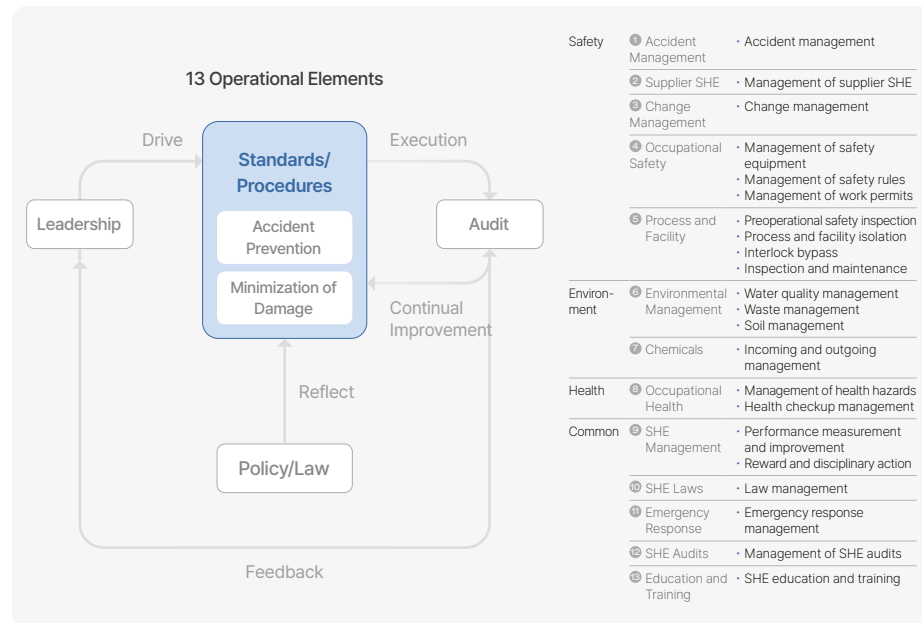
Voluntary inspection program for hazardous and dangerous machinery and equipment	- Conducting voluntary inspections of hazardous and dangerous machinery based on Article 98 of the Occupational Safety and Health Act - Establishing a systematic safety management process covering the entire workflow, from identifying issues to conducting repairs
Assessment of health and safety risks	- Conducting risk assessments across all business sites, covering processes, facilities, tasks, and chemicals - Identifying and evaluating potential risks to employees, assets, and the environment
Consulting to enhance suppliers' risk management capabilities	- Operating consulting programs in collaboration with specialized institutions to enhance contractors' risk management capabilities - Including risk assessment education, on-site inspections, and system improvement activities
Specialized training	- Conducting job-specific professional training for suppliers' on-site personnel - Aiming to enhance on-site safety levels and develop essential competencies
Safety sharing meetings	- Holding safety sharing meetings for suppliers responsible for on-site construction - Sharing key issues related to irrationalities and raising health and safety awareness
Construction safety certification system	- Operating a role-specific certification system for positions such as signalers, fire watchers, and work supervisors - Granting qualifications to trained personnel to strengthen management and supervision capabilities

Health and Safety

SHE Operating System Upgrade

To ensure legal compliance and enhance the level of accident prevention, SK siltron conducts annual assessments of its overall SHE operating system and strengthens its framework and execution capabilities through continuous improvement activities. We have categorized the SHE operating system into 13 core elements to drive its stepwise advancement by establishing a three-year Master Plan that reflects acceptability at site level, materiality, and effectiveness. In particular, based on analysis of accident data, we revised our Safety Golden Rules to prevent frequent accidents caused by carelessness. We also formed a dedicated organization for patrols and audits to strengthen our inspection functions, and we are establishing a culture of fundamental compliance by applying a zero-tolerance principle to violations. To manage high-risk tasks at our sites, we upgraded our work permit tiers and pre-, mid-, and post-work inspection standards and supplemented our heat-related illness prevention standards to address seasonal issues such as heatwaves. We revamped our accident investigation process to prevent the recurrence of accidents and strengthened our execution management system to disseminate root cause analyses and countermeasures company-wide. We announce changes every quarter, and by directly explaining core details to all employees and gathering feedback, we are promoting a better understanding and forming organizational consensus for firm settlement of the system.

SHE Operating System



Revision of Safety Golden Rules

SK siltron has completely revised its Safety Golden Rules to raise employees' safety awareness and create a culture of fundamental compliance. This revision was based on core risk factors derived through an in-depth analysis of internal accident data accumulated over the past 10 years and the characteristics of major operations. In particular, the revised Safety Golden Rules simplified and redefined previously complex regulations into eight core site-centric rules.

Key contents include mandatory compliance items such as wearing personal protective equipment when handling chemicals, checking gas concentrations before entering confined spaces, and wearing safety lanyards when working at heights, as well as clear prohibitions such as no maintenance while equipment is operating and no entry without using designated safety walkways. Following the revision, we held briefing sessions for all departments and strengthened communication activities led by managers to ensure early establishment on-site. In addition, we continuously share violation cases and compliance requirements using visual materials such as internal electronic display boards, and we strive to internalize the Safety Golden Rules into a safety culture that all employees practice voluntarily rather than merely viewing them as mandatory regulations.

Enactments and Revisions to Safety Golden Rules Reviewed



Health and Safety

Execution and Performance

Business Site Safety Management

SK siltron prioritizes the values of workplace health, safety, and environment, and strives to protect the safety of all stakeholders, including employees, contractors, service providers, outsourced workers, and special type workers.

Implementation of 12 PSM Elements

SK siltron has established and operates a company-wide process safety management system based on the 12 elements of Process Safety Management (PSM) to prevent major industrial accidents, such as fires, explosions, and leak of hazardous chemicals and to minimize damage in the event of an accident. This system comprehensively covers everything from routine safety management to emergency response, aiming to systematically maintain and improve the level of safety across the entire process. In particular, we minimize safety risks by strictly implementing the Management of Change (MOC) procedure, which proactively reviews and reflects technical risk factors during new expansions and equipment changes.



Process Risk Assessment

To prevent serious accidents associated with processes, SK siltron conducts process risk assessments every four years. In 2025, a dedicated assessment team comprised of internal experts in process operation, design, and risk assessment evaluated 664 units of equipment using the Hazard and Operability (HAZOP) technique. Based on an in-depth understanding of process characteristics and operating conditions, practical risk factors were identified. Improvement initiatives have been started for the 127 improvement items identified through this process, prioritized based on their risk level and process impact.

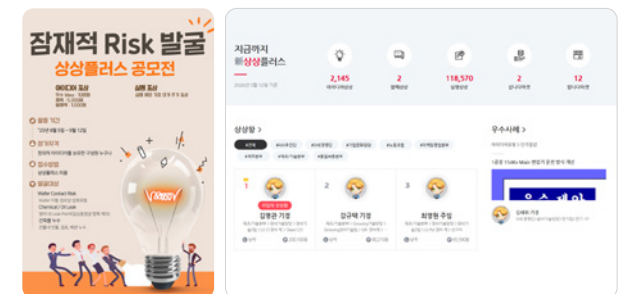
Occupational Safety Risk Assessment

SK siltron operates a participatory risk assessment process where all employees directly identify on-site hazards and risk factors. Employees evaluate the likelihood and severity of incidents for each task to determine improvement priorities, following which corrective actions are implemented proactively, starting with high-risk items. In 2025, with the participation of both internal employees and supplier workers, we resolved 43 potential risk factors. In particular, when establishing risk reduction measures, we focus on fundamentally eliminating risks by actively applying measures for the elimination or substitution of human errors and engineering controls. We also systematically record and review the rationale for selecting countermeasures to ensure that appropriate improvement actions have been implemented.

Sangsang Plus Contest to Identify Potential Risks

SK siltron is constantly strengthening its proactive safety management system to achieve zero accidents. In 2024, through the company-wide Safety 3-6-5 campaign, we firmly established a participatory safety culture where employees directly identify potential risks associated with three major accident types (personal injury, gas/chemicals, and fire/heat) on-site and along movement routes, collaborating with the Zero Accident Task Force to establish fundamental corrective measures. Building on this effort, we held a Potential Risk Identification Contest in 2025 targeting all employees to proactively uncover hidden risks that are difficult to detect through routine inspections. In particular, we focused on factors that simultaneously impact both safety and quality, such as the potential for metal contamination and water leaks along wafer movement routes, to identify hazards and promote improvements. Employees' suggestions are submitted through our internal system, reviewed by the Technical Team, and implemented on-site as practical corrective actions. Through this, we have formed a virtuous cycle where the process is completed end-to-end, from suggestion to execution.

Sangsang Plus Contest



Health and Safety

Management of Hazardous Chemicals

With the goal of Risk Zero, SK siltron operates a strict hazardous chemicals management system that exceeds legal standards. We ensure that all chemicals comply not only with domestic and international regulations but also with customer requirements and global standards (EU RoHS, REACH, Halogen-Free, etc.). Moreover, we block the inflow of high-risk substances proactively through our internal restricted substance system.

In particular, substances with high human toxicity, such as carcinogens, reproductive toxins, and germ cell mutagens, are included in the Internal Restricted Substance List, which is updated annually, and are systematically blocked so that they cannot be received at all. Additionally, we are minimizing the risk associated with the inflow of substances subject to strengthening regulations, such as per- and polyfluoroalkyl substances (PFAS), into our processes through continuous monitoring and proactive identification.

Management of Chemicals MSDS

For the safe handling of chemicals, SK siltron operates an information-based management system centered on Material Safety Data Sheets (MSDS). Before introducing a new substance, the MSDS obtained from the supplier is registered in the Chemical Management System (CMS), and the relevant departments and the SHE organization jointly evaluate the hazards, exposure risks, and regulatory compliance to determine whether to receive the substance.

The MSDS for the chemicals being handled are printed and placed in all workplaces, and regular MSDS training is conducted once a year for employees who may be exposed. Training completion status is automatically recorded in the system, and those who haven't completed the training are automatically notified to retake the training, ensuring thorough follow-up management.

Life Cycle Management System

SK siltron systematically controls the entire life cycle of chemicals, from preliminary assessment and receipt to use and disposal, through the CMS. Before introducing new chemicals, we use the CMS to comprehensively review MSDS conformity, compliance with domestic and international legal regulations, and non-conformity with the Internal Restricted Substance List. Substances that do not meet the standards are blocked from receipt in advance. They are managed so that receipt is only allowed after legal requirements are fulfilled. For received chemicals, the receipt details and inventory status are managed in real time through the system, and they are systematically controlled across the entire life cycle, including the disposal process after use. The collected chemical information is also proactively used for management of worker exposure, measurements of the work environment, and health check-ups based on hazard factors, contributing to the protection of workers' health and the creation of a safe work environment.

Activities to Reduce and Substitute Hazardous Chemicals

SK siltron continuously monitors domestic and international chemical regulatory trends and actively promotes reduction and substitution activities to block hazardous chemicals. When a hazardous chemical is newly designated, we review and evaluate the substitution feasibility of existing items in collaboration with relevant departments and suppliers, and proactively proceed with substitution to minimize negative impacts on the environment and human health.

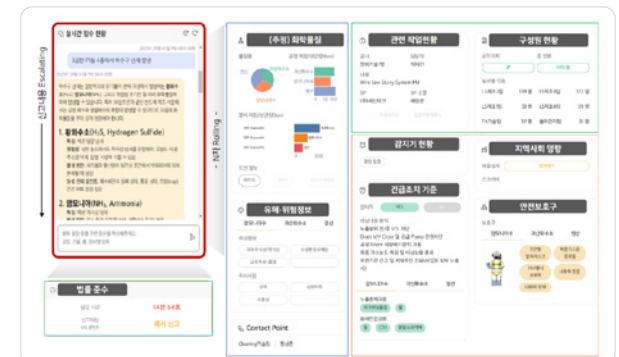
As a representative example, as a hazardous substance was designated within the bond material used in the wire-saw process, we replaced the existing material with a substitute item through close collaboration with the hands-on department and suppliers. Through this, we maintained process stability while preventing the risk of using hazardous substances. Additionally, in view of the recently strengthened PFAS regulations, we have conducted a company-wide survey of raw and auxiliary materials to drive the procurement and application of substitutes for certain PFAS-targeted materials before the expiration of the regulatory grace period, although our products do not contain them.

Introduction of AI-Based Chemical Incident Response Assistant

To ensure a swift and accurate initial response within the golden hour in the event of a chemical leak incident, SK siltron has developed and is operating an AI-based chemical incident response assistant. Previously, incident response relied on the experience and expertise of the person in charge, which took time for information gathering and decision-making, causing limitations in securing response consistency within the organization. Accordingly, to establish a systematic, digital-based incident management system, we introduced an AI assistant with the goal of standardizing the response process and enhancing promptness.

This system is linked with permitting data and internal SHE work permit information. Based on the information entered upon reporting an incident, the system derives real-time information on the chemicals used in the incident area, related operations, and equipment. In addition, it immediately provides external agency reporting procedures, appropriate personal protective equipment (PPE), and initial response manuals, allowing anyone to respond swiftly and consistently. Going forward, we plan to enhance the accuracy of incident type identification through continuous data learning and advancement of algorithms and to transition toward a smart safety management system centered on proactive prevention by expanding real-time monitoring and prediction-based functions.

AI-Based Chemical Incident Response Assistant



Health and Safety

Advancement of Emergency Response System

Emergency Response Training

SK siltron systematically operates scenario-based emergency response training in preparation for complex disasters such as fires, chemical and gas leaks, and natural disasters. Through repetitive training that reflects process characteristics and potential risks, we strive to continuously strengthen employees' response capabilities and the inter-organizational collaboration system. By achieving a 100% completion rate for periodic training at the company, unit, and business partner (BP) levels, we have verified our response system for each incident type.

In particular, in 2025, as a proactive response to the risk of wildfires in the Gyeongbuk region, we conducted a joint wildfire response drill with the Gumi Fire Station, thereby strengthening our local community disaster response capabilities and our collaboration system with related agencies. In addition, we operate first aid training for all employees to prevent personal injury accidents within our business sites, continuously improving their ability to perform CPR and use Automated External Defibrillator (AED).

Details of Emergency Response Training

Category	Initiative	Targets	Cycle
Company-wide training	Company-wide emergency evacuation training	Company-wide	Semiannually
	Joint training with agencies	Company-wide	Annually
Unit training	Forest fire response training	Process workers	Semiannually
	Process emergency response training	Process workers	Monthly
	Tank lorry chemical leak response training	SHE department Relevant departments Suppliers	Semiannually
Training for suppliers	Emergency response training	On-site suppliers	Monthly
Education	First aid education	All employees	Quarterly



CEO-Led MBWA

SK siltron has regularized Management By Walking Around (MBWA) activities led by the CEO to proactively manage high-risk facilities and foster a prevention-oriented SHE culture. Our management patrols high-risk areas prone to severe damage in the event of an incident, such as processes handling toxic gases and chemicals, as well as outsourced operations, to inspect the safety status. In addition, by identifying and eliminating potential risks through communication with on-site employees, we are realizing site-centric proactive safety management. Through this, we are fostering an environment where all stakeholders can work safely and are maximizing the organization's safety resilience.

Key MBWA Activities

Wildfire response



- Swift response system to prevent the spread of wildfire
- Identifying wildfire-vulnerable sections on the outskirts of Gumi Plants 1 and 3
- Installation of fire monitoring equipment

Fire extinguishing facility



- Removing suffocation concerns and enhancing early extinguishing safety
- Full inspection on the adequacy of fire extinguishing equipment
- Full replacement with fire extinguishers with fire responsiveness

Prevention of heat-related illnesses



- Protecting suppliers' workers and establishing a comprehensive prevention system
- On-site inspection of outdoor work in hot weather
- Provision of shades, ice pack vests, and portable air conditioners



Internalization of Health and Safety

Health and Safety Education

SK siltron conducts diverse training programs to strengthen the level of health and safety and practical capabilities. We conducted mandatory safety training and construction safety training using mySUNI, the SK Group's online training platform. For suppliers accessing our sites, we conducted certification training for roles such as work supervisors, fire watchers, and signalers. We are promoting a site-centric safety compliance culture by providing training on pre-work safety standards through the pre-construction consultative body.

Regular Safety Education

Category	Office Workers		Production Workers		Total	
	Participants	Hours	Participants	Hours	Participants	Hours
First half of the year	711	8,532	2,363	28,356	3,074	36,888
Second half of the year	705	8,460	2,283	27,396	2,988	35,856

Non-Regular Compulsory Education

Category	Recruited		Changes to Task Details	MSDS	Special Education	Total
	Production Workers	Office Workers				
Participants	102	53	144	602	178	1,079
Hours of education	816	424	288	301	2,848	4,677

In-House BP Education

Category	Targets	Participants	Hours	Total
Certification education	Work supervisors	835	2	1,670
	Fire watchers	177	1	177
	Signalers	296	1	296
Safety education	Visitors	9,124	1	9,124

Health and Safety

Activation of Right to Stop Work

SK siltron guarantees that anyone can exercise the right to stop work in situations where imminent danger is a concern. By overhauling previously ambiguous procedures and standards, we have established a system that not only SK siltron employees but also suppliers' workers can actively utilize. When the right to stop work is exercised, the work is immediately suspended and the matter is promptly reported to the supervisor. Work resumes after the risk factors are completely eliminated, and when the root cause is identified, we practice systematic follow-up management by establishing recurrence prevention measures and implementing corrective actions. In particular, we clarified the criteria for on-site judgment by categorizing the definition of imminent danger into seven types. We use these criteria as a means to practice participatory safety culture where employees identify and respond to risks.

Examples of Imminent Danger



- 1 Work in places with a high risk of falls
- 2 Use of inadequate temporary structures
- 3 Concern for deformation of earth and structures
- 4 Risk of fire and explosion due to Hot Work
- 5 Concern for serious accidents due to chemical equipment failure
- 6 Risk of oxygen deficiency in confined spaces
- 7 Risk of exposure to hazardous substances



Communication

Occupational Safety and Health Committee

SK siltron regularly operates the Occupational Safety and Health Committee on a quarterly basis to strengthen communication between labor and management regarding health and safety. With the participation of both worker representatives and management, this committee directly listens to the voices from the site and drives practical improvements in the work environment through prompt review and decision-making on raised agenda items. In particular, we systematically manage not only the improvement completion rate but also specific implementation plans for unresolved agenda items to enhance the transparency and effectiveness of agenda processing.

Major Agenda Items for Last Three Years

82 cases	76 cases	92.6%
Received	Improved ¹⁾	Completion Rate

1) Established clear improvement plans for the six cases and implementing them in phases

Joint Safety Inspections for Contractors

SK siltron conducts joint health and safety inspections with our contractors on a quarterly basis to maintain a uniform level of safety management across all business sites. The inspections involve the joint participation of our SHE organization and contractor personnel to identify potential on-site risk factors. We achieve actual risk reduction by deriving and implementing practical improvement measures.

In particular, as the initial setup forms the foundation of safety management for new in-house contractors, we establish our safety procedures and standards in advance. We also provide comprehensive support for their early stabilization and the establishment of a safety management system by jointly conducting on-site risk assessments, inspecting the work environment, and supporting the installation of safety facilities. In addition, by operating a monthly supplier health and safety consultative body to share the latest safety and health trends and our policies and by gathering the difficulties and improvement suggestions conveyed by suppliers, we are building a cooperative safety culture based on mutual trust beyond mere supervision.

Activation of TBM

SK siltron is actively promoting Tool Box Meetings (TBMs) to proactively identify on-site risk factors and establish practical safety measures before starting work. Conducted for about 10 minutes prior to work under the supervision of a supervisor, TBMs are operated in a manner where employees brainstorm risk factors and jointly establish preventive measures, supporting the firm establishment of a safety culture centered on accident prevention.

Moving away from the existing complicated Job Safety Analysis (JSA)-based risk assessments, we have introduced a continuous risk assessment procedure that allows workers to freely express their opinions on practical risks that may occur on-site and immediately establish improvement measures, thereby enhancing site applicability and employee participation while removing blind spots in safety management. In particular, by reflecting continuous risk assessment details as mandatory items on the work permit form, we have institutionalized the process so that all supplier workers participate in TBMs prior to work and record the results.

TBM Activity



Health and Safety

Supplier SHE Assessment Process

SK siltron operates a SHE Evaluation Process to systematically evaluate the health and safety management level of its suppliers. Moving away from the existing post-assessment approach, we completely reorganized the Supplier SHE Evaluation Gate that encompasses all stages from registration and bidding to execution and renewal. Through this, we laid the foundation for the continuous use of excellent suppliers and established a prevention-centric management system that blocks potential risks proactively.

In addition, we improved the system by simplifying the assessment items into core metrics, reducing the paperwork burden for suppliers while accurately diagnosing their practical on-site safety management capabilities. Furthermore, to share the purpose and direction of the reorganized system, we operate diverse communication channels such as Procurement Briefing Sessions and Win-Win Day, thereby strengthening trust with our suppliers.

Briefing Session Explaining Changes to Supplier SHE Assessment



Business Site Health Management

Measurement and Improvement of Health Hazards

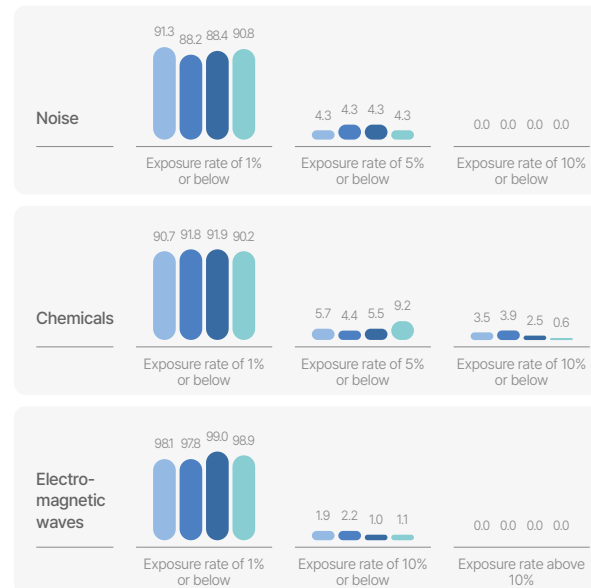
To protect workers' health and create a safe work environment, SK siltron conducts measurements of health hazards in the work environment twice a year. We are driving comprehensive health management by expanding the scope of measurement to include not only hazards designated under the Occupational Safety and Health Act, such as noise, dust, and chemicals, but also non-statutory hazards such as radiation and electromagnetic waves.

Additionally, we analyze hazard exposure trends based on the measurement results and are establishing a proactive management system through continuous improvement activities.

Health Hazard Analysis

Unit : %

Hazard exposure trends ● First half of 2024 ● Second half of 2024 ● First half of 2025 ● Second half of 2025



Prevention of Musculoskeletal Disorders

SK siltron operates a proactive management system for musculoskeletal disorders based on an ergonomic approach that comprehensively considers employees' health and work efficiency. To minimize the musculoskeletal burden caused by repetitive tasks, inappropriate postures, and excessive force, we conduct regular and ad-hoc risk assessments and drive continuous improvement activities focused on sites that present high risk factors.

In addition, for employees complaining of pain, we collaborate with medical professionals to conduct fitness-for-duty assessments. We guarantee health protection and a stable work environment through adjustments of the work environment and reassignment based on the results.

Activities for Preventing Musculoskeletal Diseases

Targets	Key Activity	Evaluation Method	Improvement Activities
Process	Regular risk assessment	- Survey of 11 major categories of overload work according to the Occupational Safety and Health Act - Selection of high, medium, and low risk processes using ergonomic tools¹⁾	- Completed improvements to 10 medium risk processes - Introduced dedicated carts and auxiliary equipment - Applied restriction criteria for handling heavy objects - Expanded resting areas such as massage machines
	Nurse visiting campaign	- Visiting all business sites and the Seoul Office - Measurement of blood pressure and blood sugar and one-on-one health counseling	- Identified high-risk groups early and corrected lifestyle habits - Linked to tailored health management programs
Employees	Fitness-for-duty assessment	- Collaboration with occupational and environmental medicine specialists - In-depth assessment of employees with complaints of pain	- Adjusted work transition and arrangement based on assessment results - Optimized work methods and improved tools - Supported stable return to work

1) Ovako Working Posture Analyzing System (OWAS): Specialized in muscle work, centered on the waist and legs Rapid Entire Body Assessment (REBA): Specialized in whole-body work (health, services)

Health and Safety

Employee Health Promotion Programs

Physical Health Management

To establish a healthy organizational culture for employees, SK siltron operates diverse health promotion programs, including continuous glucose measurement, enhancement of physical fitness, sleep management, smoking cessation, responsible drinking, and joint campaigns. In particular, for those with severe illnesses and high-risk groups, we are strengthening our tailored health management system by providing specialized healthcare services such as cancer care and assessments of health status and fitness-for-duty.

Management of special risk groups	Intensive health improvement management for employees with high cardio-cerebrovascular risk (counseling and hospital treatment)
Smoking cessation program	Support for improvement of lifestyle through smoking cessation clinics and provision of supplements
Diet and muscle strength training	Support for health improvement through exercise and diet programs (exercise, guidance on dietary habits, rewards for goal achievement and outstanding participants)
Alcohol reduction challenge	Support for improvement of liver health through alcohol reduction (improvement activities for employees with liver-related conditions)
Cancer care service	Support for employees diagnosed with cancer

Mental Health Management

SK siltron identifies and manages groups with mental health risks using tests of job stress, depression, and anxiety as well as stress measurement devices. We also operate various mental health promotion activities, such as training in depression and anxiety disorder prevention, psychological testing, and individual and group counseling with internal and external experts.

Enhanced mental health checkup	Management of high-risk employees through tests to assess job stress, depression, and anxiety
In-house counseling program	Operation of face-to-face and non-face-to-face psychological counseling
External counseling program	Support with psychological counseling and mental health improvement for employees through the Gumi Mental Health Welfare Center

CASE

01

Conducting Physical and Mental Health Promotion Activities

Recognizing the need for management of chronic diseases and the importance of proactive prevention due to modern dietary habits centered on convenience foods, SK siltron plans and operates tailored health promotion programs to empower employees to manage their own health. In 2025, we supported the formation of healthy lifestyle habits through various activities, such as monitoring blood glucose fluctuations and trends using skin-attached sensors for diabetes management, operating a smoking cessation clinic to prevent chronic diseases, and conducting an alcohol reduction campaign. In addition, to emphasize the importance

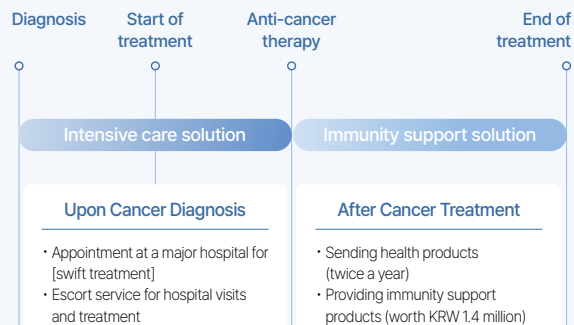
of mental health management, we conducted mental health awareness campaigns and life guard training for managers, thereby strengthening the capabilities for early recognition of abnormal signs and management of symptoms. Going forward, we plan to introduce tailored management strategies for each health risk group, providing differentiated goals based on conditions such as dyslipidemia, liver disease, and diabetes. Additionally, alongside individual and group activities, we will focus on qualitatively improving the programs by providing real-time feedback and health information through self-help groups.

CASE

02

Operating Cancer Care Service

SK siltron provides tailored services to employees diagnosed with cancer. Upon cancer diagnosis, we apply an intensive care solution to support swift referrals and escort services to major hospitals. We also provide support items, such as medical supplements, after chemotherapy through an immunity-enhancing solution.



Intensive Care Solution

Targets Employees diagnosed with cancer, scheduled to undergo surgical treatment

Consulting to support proper cancer treatment

- Providing guidance on leading specialists by cancer type and assistance with scheduling hospital appointments (general appointment: 3-4 months, with service: 1-2 weeks)
- Escort service during hospital visits and treatment
- Transportation escort service provided for employees with mobility difficulties

Immunity Support Solution

Targets Employees undergoing anti-cancer treatment after surgery

Lifestyle consulting focused on immunity enhancement

- Immune cell testing to improve cancer resistance
- Supporting appointments for health check-ups and counseling based on results ▶ One-on-one care by a dedicated cancer care nurse
- Providing health products, functional health food purchasing points, and tailored lifestyle guide ▶ Providing tailored programs through expert consultations based on test results

Health and Safety

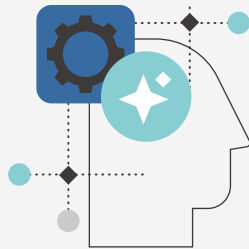
Metrics and Targets

Performance in 2025 and Medium-to-Long-Term Targets

	Initiatives	2025	Medium-to-Long-Term Targets
Safety 	Advancement of health and safety management system	13 operational elements Upgrade of the SHE operating system 43 cases (Occupational safety) Identified hazards and risks and improved 664 units (Process safety) Conducted risk assessment and inspected 664 units of equipment	2030 Health and safety management Strengthening autonomous health and safety management by each organization Risk management and prevention systems Establishing risk management and prevention systems based on digital SHE to advance the accident prevention system
	Zero serious accidents (every year)	0 cases	2030 0 cases
	Management of Lost Time Injury Rate (LTIR)	0.092(5 cases)	2030 0.1 or below
Health 	Employee health management system	Health improvement activities Expanded the scope of voluntary health improvement activities through the operation of challenge-type health promotion programs	2030 Advancing health management systems - Diversifying and expanding employee-tailored health programs - Appointing the Chief Health Officer and forming a dedicated organization
	Participation rate in health promotion programs	43.5%	2030 50%

Human Resources

2025 Highlight



Enhanced diversity and inclusion

Female leaders

8.3%

Employee culture

Embedding **DE&I**

Strengthened labor and human rights

Continuous Improvement

in **RBA VAP** (193.8/200)

Promotion Strategy

SK siltron aims to build an organization where all employees are respected and can demonstrate their capabilities. To eliminate discrimination and strengthen responsibility, we uphold respect for the human rights of all stakeholders, including employees, and are striving to internalize the values of diversity, equity, and inclusion across all management activities, including the organizational culture. We proactively identify and manage key risks related to human resources and reflect opportunity factors so they can be linked to strengthening organizational capabilities. Under the supervision of the Chief Human Rights Officer (CHRO), we monitor our human rights management system and operate a framework to deliberate and decide on key issues. In addition, to strengthen stable labor-management partnerships, we operate a quarterly Labor-Management Council, continuing mutual consultations on various issues such as welfare, grievances, and pending management matters.

CEO's Declaration of Human Rights

SK siltron supports the human rights and labor principles specified by international standards like the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPR), the International Labor Organization (ILO) Core Conventions, and the OECD Guidelines for Multinational Enterprises.

To faithfully fulfill our responsibility to respect and protect human rights, we have established a Human Rights Management Policy aimed at preventing human rights violations and guaranteeing the rights of all employees, applying it across all management activities. In particular, we have established and operate an internal management process to continuously inspect and improve human rights risks.

01 Respect for Human Rights (Humane Treatment)	02 Prohibition of Forced Labor	03 Prohibition of Child Labor	04 Prohibition of the Employment of Minors	05 Compliance with Working Hours
06 Fair Wages and Benefits	07 Non-Discrimination	08 Prohibition of Sexual Harassment and Bullying at Work	09 Freedom of Association	10 Business Site Safety and Environment
11 Human Rights Due Diligence	12 Protection of Vulnerable Groups	13 Information Protection	14 Responsible Mineral Sourcing	



Risk Management

Policy

In compliance with international standards such as the UNGP and ILO Core Conventions, SK siltron has established the protection and respect of human rights for all stakeholders, including employees, customers, suppliers, and local communities, as a fundamental management principle. Accordingly, to build a company-wide human rights management system, we enacted the Declaration of Human Rights Management and shared it with all employees, thereby preparing the foundation for a culture rooted in respect for human rights.

In addition, through core policies such as the Code of Ethics, SHE Policy, and Supplier Code of Conduct, we have clearly defined human rights responsibilities for each stakeholder and established a proactive system to prevent human rights violations and respond to risks. Each policy reflects the respect for human rights as a core value, and we continue to strengthen their mutual connectivity to ensure that consistent human rights management is practically established across the entire organization.

Management Process



Human Resources

Grievance Handling

SK siltron has established a proactive prevention system to ensure that its business activities do not have negative impacts on human rights, striving to promptly conduct due diligence and take action if potential human rights violations are identified. In addition, we operate an easily accessible multi-channel reporting system so that individuals or groups affected by our business activities can raise grievances.

The grievance handling system allows for the choice of anonymity or real name and is designed so that informants can submit reports in a convenient manner, such as through the website, email, telephone, fax, or mail. All reported matters are thoroughly protected as issues related to human rights and ethical management, and are handled safely under principles of confidentiality and non-retaliation in accordance with the SK siltron Whistleblower Protection Regulations. SK siltron is continuously strengthening its grievance and remediation procedures so that internal and external stakeholders can trust and use them.

Channels for Receiving Reports on Human Rights Issues



SK Group's integrated website for anonymous reporting
<https://ethics.sk.co.kr>



Counseling channel (grievance counselor) in operation
 Corporate Culture Department/ER Department,
 Internal Audit Team/Psychological Counseling Office



Labor-management consultation channels
 Grievance handling institution/labor-management council, labor-management working-level meeting

Grievance Handling Status

Category	2023	2024	2025
Human rights grievances reported	5 cases	11 cases	7 cases
Human rights grievances handled	5 cases	11 cases	7 cases
Handling rate	100%	100%	100%

Operation of Grievance Handling Channels and System Improvement

SK siltron is continuously strengthening the effectiveness and credibility of its grievance handling system to prevent and swiftly respond to human rights violations in the workplace. By enacting the Workplace Bullying and Sexual Harassment Prevention Manual and clearly defining the grounds for disciplinary action and measures to be taken, we have established systematic response standards for human rights violation issues. The reporting system operates on a multi-channel basis, including the website, email, telephone, fax, and mail, and informants can freely report anonymously or using their real name. We strengthened the continuous communication function within the ethical management reporting system, allowing informants to check the handling process in real time and deliver their feedback.

In 2025, we received 7 reports, including 4 cases of bullying and 3 cases of sexual harassment. Appropriate measures were taken for all cases following fact-finding investigations and deliberations by the Disciplinary Committee. By establishing and implementing recurrence prevention measures alongside victim protection measures, we have built a trusted system that completes the process from reporting to resolution.

Human Rights Violation Remediation and Response

SK siltron strictly prohibits all forms of human rights violations, such as discrimination, bullying, and sexual harassment in the workplace, and has established a zero-tolerance principle for perpetrators and guidelines for victim remediation procedures. In the event of a human rights violation, we form and operate a Remediation Committee responsible for investigation and processing to protect and restore the victims' rights. Depending on the nature of the issue, we respond by clearly defining the detailed roles and responsibilities of relevant departments such as HR, Audit, and Legal Affairs.

In addition, we have prepared a formal remediation procedure to resolve employee grievances and human rights violation issues, and we regularly analyze and inspect the validity, number of handled cases, and areas requiring improvement in the procedure. By sharing and discussing the results with the ESG Management Committee and the CHRO, we continuously monitor and improve the effectiveness and performance of our remediation activities.



Human Rights Education Programs

SK siltron abides by international human rights standards such as the UNGP and RBA Code of Conduct. To put these into practice, we enacted the SK siltron Labor Policy, which has laid the foundation for human rights management. To ensure that all employees fully understand the Labor Policy and can comply with it in their daily routines, we established company-wide human rights education courses by incorporating the content of the Labor Policy into the existing statutory training. The education is designed to familiarize employees with the core contents of the Labor Policy and the Code of Conduct aligned with international standards, thereby enhancing practical human rights implementation capabilities. All participants completed the education by achieving a score of 70 or higher on the evaluation criteria, which has helped us lay the foundation for establishing a culture of respect for human rights within the organization.

Operational Performance of Human Rights Education Programs

Course Title	Content	Targets	Completion Rate		
			2023	2024	2025
Human rights education	Prevention of sexual harassment	All employees	100%	100%	100%
	Prevention of workplace bullying				
	Improvement of disability awareness				
	SK siltron Labor Policy				

Human Resources

Human Rights Due Diligence

In accordance with the human rights management principles, SK siltron conducts regular human rights impact assessments for its domestic and overseas business sites. By combining on-site due diligence by internal experts with third-party inspections based on RBA standards, we have established a global-level verification system. For identified human rights risks, we conduct systematic cause analysis and implement corrective actions. We are continuously strengthening the execution capability of our human rights management through a continuous monitoring system based on performance indicators.

Human Rights Impact Assessment

The human rights impact assessment consists of general indicators designed based on international human rights standards such as the UNGP and RBA, as well as specialized indicators tailored to identify human rights issues by process reflecting the specific characteristics of the semiconductor industry, thereby enhancing the accuracy and effectiveness of the assessment. The assessment focuses on 9 core areas, including non-discrimination, health and safety, and the supply chain, diagnosing human rights risks across the organization from multiple angles.

Basic Surveys on Stakeholders

We conduct basic surveys regularly to identify stakeholders' perceptions and needs. Through online surveys, we identify the materiality and evaluation level of each human rights issue, and through face-to-face interviews, we verify the online evaluation results and analyze the identified risks in detail.

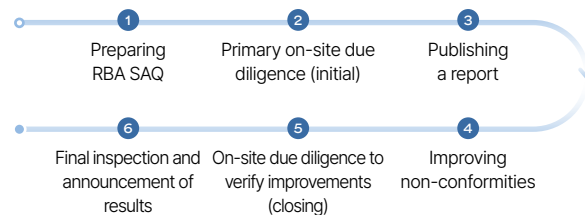
Checklist-Based Assessment

Using a checklist consisting of about 150 indicators, we conduct annual assessments of our human rights management system and governance. We review evidentiary data for each indicator and synthesize stakeholder feedback from the basic surveys, specifically inspecting the level of human rights management.

RBA Third-Party Inspection

SK siltron voluntarily implements the RBA Code of Conduct to comply with responsible management standards in the global supply chain. We conduct annual RBA self-assessments for all business sites, and an RBA-approved third-party organization performs on-site due diligence (Validated Assessment Program, VAP) biennially to objectively evaluate compliance with international standards. We establish corrective action plans for any non-compliances identified through the inspection and obtain final verification from a third-party organization for all improvements.

RBA VAP Process



RBA VAP Results

SK siltron conducted a third-party due diligence based on RBA standards for Gumi Plants 1, 2, and 3 and obtained an Excellent rating with no non-compliances in areas such as labor, SHE, and ethics. However, in the labor area, a need for institutional supplementation regarding the in-house direct loan system was raised. However, as this system is part of employee welfare, we plan to find the best alternative through long-term discussions with employees.

Continuous Improvement of RBA Score



Communication

Operation of Labor-Management Communication System

SK siltron is strengthening communication based on mutual respect and trust between labor and management for the sustainable development of the company and the improvement of workers' quality of life. Through diverse channels such as labor-management working-level meetings, grievance handling body, and the Labor-Management Council, we are continuing sustained and practical dialogue on key issues including improvement of work environments, grievances, and institutional improvements. We achieved a 100% resolution rate for received labor-management issues and grievance cases. By actively reflecting feedback from the site into our human rights management system, we are striving to create a better environment for everyone.

Key Achievements of Labor-Management Communication Channels

Channel	Role	Key Achievements
Labor-management working-level meetings (ongoing/weekly)	Channel for sharing and handling labor-management issues and on-site grievances	- Included holiday bonuses in ordinary wages - Expanded maternity protection systems - Launched the 2nd cohort of Meal Improvement TF
Grievance handling body (ongoing/weekly)	Receiving and handling grievances, requesting institutional improvements	- Established plans for family invitation events - Operated in-house unmanned service machines
Labor-management councils (ongoing, quarterly)	Discussing labor-management issues and pending business issues and delivering messages	- Operated winter and summer resorts - Improved the smoking area environment - Created new Refresh Point system

CEO Live Talk

SK siltron regularly operates the CEO Live Talk for direct communication with employees. This is conducted as a live talk-style dialogue hosted by the CEO, coinciding with key turning points for the company, such as the beginning of the year. In particular, during sessions targeting new employees and different job levels, the CEO and small groups gather to engage in candid Q&A sessions, sharing the company's future growth direction and core values. In addition, we present analyses of the internal and external management environment and declare the direction for the next phase of bold growth company-wide, thereby creating an opportunity to solidify our company-wide commitment to leaping forward as the Global No. 1 Wafer Company.

Human Resources

Execution and Performance

Human Rights Risk Inspection Results

SK siltron conducts human rights impact assessments to identify major human rights risks that may occur across the organization, comprehensively evaluates their impact, and reports them to the ESG Management Committee. Through this process, we selected five core management areas: grievance handling and remediation procedures, non-discrimination, health and safety, forced labor, and human rights management system. Based on the detailed investigation results for each area, we collaborate with relevant departments to derive and execute specific improvement initiatives.

Determination of Key Issues and Improvement Tasks

SK siltron classifies key human rights issues identified through the human rights impact assessment systematically according to their risk levels and proactively manages human rights risks by establishing improvement goals and action plans tailored to each tier. In this process, we gather stakeholder feedback and collaborate with relevant departments to derive improvement initiatives for actual and potential human rights risks, thereby continuously driving issue-centric, practical improvement activities. Through this, we are striving to create a virtuous cycle of human rights management, from the identification of issues to the implementation of improvements and performance inspection.

High Risk	Medium Risk	Low Risk
Grievance handling and remediation procedures Non-discrimination Likelihood of significant human rights risks and strong impact on stakeholders, requiring substantial improvements - Strengthening training and guidance on grievance handling procedures - Preparing a management system for handling grievance cases by channel and type	Health and safety Forced labor Low likelihood of risk occurrence but considerable impact on stakeholders in the event of occurrence, requiring continuous monitoring - Preparing improvement measures to address unreasonable practices compromising safety - Promoting and facilitating activities by the Occupational Safety and Health Committee	Creating a human rights-friendly culture Employee rest and health Guaranteeing labor union activities Supply chain and local community Low likelihood of risks through risk control, with minor impact on stakeholders, only requiring management - Conducting company-wide campaigns to foster a human rights-friendly organizational culture - Expanding stakeholders' participation in identifying and improving human rights issues - Declaring the company's commitment to diversity, equity, and inclusion and establishing the relevant policy - Strengthening guidance on flexible work systems, including discretionary leave

Improvement Activities to Enhance Human Rights Promotion

CASE

01

Mutual Respect and Consideration Talk



SK siltron has designated the 11th of every month as Mutual Respect and Consideration Day and operates campaigns to promote a culture of respect among employees. We operate diverse programs to encourage the practice of respecting human rights in daily life, such as sharing messages of gratitude, praise, and apology through the Mutual Respect and Consideration Talk online forum.

CASE

02

Operation of Thanks to You Settlement Office Program



To instill a culture of respect for human rights within the organizational daily routine, SK siltron newly introduced the in-house broadcasting program titled Thanks to You Settlement Office that enables employees to convey gratitude and consideration. This program, designed to spread small, everyday touching moments throughout the organization, encourages employees to directly deliver messages of gratitude to their coworkers, guided by the catchphrase, "Delaying gratitude leads to arrears". By selecting outstanding messages among the gratitude cases registered on the Mutual Respect and Consideration Talk online forum and broadcasting them in-house, we are extending the online culture of gratitude to real life and spreading positive energy within the organization.

CASE

03

Assessment of RBA Labor Area for In-House Suppliers



SK siltron conducted joint identification and improvement activities for human rights issues targeting in-house suppliers to expand stakeholder engagement in human rights management. To proactively respond to global environmental changes, we conducted an assessment of the RBA Labor section and consolidated the compliance system for each in-house BP through preliminary risk assessments. In addition, we shared the core elements of the RBA Code of Conduct through regular workshops, and inspected the implementation level using Self-Assessment Questionnaires (SAQs). Following this, we selected areas requiring urgent improvement through in-depth analysis. Furthermore, we are resolving practical human rights risks through active support, such as conducting on-site due diligence for those areas and proposing tailored corrective action plans.

CASE

04

Declaration of Support for Diversity, Equity, and Inclusion



SK siltron officially declared its support for diversity, equity, and inclusion (DE&I) and is taking the lead in establishing a human rights-centered organizational culture. This declaration embodies our firm commitment to becoming an organization where all employees are respected without discrimination and diverse perspectives coexist. We are driving various follow-up activities to ensure this goes beyond a simple declaration and leads to continuous practice.

Human Resources

Inclusive Talent Recruitment and Opportunity Expansion

Talent Recruitment

SK siltron recruits bold and passionate individuals who take on ambitious goals and challenge the norms. In the recruitment process, we strictly prohibit discrimination based on gender, educational background, religion, disability, or place of origin, and guarantee fair and equal opportunities for all applicants. Additionally, we prefer employment of national veterans, disabled persons, and socially vulnerable groups. We realize a human rights-based recruitment culture by stipulating the principles of prohibiting child labor and forced labor in our recruitment standards.

Program for Discovering Tailored Talent

Strengthening the Recruitment of AI Professionals

- Expanding the recruitment of talents possessing AI/Data capabilities to secure future growth engines
- Efforts to secure core talents who will lead data-driven work innovation

Operating a Recruitment-Linked Internship

- Strengthening practical adaptability through job experience and task execution with the guidance of senior employees
- Securing outstanding talents early and laying the foundation for recruitment linkage

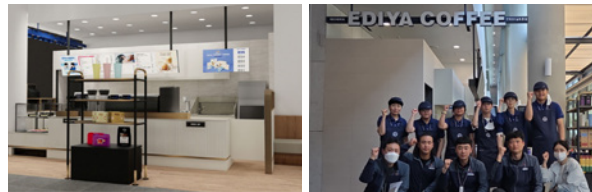
Diversifying Recruitment Communication Channels

- Expanding internal and external communication through university visits, job fairs, and online platforms
- Enhancing corporate awareness and improving accessibility for potential applicants

Expansion of Employment of Disabled Persons

To expand the employment of disabled persons, SK siltron signed an agreement with the Korea Employment Agency for Persons with Disabilities in 2019 and established the subsidiary Happy Fill Co., Ltd. Starting with service tasks such as the in-house convenience store, we expanded the scope of work to indirect manufacturing processes such as wafer box cleaning, and we proceeded with systematic recruitment in cooperation with the Daegu Vocational Competency Development Institute. We strive to create a stable work environment by operating tailored welfare, such as professional psychological counseling and medical expense support, as well as win-win culture programs. In 2025, we strengthened a barrier-free environment through initiatives such as transitioning to a cafe franchise and introducing braille on kiosks.

Operation of In-House Coffee Shop



Support for Women's Career Growth and Operation of a Family-Friendly System

SK siltron actively supports the expanded recruitment and career development of women. As of 2025, the ratio of female employees is 16% of the total, and in particular, 29% of newly hired employees are women. In addition, we are expanding female managers, and reached 8.3% of team manager-level positions or higher as of 2026. Furthermore, to prevent career breaks for female employees and facilitate their stable long-term service, we operate a family-friendly system tailored to life cycles. By expanding childcare and resting infrastructure, such as long-term operation of the in-house daycare center and improvement of the Mom's Lounge environment, we are strengthening the foundation for the long-term service of female employees.

Operating Status of Family-Friendly System by Life Cycle

Category	System Description
Pregnancy	• Operating shortened working hours for pregnant employees • Providing prenatal diagnosis leaves and maternity leaves
Parenting	• Operating shortened working hours for childcare (choice within the range of 15-35 hours a week)
Elementary school entrance	• Introducing childcare leaves for school entrance (up to one additional year after statutory parental leave)
Other support	• Providing school entrance and child delivery allowances • Operating subfertility treatment leaves (six days a year, including three paid days)

Support for Semiconductor Technology Education

To ensure the sustainable development of the semiconductor industry ecosystem in the Gyeongbuk region and to nurture site-centric individuals, SK siltron is participating in the Semiconductor-Specialized Complex Materials, Parts, and Equipment-Specialized Talent Nurturing Project promoted by Gumi City. Gumi City supports systematic education programs to strengthen capabilities in equipment technology and provides opportunities to gain practical expertise through education tailored to on-site practices.

Semiconductor Technology Education



Human Resources

Talent Development

SK siltron has established a talent development governance system to enable employees to experience self-driven career growth and gain market recognition. We have specified talent development into three areas: Values, Leadership, and Technical Specialization, and the Chief Human resource Officer (CHO) oversees and drives company-wide competency development. This framework is linked with core HR systems such as performance evaluation, mobility, and promotion to encourage continuous competency enhancement among employees. Additionally, to elevate the effectiveness of key programs such as Growing College and specialized technical training, we operate an internal and external consultative body consisting of in-house executives and local university experts, continuously enhancing our development strategies and training content.

Talent Development System

SK siltron has built infrastructure to support self-directed learning so that employees' individual growth can lead to strengthening of the company's competency. We have also established a training system for nurturing talents with boldness and technical expertise and operate tailored training programs.



Competencies required for duties, roles, and position responsibilities operated through the talent development system and training programs

Competencies needed for personal growth operated through self-directed learning

Talent Development Programs

SK siltron runs various optimized training courses, ranging from onboarding programs for new and experienced employees to programs for strengthening individual job competencies, in order to foster differentiated talent.

Domain	Program	Details
Values	SUNi Day	Sharing business status and core values with all production workers
	Onboarding Course	Onboarding program for new and newly-joined experienced employees
Leadership	Development of Core Talent	Intensive development of core talent through group development programs
	Leadership Course	Leadership competency training and one-on-one coaching by position
	Course for Leader Candidates	Course for selecting and fostering candidates to build a pool of future leaders
Technical Competency	Growing College	Specialized technical courses in national core technologies, linked to local universities
	Technical Seminars	Supporting participation in technical seminars to expand insight into technology trends
	Semiconductor Process Course	Training course on the semiconductor process linked to SK hynix
	Basic Statistics	Basic statistical theory course required for process operations
AI/DT Competency	System Utilization	System training course to enhance proficiency in in-house IT systems
	Data Utilization	Data analysis training based on generative AI, No Code, and Python
	AI Utilization	Utilization of AI tools based on AI agents
Self-Development	mySUNi	Self-directed learning courses across various areas based on the SK Group's education platform
	Siltron University	Support for job-related licenses provided through SK siltron's dedicated education platform

Growing College

SK siltron operates Growing College as an in-house specialized training course to strengthen the competitiveness of ingot growing technology, which is designated as a national core technology, and to systematically nurture next-generation technical leaders. This course consists of education in engineering theory, a practical-focused tech course, and the execution of individual research projects. It is designed to foster technical experts within a short period through a step-by-step learning system. The 4th cohort of trainees completed the engineering theory course in 2025 and has been participating in the tech course since March 2026.

DT Development System

SK siltron is establishing a Digital Transformation (DT) development system for data-driven work innovation and enhanced employee competency. We have categorized core AI/DT competencies into three areas including basic statistics, system utilization, and data analysis, and we are developing and operating tailored training programs based on these categories. Going beyond mere course completion, we introduced an in-house certification test to ensure the acquisition of practical competencies. This allows employees to freely participate regardless of their learning history, enabling them to perform self-diagnoses and design tailored learning paths based on the assessment results. Starting in 2025, we established an incentive system that grants additional points during job promotion reviews to those who have acquired internal DT certification, actively encouraging self-directed competency development among employees.

Acceleration of AX Transformation through AI Internalization

To accelerate AI-based work innovation (AI Transformation, AX), SK siltron is driving an AI internalization strategy built on two pillars: AI utilization training and in-house development of solutions. In 2025, we held AI trend seminars and AI agent practice training, demonstrating productivity improvements in areas such as automation of repetitive tasks and data analysis. In 2026, we are strengthening AI capabilities across the organization by expanding training to all employees. At the same time, we are alleviating the work burden on employees by using in-house AI assistants, developed primarily by internal experts, and applying them to actual tasks such as document retrieval and report generation. Going forward, we will expand the scope of application to all sectors, including manufacturing, quality, and management support, and continuously strengthen practical guides to generate site-oriented AX transformation outcomes.

In-House AI Assistants



Human Resources

Fair Evaluation and Compensation

SK siltron creates an environment where employees can focus on their work and improve their capabilities through evaluation, compensation, and promotion systems.

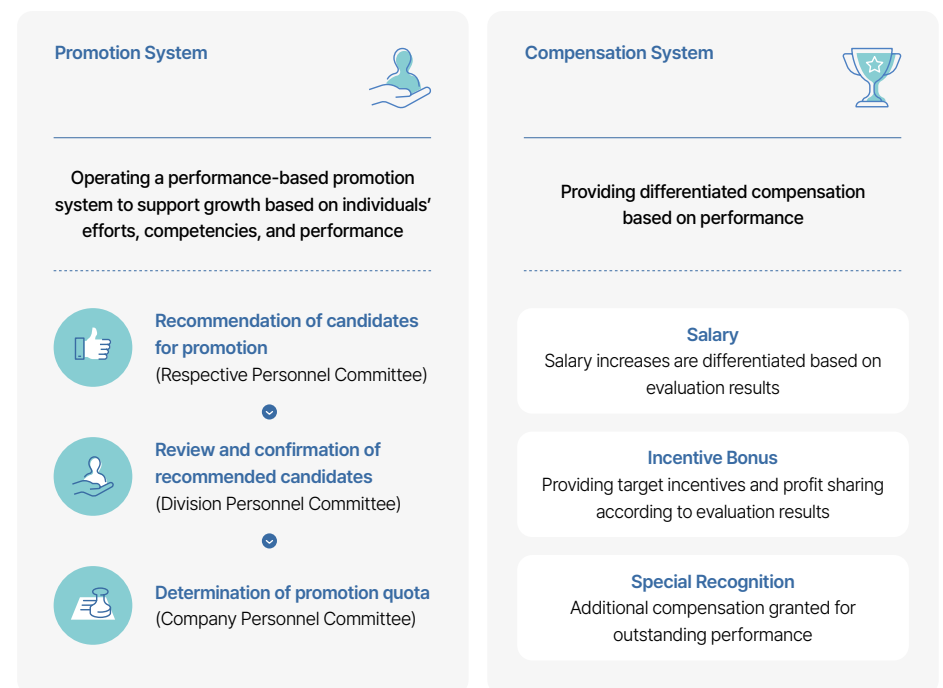
Performance Evaluation System

To ensure that development through work is implemented, SK siltron registers the tasks to be performed by employees as individual goals and operates continuous coaching and feedback sessions year-round to achieve these goals. We conduct performance evaluations based on multi-dimensional reviews through peer feedback and step-by-step HR committees to ensure fair evaluations, and the evaluation results are used as foundational data to support future growth.



Promotion and Compensation Systems

SK siltron operates promotion and compensation systems to enable employees to grow through work and strengthen performance through competency development. We have boldly eliminated seniority-based elements and designed a promotion system to allow early growth of individuals possessing outstanding performance and competencies. In particular, to empower employees to autonomously develop their global business execution capabilities and AI/DT competencies, we actively encourage competency development by applying mandatory learning hours as a requirement for promotion. The compensation system operates based on fair and transparent evaluations grounded in a performance-oriented philosophy. By providing differentiated compensation based on performance, we enhance employee engagement and motivation and support their continuous growth.



Human Resources

Creation of a Happy Workplace and Culture

SK siltron supports employees in maintaining work-life balance. We aim to establish work-life balance and improve employees' happiness levels through expanded operation of various programs and institutional support that help create a happy workplace based on a healthy corporate culture.

Operation of T.O.P Day

To enhance trust between management and employees and ensure that on-site voices are reflected in management, SK siltron operates T.O.P Day,¹⁾ a regular monthly communication channel. By allowing each organization to self-design the themes and methods of communication, this initiative aims to realize practical two-way communication rather than one-way delivery of information and foster a flexible culture tailored to the characteristics of each organization.

In 2025, we rolled out activities centered on strategic themes such as sharing management directions, streamlining work efficiency, and establishing a sound organizational culture, with a focus on building employee engagement and consensus. By dedicating time for unit organizations to take the lead in diagnosing factors of work inefficiency and deriving improvement initiatives, we strengthened execution capabilities within the organization and innovated our ways of working. Furthermore, we produced and shared Siltron DNA content based on our growth story, and initiated a process to establish core ways of working tailored to the characteristics of each organization.

1) T.O.P (Transform-Open-Performance): An organizational communication channel for discussing change, building consensus through open communication, and linking these to execution and performance



Introduction of C-A Operation

SK siltron has been operating a dedicated organization since 2019 and continuously carrying out employee-led happiness promotion activities to strengthen an employee-centered organizational culture. Advancing the existing Happiness Agenda,¹⁾ we are transitioning to an operating system centered around 'C-A',²⁾ who act as happiness designers for each organization, to spread a more flexible and site-centric culture. C-As are employees selected from each organization who serve as a bridge for communication by operating T.O.P Day, listening to on-site grievances, and sharing them with management and the dedicated organization. Through this, employees' voices are practically reflected, and tailored happiness activities for each organization are introduced proactively. In addition, we plan and operate the Small Recognition program to enhance work motivation and engagement, contributing to the creation of a positive organizational culture and the enhancement of employee satisfaction by providing immediate encouragement for everyday achievements.

- 1) A happiness improvement program in which employees participate directly to derive and execute practical measures for promoting happiness
- 2) Formerly Happiness Designers: Agents who lead communication and change to build a healthy organizational culture

Happiness Survey

SK siltron is continuously promoting a happiness management strategy to firmly establish a sustainable organizational culture. To this end, we diagnose the factors impacting employees' emotional states and work engagement, and we operate regular happiness surveys to create a happy workplace and culture. In April 2025, we conducted a Happiness Pulse Survey targeting office workers, with the participation of 720 out of 968 employees (a response rate of 74.4%). The collected survey results were reported to management following an in-depth analysis including employee interviews, and based on this, we derived insights applicable to overall organizational operations. In particular, based on the survey analysis results, we planned and operated a competency empowerment program to enhance trust in leadership, and we regularly operate T.O.P Day once a month as a leader-driven communication channel to build consensus with employees. These activities contribute to the creation of a sustainable organizational culture by building a practical feedback loop that reflects the voices of employees in management decision-making.

Human Resources

Work-Life Balance

To help employees maintain work-life balance, SK siltron establishes and operates policies across three management areas: tailored work systems, a healthy organizational culture, and post-retirement life support systems. In recognition of these efforts, we received the Family-Friendly Certification from the Ministry of Gender Equality and Family.

Work System Tailored to Work Characteristics

SK siltron operates a tailored work system that reflects the work characteristics of production workers and office and technical workers, supporting employees in engaging deeply in their work while respecting their personal and family lives.

For production workers, we transitioned to a 4-group, 2-shift work system to reduce the number of working days and support them in securing time with their families. For office and technical workers, we introduced a flexible work system to create an environment that enables autonomous commuting considering work characteristics and situations. We designated every Wednesday as Smart Day to encourage leaving work on time, and as of 2025, we achieved an average on-time departure rate of approximately 80%. In addition, we operate the second Friday of every month as Happy Friday to support employees in fully recharging, recording an average participation rate of approximately 93% in 2025. Along with this, we foster a culture of respect for individual lives by granting various stipulated leaves in addition to annual leave, on occasions such as birthdays, summer vacations, and long-term service rewards.

Operation of a Task-Specific Work System

Work Type	Details
Production workers	• Reduced workdays by improving shift work (4-group, 3-shift → 4-group, 2-shift)
Office workers	• Designating every Wednesday as Smart Day to encourage leaving office on time • Granting discretionary leaves and implementing a flexible work system • Designating and operating the second Friday of every month as Happy Friday
Common	• Granting contractual leaves besides annual leaves (birthday, summer vacation, long-service reward, etc.)

Building a Healthy Organizational Culture

SK siltron operates diverse programs to promote the physical and mental health of employees. We help employees maintain healthy daily lives through health promotion through the Haengbok-dong Fitness Center and healing programs in psychological counseling rooms. In addition, we operate family invitation events and small happiness programs regularly to enhance the happiness of employees and their families, and we actively support in-house club activities to relieve stress through leisure activities and strengthen the bond among employees.

Furthermore, we operate the Refresh Point system so that employees can freely plan their time off according to their personal life rhythms and family situations. By providing annual welfare points that employees can use in their preferred ways, such as domestic and international travel, vacationing, and leisure activities, we enable more employees to enjoy practical and optional opportunities to recharge.

Operation of Work and Leisure System/Programs

Program	Details
Physical/ Mental Health Promotion	• Executing a health promotion program using the Haengbok-dong Fitness Center • Operating healing programs using psychological counseling rooms
Promoting the Happiness of Employee's Families	• Invitational company events for employees' families • Operating small happiness programs with families • Operating Refresh Point system for winter and summer resorts
Promotion of Leisure Life	• Operating a support system for in-house club activities

Post-Retirement Life Support System

SK siltron provides outplacement support training programs for prospective retirees so they can design their second lives after retirement. In 2024, 33 employees scheduled for regular retirement completed the program, and the participants' satisfaction score was 4.65 out of 5 points, proving the effectiveness of the program as an employee-centered support system.

In addition, in 2026, we introduced and operated a one-on-one career counseling program in connection with specialized institutions for prospective retirees willing to participate, providing personalized support based on in-depth reviews of individual retirement preparation statuses and offered recruitment information on desired career fields. Through this system, we provide comprehensive support so that prospective retirees can review their current situation and future plans and conduct financial planning for their post-retirement careers and later lives.

Operation of Retiree Support System

Category	Details
Self-planning	• Life diagnosis and exploration of career alternatives
Financial planning	• Review of retirement assets and guidance on asset management methods
Career planning	• Preparation of career plans and exploration of strategies for successful reemployment
Preparation for retirement	• Guidance on post-retirement administrative processes (National Pension processing, etc.)

Human Resources

Metrics and Targets**Performance in 2025 and Medium-to-Long-Term Targets**

Initiatives

2025

Medium-to-Long-Term Targets

Human Rights**Strengthening labor and human rights**

Received an RBA score of 193.8 points

2030

RBA 200 points

Achieving an score of 200 points

Due Diligence / Prevention

Regularizing human rights due diligence and strengthening preventive activities

Enhancement of diversity and inclusion

8.3% female leaders
Internalized the DE&I culture

2030

female leaders

Increasing the number of female leaders

Diversity & Inclusion

Embedding an organizational culture and system that upholds respect for diversity and inclusion

Happiness**Improvement of the work environment****Achieved an 85%**

Achieved an 85% participation rate for the work system tailored to work characteristics

2030

Innovative Ways of Working

Establishing and spreading innovative ways of working through assessment and improvement of factors that hinder work-life balance

Enhancement of employee satisfaction

Spread the Happy Designer organizational culture

Continued to operate the monthly T.O.P Day

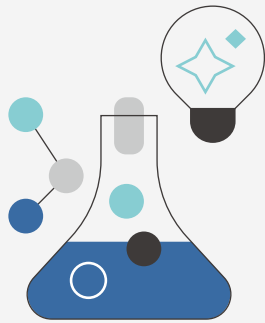
2030

80 points or higher

Maintaining an employee satisfaction score of 80 points or higher

Research and Development

2025 Highlight



R&D

Metrology organization
Optimized human resources and functions

Intellectual property rights

R&D patent applications

104 cases

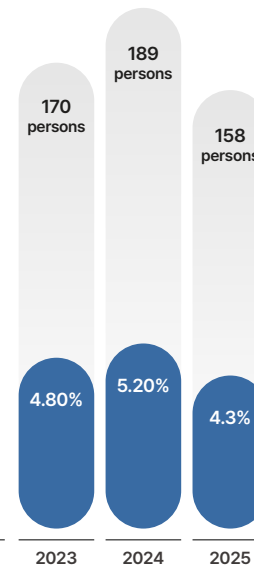
Promotion Strategy

Semiconductor Research Institute

SK siltron is continuously strengthening its R&D capabilities to lead future technologies. We have steadily expanded our R&D workforce to secure human capital, and employs 158 domestic R&D personnel as of the end of 2025. This accounts for 4.3% of the total workforce. In 2025, we established an independent R&D organization separated from the manufacturing and technology organizations and redefined organizational R&R to support portfolio advancement and quality and cost innovation and to strengthen the intrinsic function of development centered on the development of elemental technology. In addition, to respond more effectively to the expansion of our product portfolio and achieve top yields for key customers, we integrated the previously dispersed metrology personnel around the Development Center, thereby enhancing the synergy between technology planning and development. Based on these R&D capabilities, SK siltron will continuously strengthen its technological leadership to secure global no. 1 competitiveness.

R&D Personnel

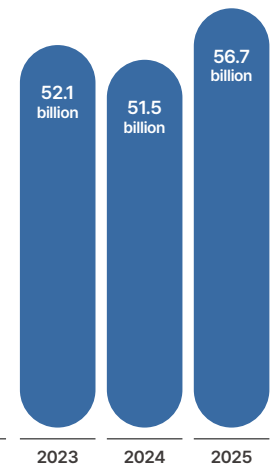
● Ratio ● Number of Employees



R&D Status

SK siltron provides differentiated value to customers by developing wafers, a core material for semiconductor devices. We cooperate closely with leading companies in the materials, parts, and equipment sectors to secure the world's best technological competitiveness. Further, we are strengthening our technological capabilities to respond to customer demands in a timely manner. The R&D organization is dedicated to proactive technology development to address next-generation semiconductor devices. We also continue to conduct advanced research for wafer design and core technologies that we do not yet possess. Furthermore, we are strengthening our quality assurance capabilities to meet the strict quality standards of our customers. Currently, we are engaged in efforts to enhance the efficiency and effectiveness of R&D by integrating computer-aided engineering (CAE) and AI/DT-based technologies. The scale of R&D expenditure in 2025 was KRW 56.7 billion, accounting for 2.57% of total revenue.

R&D Expenditure (Unit: KRW)



Research and Development

Execution and Performance

R&D History

We are developing ultra-precision analysis technologies to provide solutions optimized for customer needs, and we are constantly improving core process technologies with the goal of strengthening quality management and manufacturing competitiveness.

2017	- Developed 10nm EPI for 300mm Logic - Control technology for 300mm Growing-Length Base Shoulder - Crystal for controlling micro-precipitation defects for 300mm MCU
2018	- Developed oxygen precipitation control crystal for 300mm Logic - Developed high-flatness EPI for 300mm MPU 10nm - Developed polish wafer for 300mm DRAM 17nm 300mm Edge oxygen concentration dispersion control crystal
2019	7nm EPI wafer for 300mm Logic
2020	Polished wafer for 300mm DRAM 1znm
2021	Polished wafer for 300mm 1xxL 3D NAND
2022	Polished wafer for 300mm DRAM 1anm
2023	- Polished wafer for 300mm DRAM 2xxL 3D NAND - Polished wafer for 300mm DRAM 1bnm
2024~Present	2nm EPI wafer for 300mm Logic

Research and Patent Status

SK siltron is strengthening its R&D capabilities to lead future technologies. In 2025, we applied for 104 domestic and international patents, as part of the drive to convert our R&D achievements into intellectual properties.

65(31)

Applications (registration) in Korea

39(13)

Applications (registration) overseas

Selection of National Core/Strategic Technology

The silicon wafer technology for semiconductors possessed by SK siltron is recognized for its high strategic value in terms of the national competitiveness and technological independence of the materials industry. In particular, our 300 mm silicon wafer growing technology has been designated as a national core technology, and the overall 300 mm silicon wafer technology is managed as a national strategic technology. These technologies are under systematic government management for the purposes of national security and industrial protection, and we strictly comply with relevant legal and institutional standards in the process of possessing and using these technologies. We have established and operate a separate security management system for national core technologies to prevent technology leaks, and we separately manage the personnel and retained assets associated with handling national core technologies. Through these efforts, we ensure the safe protection and responsible use of our core technologies.

Top Enterprise for Materials, Parts, and Equipment/World Top Tier Product Certification

In 2022, SK siltron was selected by the Ministry of Trade, Industry and Energy as a Top Enterprise possessing core strategic technologies in the materials, parts, and equipment sectors. Accordingly, we formed a consortium with major domestic materials, parts, and equipment companies, universities, and government-funded research institutes to jointly develop wafer manufacturing technologies for next-generation DRAM, 3xxL NAND, and high-resolution CIS, fulfilling a core role within the value chain. In the same year, we were also selected as a World Top Tier Product in recognition of our technological excellence and global competitiveness, and we demonstrated our continuous technological leadership by successfully renewing the certification in 2025 through a triennial re-examination. In addition, we received the Presidential Citation for Meritorious Service in Root Industry Development in recognition of our contribution to the technological independence and advancement of the domestic materials, parts, and equipment industries. Based on our achievements in contributing to the technological development and competitiveness enhancement of the semiconductor industry, we also received the Ministerial Citation for Meritorious Service in Semiconductor Industry Development.

Patterned Wafer Support Project

Since 2017, SK siltron has continuously participated in the patterned wafer support project organized by the Korea Semiconductor Industry Association, regularly providing high-purity silicon bare wafers. The provided wafers are supplied to domestic universities, SMEs, and research institutes based on a pattern comprising a total of 32 types of circuit designs, including bar, hole, and blanket, in 200 mm and 300 mm specifications, developed jointly by Samsung Electronics and SK hynix. Through this, we contribute to improving accessibility to semiconductor design technology and strengthening the technological competitiveness of the domestic semiconductor materials, parts, and equipment industries.

Details of Wafer Supply

Category	2017-2021	2022	2023	2024	2025
Quantity	10,845	2,314	2,440	2,571	2,079



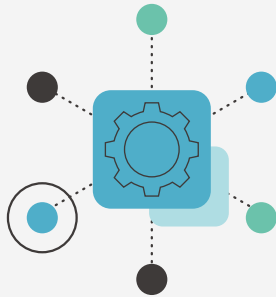
ADVANCING THE ENGAGEMENT WITH SOCIETY

52 Sustainable Supply Chain

58 Social Contribution

Sustainable Supply Chain

2025 Highlight



Suppliers

Participation of key suppliers
in ESG assessment

100%

High-risk suppliers

0%

Shared growth index evaluation

Top Grade

Promotion Strategy

SK siltron is enhancing sustainability by building a responsible supply chain based on a win-win partnership with its suppliers. To this end, we have established a supply chain governance structure where the ESG Management Committee, our highest decision-making body, reviews supply chain ESG strategies and implementation performance semiannually. The Internal Subcontracting Deliberation Committee operates once a month to review compliance with the Subcontracting Act prior to contracting. Going beyond simple regulatory compliance, we regard proactive risk management for high-risk suppliers as the top-priority initiative. Accordingly, we focus on strengthening the resilience of the entire supply chain by providing tailored improvement support programs in cooperation with specialized external agencies. In addition, to elevate the effectiveness of ESG risk management, we directly link ESG management performance to the performance evaluations of the purchasing organization, thereby clarifying company-wide execution responsibilities and facilitating the internalization of an ESG management culture within the supply chain.

Composition of Supply Chain Governance

ESG Management Committee



Operating Cycle
Semiannually

- Discussing the current status of ESG risk management for the supply chain
- Planning shared growth activities and reviewing achievements

Internal Subcontracting Deliberation Committee



Operating Cycle
Monthly

- Conducting pre- and post-reviews related to subcontracting agreements
- Checking compliance with obligations under the Fair Transactions in Subcontracting Act
- Reviewing violations of the Fair Transactions in Subcontracting Act and fair trade regulations
- Reviewing the appropriateness of adjustments to supply prices

Risk Management

SK siltron comprehensively manages multilateral risks to secure the sustainability of the supply chain. We manage ESG and human rights risks through regular assessments and on-site due diligence for suppliers, following which we induce fundamental improvements for non-conformities through coaching in cooperation with external experts.

At the same time, we comply with environmental regulations by strengthening eco-friendly purchasing standards and conducting investigations on conflict minerals, guaranteeing business continuity through a supply chain diversification strategy. Furthermore, we fundamentally block legal and ethical risks by expanding the application of the fair trade compliance program.

Implementation of the Fair Trade Compliance Program (CP)

SK siltron complies with laws and principles in transactions with suppliers and focuses on establishing a fair trade order. Since introducing the fair trade compliance program in 2022, we have laid the groundwork for systematic operation by producing and distributing a compliance manual and regularly reporting performance to the Board of Directors.

In particular, to enhance decision-making transparency and mitigate risks proactively, we strengthened the level of compliance by clearly announcing internally and externally the types of transactions requiring prior Board approval and precautions related to internal transactions in 2025. Furthermore, we provided specific guidelines for compliance with the Subcontracting Act, such as precautions to be taken when requesting technical information that may arise during the collaboration process with suppliers. In addition, SK siltron is continuously driving online and offline training and campaigns for employees and suppliers, making utmost efforts to raise fair trade awareness and strengthen capabilities.

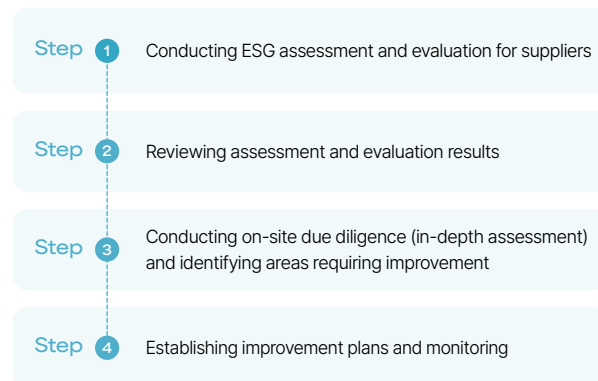
Sustainable Supply Chain

Management of Supply Chain ESG Level

SK siltron is driving systematic ESG assessments and improvement activities to strengthen the sustainability management capabilities of its suppliers. Reflecting business characteristics and stakeholders' requirements, we segment our suppliers into groups based on transaction volume and materiality, applying assessment methods appropriate to each group to enhance the effectiveness of the evaluation.

We identify high-risk suppliers based on the results of the regular annual assessments and, if necessary, conduct on-site due diligence jointly with specialized external agencies. Where risk factors are identified, we support suppliers with the establishment of tailored corrective action plans and regularly monitor implementation status, thereby mitigating actual risks and enhancing sustainability across the entire supply chain.

Supply Chain Risk Management Process



Implementation and Dissemination of the RBA Code of Conduct

SK siltron assesses the ESG management level of its suppliers based on the Responsible Business Alliance (RBA) Code of Conduct. We established an assessment framework consisting of 70 items based on the RBA Code of Conduct 8.0 released in early 2024. We conduct annual self-assessments for major and in-house suppliers across five core areas: labor, health and safety, environment, ethics, and supply chain management.

We conduct on-site inspections of suppliers determined to be high-risk as a result of the assessment. Based on a comprehensive analysis of the urgency and impact of the tasks requiring improvement, we require the establishment of corrective action plans and inspect the implementation status to ensure that practical improvements are made. Additionally, all key suppliers pledge compliance with the SK siltron Supplier Code of Conduct, which is based on the RBA Code of Conduct, every year. This is stipulated in the contract to strengthen execution capability with legal binding force.

Revisions to the Supplier Code of Conduct and Contracts

Category	Key Provisions	Details
Code of Conduct	Prohibition of discrimination and bullying	• Respect for ILO Conventions and efforts for improvement
	Freedom of association	
	Energy consumption and greenhouse gas emissions	• Building a greenhouse gas inventory and updating it regularly • Determining carbon emissions and executing reduction initiatives
	Conflict mineral issue	• Participating in the drive to restrict the use of conflict minerals • Sharing conflict mineral usage status and results annually
	Supply chain participation and fulfillment of responsibilities	• Complying with green purchasing during the supply process • Promote responsible corporate activities by establishing and practicing related systems
Contract	Compliance with SK siltron Supplier Code of Conduct	• Support for understanding and complying with the RBA Code of Conduct
	Human rights management	• Active cooperation in promoting human rights management across the supply chain

Eco-Friendly Purchasing

SK siltron is systematically driving the introduction of eco-friendly auxiliary materials and the utilization of circular resources to facilitate resource circulation across the supply chain. To this end, starting from the waste generation stage, we are expanding the use of eco-friendly materials and packaging that can be reused and recycled. For example, we are enhancing resource efficiency through various measures such as recycled FOSB, reuse of plastic pallets, and the introduction of regenerated slurry.

Going forward, we plan to further facilitate our suppliers' eco-friendly activities. In addition, we are considering various technical and financial support measures to encourage green certifications, use of regenerated resources, and carbon reduction. Through this effort, we will encourage the eco-friendly transition of our suppliers and strengthen the execution capability of the circular economy across the entire supply chain.

Diversification of the Supply Chain

To respond to the uncertainties and geopolitical risks in the global supply chain, SK siltron makes securing a stable supply of core raw and auxiliary materials a top priority. To this end, we are systematically promoting strategies for the continuous discovery and diversification of new suppliers, proactively managing supply risks by addressing structures reliant on single sources.

In particular, we are working to secure alternative suppliers within the scope of meeting customers' quality and ESG requirements. Our focus is on enhancing the flexibility and resilience of our supply routes. This has gone beyond simple cost optimization to become a strategic foundation for ensuring long-term supply stability and corporate sustainability.

Sustainable Supply Chain

Management of Conflict Minerals Risks

Conflict Minerals Management Policy

SK siltron establishes and strictly complies with a Responsible Minerals Management Policy to prevent human rights and environmental risks within the global supply chain. We prohibit the use of conflict minerals¹⁾ that are mined in African conflict-affected areas and used as funding sources for armed groups, and we conduct supply chain due diligence in accordance with the RBA guidelines. In addition, by expanding the scope to responsible minerals such as cobalt, nickel, and mica, we are continuously monitoring whether minerals that have the potential to cause human rights and environmental issues such as child labor, forced labor, and environmental pollution are being used.

1) 3TG+C (tin, tantalum, tungsten, gold, and cobalt)

Screening and Assessment of Conflict Minerals Risks

SK siltron conducts an annual conflict minerals status survey using the CMRT²⁾ for suppliers providing raw and auxiliary materials, and when necessary, expands the scope of survey through the EMRT.³⁾ The survey targets suppliers of core raw and auxiliary materials, such as poly, dopant, and special gases, and we proactively prevent risks by receiving pledges of non-use of conflict minerals from all suppliers.

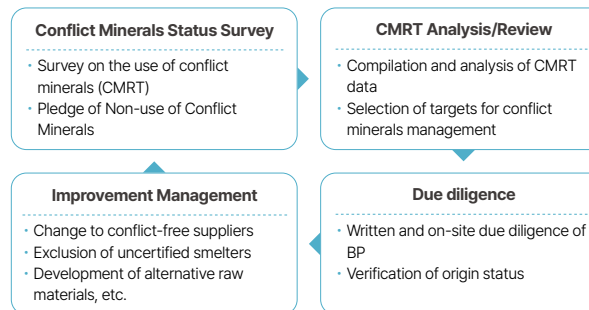
2) CMRT, Conflict Minerals Reporting Template

3) EMRT, Extended Minerals Reporting Template

Operation of the Conflict Minerals Management Process

SK siltron operates a four-step management process ranging from the conflict minerals status survey to improvement management. If the use of conflict minerals is suspected or risks are identified during the survey, we establish improvement plans, such as changing smelters or developing alternative raw materials, and inspect their implementation. In addition, during regular supplier evaluations, we enforce responsible mineral procurement across the entire supply chain by including the notice prohibiting the use of conflict minerals and cobalt, as well as compliance with the Supplier Code of Conduct, as mandatory items.

Conflict Minerals Management Procedure



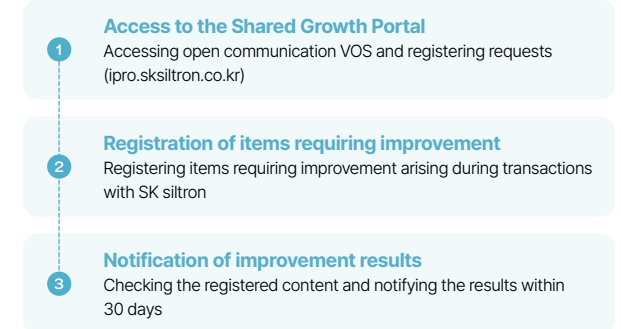
Management of New Suppliers

SK siltron prevents supply chain risks by systematically reflecting ESG factors starting from the new supplier selection stage. Beyond the existing evaluations of technological capabilities, quality, and financial soundness, we assess suppliers comprehensively by including their ESG implementation level as a core evaluation item. In particular, to ensure the objectivity and reliability of financial risk evaluations, we use credit rating assessments and screening results from specialized external agencies. Additionally, we have established and operate an integrated purchasing portal to enhance the efficiency of the supplier management process. Through this, we execute supply chain management activities, including supplier registration, evaluation result management, risk analysis, information sharing and training, and the inspection of compliance management and working environments based on an integrated approach.

Activation of Supplier Communication and Grievance Resolution

SK siltron prioritizes trust-based communication, execution of improvement measures, and grievance resolution with suppliers. To this end, we create opportunities for communication through supplier visits, one-on-one meetings, Collabo Day, BP Awards, and Quality Day. In addition, we operate an ongoing supplier grievance channel to identify difficulties and gather feedback based on an integrated approach.

Operating System for Improvements



Operating System for Handling Grievances



Sustainable Supply Chain

Execution Performance

ESG Assessment and Improvement Support for Supply Chain

To assess the ESG level of suppliers and provide tailored support, SK siltron conducts evaluations considering transaction volume and cooperative relationships. Suppliers are managed by classifying them into three groups: key, general, and in-house suppliers. Self-assessments are mandatory for key and in-house suppliers, and we completed 100% of the assessments for 2025. Based on the self-assessment results of key, general, and in-house suppliers, we selected 33 companies and conducted on-site due diligence. During the on-site due diligence, we collaborated with the Korea SMEs and Startups Agency to offer a program for strengthening ESG management capabilities.

This program consisted of employee training to build an understanding of the necessity of ESG management, expert consulting on deficient areas derived from self-assessments, and inspections on the implementation status of improvement tasks. The program was systematically operated to ensure practical improvements in suppliers' ESG management levels.

Supply Chain ESG Evaluation/Due Diligence Status

Category	Assessment		On-Site Due Diligence
	Item	Participation	
Key suppliers	70 RBA-based questions	66 companies	16 companies
In-house suppliers		7 companies	3 companies
General suppliers	About 50 K-Doctor ¹⁾ questions	202 companies	14 companies

1) Online ESG assessment solution on the integrated ESG platform of the Korea SMEs and Startups Agency

CASE

01

Provision of Supplier-Tailored Support Programs

During the 2025 on-site due diligence process, SK siltron selected suppliers that demonstrated outstanding ESG improvement performance and a strong commitment to execution, implementing an additional, tailored intensive support program. This program was designed based on the specific needs of the suppliers and focused on core areas such as establishing a greenhouse gas inventory, acquiring recognition for risk assessments, supporting ISO certification, and establishing disclosure channels.

Through in-depth discussions with the suppliers, each initiative was comprehensively evaluated for necessity and urgency and was designed to enable practical performance generation by linking step-by-step implementation roadmaps with expert consulting. Through this effort, the participating suppliers achieved outcomes in improving their capabilities as responsible supply chain partners, such as internalizing their ESG management systems and strengthening their ability to respond to external demands for disclosures and customer requirements.

Details of Supplier-Tailored Program Support

Category	Targets	Program
Greenhouse gas management	6 companies	• Inventory building, third-party assurance
External certifications	1 company	• ISO 14001 certification
Disclosure channel	1 company	• Website creation

CASE

02

Award from the Minister of SMEs and Startups



SK siltron's supply chain ESG support activities have also received high external evaluations. One of the suppliers that participated in the tailored support programs was selected as an excellent company in carbon neutrality practices at the 2025 2nd Carbon Neutrality Best Practice Sharing Session organized by the Korea SMEs and Startups Agency and won the Minister of SMEs and Startups Award.

This is a representative case demonstrating that SK siltron's supply chain ESG support goes beyond simple assessment and leads to practical management performance of its suppliers. In the future, we will continue to enhance ESG capabilities across the entire supply chain by expanding the application of similar models.

Sustainable Supply Chain

BP ESG Awards

SK siltron operates the BP ESG Awards to encourage suppliers' ESG management practices and share best practices. The purpose is to expand ESG performance through benchmarking among suppliers and to firmly embed ESG management in the entire supply chain. In 2025, we identified best practices adopted by companies subject to regular purchasing evaluations among our key suppliers, and 5 cases from 4 companies were selected. Through the Awards system, practical ESG improvement performances and ideas in various fields were derived, such as transitioning to QR code labels, constructing solar power generation systems using idle land, and supporting vulnerable groups in the local community. Going forward, the selected cases will be shared across the supply chain, and we also plan to consider measures to reflect the enhanced level of ESG practices in regular purchasing evaluations. By doing so, we will encourage the voluntary participation of our suppliers and drive continuous improvement.

BP ESG Awards



Receiving Top Rating in the Shared Growth Index Evaluation

SK siltron received the Top rating in the Shared Growth Index Evaluation announced by the Korea Commission for Corporate Partnership for two consecutive years. This achievement came as external recognition of our systematic and sincere efforts to establish a fair trade order with suppliers, provide financial and technical support, and enhance ESG capabilities. In the future, we will expand trust-based partnerships with suppliers and promote authentic shared growth to foster a sustainable supply chain ecosystem.

Operation of the Shared Growth Fund

SK siltron operates diverse financial support programs to ensure the management stability and financial liquidity of its suppliers. In 2025, we cooperated with financial institutions to create a Shared Growth Fund totaling KRW 23 billion and supported suppliers in securing operating funds and facility investment funds by providing low-interest loans. Through this, we alleviated the financial burden on suppliers, thus strengthening their management capabilities and establishing a foundation for sustainable growth.

In addition, we improved our payment methods to support our suppliers with smooth cash flow. We operate a prompt payment system based on the principle of cash payment once a month for general suppliers, and three times a month for suppliers that signed subcontracting and fair trade agreements. Additionally, by making early payments before national holidays, we further stabilize our suppliers' cash flow.

Technology Support Systems

SK siltron operates a technical support system to strengthen the self-sustaining technological capabilities of its suppliers. Prior to joint technology development, we prepare an institutional foundation and sign a benefit sharing agreement so that development outcomes can be linked to practical revenue increases for suppliers, and we operate the Technology Escrow System to safely protect core technology data. Furthermore, we use our analytical equipment and databases to provide specialized technical support in areas such as the analysis of raw and auxiliary material crystal structures, surface and defect characteristics, and trace elements. Based on the technology sharing agreement signed with the Ministry of Trade, Industry and Energy, we contribute to the creation of a win-win technological ecosystem by opening our patents to our suppliers.

Achievement Sharing Program	Before engaging in joint technology development with suppliers, we sign an achievement sharing agreement to help increase suppliers' revenues. In 2025, we registered 27 new initiatives for the achievement sharing program and completed 12 initiatives.
Technology Data Escrow System	To safely store core management and technology information of suppliers, we operate a Technology Data Escrow System. As of 2025, 18 cases are in escrow.
Technology Sharing	In 2025, SK siltron granted rights to 4 joint patents and 41 non-exclusive licenses out of the patents in its possession.
Support for Raw and Auxiliary Material Analysis	SK siltron utilizes analysis equipment and databases to help suppliers with crystal structure analyses of raw and auxiliary material, surface and defect characteristics, and trace elements.
Support for Technology Training	In the second half of 2025, we conducted seven wafer process training courses, with the participation of 924 employees representing 303 suppliers.

Sustainable Supply Chain

Metrics and Targets

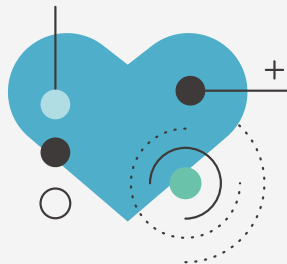
Performance in 2025 and Medium-to-Long-Term Targets

	Initiatives	2025	Medium-to-Long-Term Targets
Win-Win Cooperation 	Shared growth index	Top rating	Top rating
	Shared growth SV ¹⁾ performance	KRW 8.91 billion	KRW 10.0 billion
Supply Chain Management 	Enhancement of suppliers' ESG management capabilities	Assessed 100% of key suppliers	Assessing 100% of key suppliers
	Ratio of high-risk suppliers 0%	Ratio of high-risk suppliers 0%	Ratio of high-risk suppliers 0%
	Number of conflict minerals risks	0 cases	0 cases

1) Amount spent on joint technology R&D and localization with suppliers

Social Contribution

2025 Highlight



Social contribution activities

Total hours of social contribution activities
by employees

1,815 hours

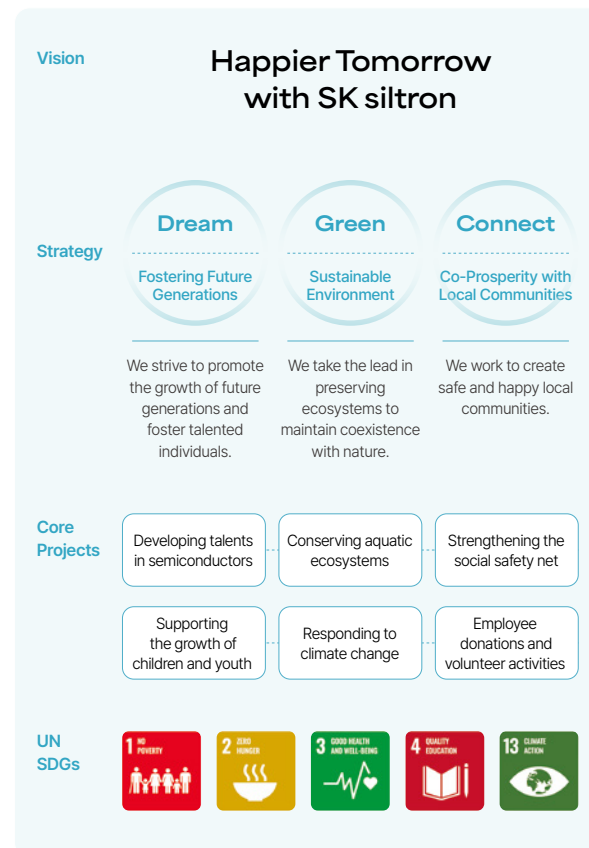
Social Contribution

Social value created through social contribution

KRW 12.197 billion

Promotion Strategy

Guided by the vision of "Happier Tomorrow with SK siltron," SK siltron is driving social contribution activities under three core strategies: fostering future generations (Dream), sustainable environment (Green), and co-prosperity with local communities (Connect). We actively participate in resolving social issues through communication and cooperation with stakeholders, and are creating sustainable social value to enhance the happiness of local communities.



Execution Performance

Fostering Future Generations

SK siltron provides high-quality educational opportunities and diverse experiential environments for children and youth who will lead the future.

Wafer School and Semiconductor School

To nurture future talents in the semiconductor industry, SK siltron operates a step-by-step semiconductor career experience program targeting youth. The basic course, Wafer School, raises overall awareness and interest in the semiconductor industry and related career fields. Since 2019, it has provided opportunities for exploration of semiconductor careers to about 12,500 elementary and middle school students.

Starting in 2024, we have expanded the operation with the introduction of an advanced course called Semiconductor School in cooperation with Gumi City and the Gumi Chamber of Commerce and Industry. We are establishing a sustainable semiconductor talent development system by training local university students and women with career experience as professional instructors and by strengthening public-private partnerships. Semiconductor School conducts diverse programs such as school-visiting education, career concerts, and company tours, providing an in-depth understanding of the semiconductor industry and specific career design for 3,700 high school students. In particular, the comprehension and interest levels of students participating in Semiconductor School improved by an average of 21% in 2025. Through curricula tailored to the growth stages of youth, we are nurturing the talents who will lead the semiconductor industry in the future.



Social Contribution

Happy Dream and Happy Two Meals

SK siltron operates the Happy Dream program to enhance the right to development of children in need of care and the Happy Two Meals program to provide meals to children at risk of undernutrition. Launched in 2021, Happy Dream provides diverse experiential activities in science, culture, and arts, and hosts birthday parties every month, helping children at local children's centers grow with physical, emotional, and social balance. Starting in 2025, we have been intensively operating AI and SW experience programs to strengthen the competencies essential for the era of artificial intelligence. To date, we have supported a total of 3,215 children at local children's centers, and in 2025, by providing systematic education such as learning how to use digital devices and creating and exhibiting content, we were able to improve the digital literacy level of 581 participating children by 15%.

To resolve the nutritional imbalance of children at risk of undernutrition, we have provided 35,292 boxed meals to 756 children through the Happy Two Meals program since 2020. In 2025, we cooperated with Gumi City and social enterprises to provide 13,000 meals to 50 children for a year. Subsequently, by linking these children to Gumi City's meal support system, we contributed to building a sustainable meal safety net for children at risk of undernutrition.

Happy Dream AI-SW Experience Program



Sustainable Environment

Going beyond business efforts, SK siltron is joining in efforts to mitigate intensifying environmental issues such as climate change and the destruction of natural ecosystems. We are practicing eco-friendly activities such as conservation of aquatic ecosystems and climate crisis response in cooperation with various stakeholders, including local communities, experts, and employees.

Green On

SK siltron participates in the Gumi National Industrial Complex public-private ESG consultative body, cooperating with 17 companies and institutions, including Gumi City, Gumi City Corporation, the Gyeongbuk Regional Headquarters of the Korea Industrial Complex Corporation, and the Gyeongsangbuk-do Carbon Neutrality Support Center. Through the consultative body, we are strengthening our eco-friendly practice efforts by sharing best practices for eco-friendly activities and jointly implementing environmental cleanup initiatives. Additionally, we participate in the One Company, One River clean-up activity to conserve the aquatic ecosystem and improve river water quality, carrying out environmental clean-up activities with our employees centered on the areas and rivers near our sites.

Environmental Clean-Up Campaign



Co-Prosperity with Local Communities

SK siltron communicates with local stakeholders and strengthens the social safety net to create a safe and happy society. In particular, the voluntary donations and volunteer activities practiced by employees provide strong support for SK siltron in achieving co-prosperity with local communities.

Strengthening the Social Safety Net

In response to social issues, SK siltron has rolled out activities to strengthen the social safety net. By regularizing the in-house blood donation campaign since 2020, we have helped stabilize blood supply and demand. By 2025, 2,524 employees had participated in blood donation, including those from our suppliers. Furthermore, we offer scholarship funds to nurture outstanding talents and improve the educational environment, and we operate win-win programs that reflect the needs of local communities, such as enhancing welfare for persons with disabilities.

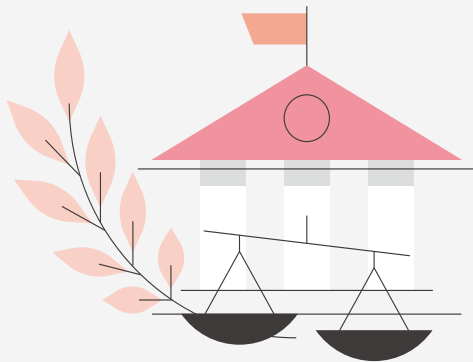
Happy Companion and Happy Sharing Fund

The Happy Companion program, operated through the voluntary participation of SK siltron employees, goes beyond simple volunteer work and creates social value focusing on pro bono activities that utilize the professional competencies of employees for the resolution of social issues. Through management consulting pro bono for social enterprises and career mentoring for youth, we completed 1,815 hours of volunteer activities in 2025 and created social value¹⁾ worth KRW 160 million. In addition, the Happy Sharing Fund, raised through employee donations, is delivered to places in need within local communities. In 2025, we raised a fund of KRW 100 million to support local children's centers and other beneficiaries.

1) Performance measurement formula = total volunteer hours of employees * hourly wage for each volunteer activity



Board of Directors



Board of Directors

Board of Directors Composition and Roles

The Board of Directors, the highest decision-making body of SK siltron, deliberates and resolves key management matters of the company and plays the role of overseeing overall management activities. As of 2026, it consists of four directors. The Board discusses and resolves important matters of the company, including ESG management. The Board of Directors consists of three to nine members, appointed at the general meeting of shareholders in accordance with relevant laws and regulations such as the Commercial Act. Article 14 (Duties of Directors) of the Board of Directors Regulations stipulates that directors cannot engage in transactions with the company without the approval of the Board of Directors, systematically guaranteeing the independence and transparency of the Board of Directors.

Board of Directors

Name	Duty	Gender	Initial Appointment	Term Expiration	Career
Jang, Yong-Ho	Other non-executive director / Chairperson of the Board of Directors	Male	2024.01	2029.03	(Former) CEO, SK siltron Co., Ltd. (Current) CEO, SK Inc.
Jung, Kwang-Jin	CEO	Male	2025.11	2028.03	(Former) Management Support Department, SK siltron Co., Ltd. (Former) SEA Sales Department, SK siltron Co., Ltd. (Former) CEO, SK siltron CSS Co., Ltd. (Current) CEO, SK siltron Co., Ltd.
Lim, Joo-Hwan	Inside director	Male	2024.07	2027.03	(Former) Head of Management Support Division, Essencore (Former) Financial Operation Department, SK Inc. (Current) Head of Finance Division, SK siltron Co., Ltd.
Lee, Yong-Wook	Other non-executive director	Male	2025.11	2028.03	(Former) Head of Investment Center 2 and PM2 Division, SK Inc. (Former) CEO, SK materials Co., Ltd. (Former) CEO, SK siltron Co., Ltd. (Current) CEO, SK on Co., Ltd.

Board of Directors Operation

SK siltron's Board of Directors is convened by the Chairperson when deemed necessary or upon the request of one or more directors, provided that the reason for the request is considered valid. Board resolutions require the attendance of a majority of the directors in office and approval by a majority of the attending directors. Directors with a special interest in a resolution are not allowed to exercise their voting rights. In 2025, 15 Board meetings were held with an attendance rate of 98.33%, and 54 agenda items were deliberated and resolved.

Board Reports by Material Issue

Category	Date	Resolution/ Report
Appointment of Compliance Officer	2025.02	Resolved
Establishment of company-wide KPIs, including ESG and performance	2024.1 / 2025.7 / 2025.12	Reported
Appointment of Chief Safety Officer (CSO)	2024.06	Resolved
Performance of the compliance program operation	2025.07 / 2025.12	Reported

Board of Directors Compensation Limit

SK siltron pays compensation to directors and auditors based on resolutions made at the general shareholders' meeting. Compensation consists of an annual salary and performance-based bonuses. The annual salary is determined by comprehensively considering the director's duties in charge, expertise, and contributions to the company. Performance-based bonuses are paid differentially within the approved compensation limit, based on a comprehensive evaluation of measurable indicators such as sales and operating profit, as well as non-measurable indicators such as the execution of strategic initiatives and demonstration of leadership.

Disclosure of Compensation for Registered Directors(2025)

4 Persons

Number of registered directors

KRW 2,151 million

Total compensation amount

KRW 538 million

Average compensation amount per person

Board of Directors

Board of Directors Diversity, Expertise, and Independence

SK siltron has laid the foundation for a transparent and independent governance structure by enacting and disclosing the Corporate Governance Charter to establish a Board-centered management system and enhance corporate value. Based on this approach, we plan to strengthen our capabilities by making diversity, expertise, and independence the core pillars for advancing Board operations in the future.

First, to secure diversity, we will actively promote the appointment of female directors to adjust the gender balance and create a sound decision-making environment where diverse perspectives are reflected. In addition, to strengthen expertise, we will strive to improve the accuracy of judgments by appointing directors who possess not only a deep understanding of the semiconductor and materials industry but also the specialized knowledge essential for responding to major management risks in areas such as ESG, financial accounting, and legal affairs. Furthermore, we will continuously secure the independence of the Board of Directors to flexibly respond to changes in the external environment and the expectations of stakeholders.

Board Competency Table

Category	Expertise in Accounting and Finance	Expertise in Risk Management	Expertise in Business Management	Industrial Expertise
Jang, Yong-Ho	●	●	●	●
Jung, Kwang-Jin	●	●	●	●
Lim, Joo-Hwan	●	●	●	●
Lee, Yong-Wook	●	●	●	●

Non-Executive Auditors

Auditors of SK siltron are appointed at the general shareholders' meeting in accordance with relevant laws such as the Commercial Act. Auditors attend Board meetings to supervise the work of directors independently, and may request the submission of ledgers and documents from respective departments when necessary. Additionally, auditors have the authority to demand reports on business matters from the company and access management information through appropriate means.

ESG-Based Management Performance Appraisal/ Compensation System

SK siltron evaluates financial performance and the creation of non-financial social value in a balanced manner by strategically reflecting ESG factors in the compensation system for its management. Since 2021, we have introduced ESG-related KPIs into management's performance appraisals, differentially reflecting KPI performance in the compensation system. Through this, we are moving away from short-term performance-oriented management and encouraging management that enhances long-term corporate value and fulfills social responsibilities.

In 2025, to drive the achievement of our company-wide environmental goal of Net Zero, carbon emissions reduction performance was reflected as a core KPI directly linked to management's performance appraisals. In addition, we have included performance improvement targets for each material issue based on the ESG materiality of the given year in the KPIs as part of the drive to achieve sustainable management targets while responding flexibly to the changing business environment.

Operation of ESG Management Committee

SK siltron operates an ESG Management Committee comprised of senior executives to enhance the Board of Directors' engagement, oversight, and supervisory functions in ESG management. The committee strives to raise company-wide awareness of ESG management and enhance executive engagement, enabling proactive responses to key ESG agendas. Based on committee discussions, we review and select agenda items to be reported to the Board of Directors in advance, thereby systematizing governance and improving the overall level of ESG management continuously.

Composition of ESG Management Committee

Category	Details	Remarks
Composition	Six executives ¹⁾ from key organizations, led by the CEO	Members can be added depending on the agenda
Cycle	Semiannually	As often as necessary
Agenda	Sustainability management-related agenda	Including initiatives, plans, and performance for each execution organization
Report	Sustainability Management Department and each execution department	Attendance of key personnel

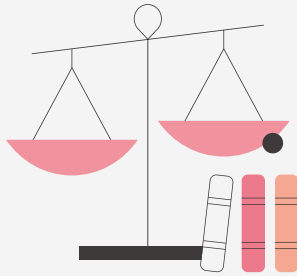
1) CEO (Chairperson), Division Heads (Manufacturing/Technology, Development, Quality, Sales, Finance), Head of the SHE Management Group

Matters Reported to ESG Management Committee in 2025

Date	Category	Resolution/ Report
First half (May 2025)	Status of company-wide Net Zero practices	Reported
	Status and plan for responding to customers' ESG demands	Reported
	Plan for publishing the sustainability report	Reported
	Status and plan for supplier ESG risk management	Reported
Second half (October 2025)	Progress of Net Zero practices	Reported
	ESG assessment response: CDP, RBA	Reported
	Status of PPA expansion	Reported
	Progress of supplier ESG efforts	Reported

Ethics and Compliance

2025 Highlight



Anti-corruption management system

Maintained
ISO 37001 certification

Strengthened anti-corruption practices

Completion rate for anti-corruption education
100%

Anti-corruption-related violations
0 cases

Promotion Strategy

Management Oversight

SK siltron has designated the Compliance Management Committee and the Risk Management & Corporation Auditing Office, a department directly under the CEO, as the dedicated organizations for ethical management. As independent bodies that support the Compliance Management Committee, they report to the Compliance Management Committee on a regular basis. The Compliance Management Committee, which plays roles similar to the Audit Committee, serves as the highest decision-making body and oversees company risks, ethics issues, and anticorruption efforts, and takes overall responsibility for the work of the ethical management department. The committee reviews compliance management systems and activities to address key issues such as anti-monopoly, anticorruption, SHE, and subcontracting, whereas the Board of Directors makes resolutions on important matters.

Governance Roles and Composition

Category	Management Oversight and Roles
Board of Directors (as necessary)	- Managing Compliance Program (CP) performance - Improving and managing the level of ethical management
Compliance Management Committee ¹⁾ (quarterly)	- Managing risks related to ethical management (compliance)/conducting internal audits and taking the highest responsibility (when ethical issues such as bribery and corruption occur) - Reviewing and approving the annual internal audit plan - Operating and overseeing activities related to ethical management (compliance)/corruption risk management system (ethical/anti-corruption education, workshops, self-assessments, surveys, etc.) - Reviewing non-financial risks and approving the company's plans to address the risks - Reviewing and approving internal audit results (operating a regular compliance reporting system) - Reviewing and approving budget and personnel for the internal audit department - Reviewing and approving follow-up measures on corrective actions resulting from internal audits - Authority to appoint and dismiss the head of the internal audit department - Reviewing and approving personnel evaluations for the head of the internal audit department - Reviewing and approving the appropriateness of the organizational structure

1) Held 10 times in 2025 and approved the internal audit plan in January 2025

Dedicated Organizations

SK siltron designates dedicated organizations for each area to manage and carry out ethical and compliance practices efficiently at business sites.

Category	Dedicated Roles
Risk Management & Corporation Auditing Office	- Supporting the Compliance Management Committee (independent audit department) - Common group-wide diagnosis (including compliance audits) and self-planned diagnosis - Reporting of risk management activities to the Compliance Management Committee (reviewing non-financial risks deemed important by the Compliance Management Committee) - Conducting investigations on reports and improving processes - Operating ethical management policies and systems - Conducting ethical management education and strengthening the ethical management system - Improving the RBA Ethics Code of Conduct and ensuring compliance
Legal Team	- Reviewing contracts to verify the legality of transactions - Guiding regulatory compliance through legal advice - Managing the validity of transactions through seal and contract management - Conducting compliance checks for self-diagnosis and improvement activities in the area of fair trade - Reporting the status of compliance operations to the Board of Directors - Providing compliance management education for employees

ESG-Linked Compensation for C-Level and Executives

SK siltron ensures fair evaluation and compensation by linking relevant KPIs, such as the establishment, operation, and training of the Compliance Management Committee, to the performance evaluations of C-level personnel and executives, aiming to strengthen the execution of ethics practice and compliance.

ESG KPIs Linked to Executive Performance Evaluations

Category	Details of KPI
Common indicators for the ethical management group	Ethical management assigned as KPI for the CEO
Company-wide common indicators for ethical management	Ethical management assigned as KPI for all company executives
Establishment, operation, and training of the global committee and enactment of regulations thereof	- Acquisition of ISO 37001 certification - Establishment and operation of the Compliance Management Committee as a replacement for the Audit Committee

Ethics and Compliance

Ethical Management Policy – Code of Ethics

SK siltron upholds the SK Management System (SKMS) as the foundation of its corporate management, and strives to play a central role in social and economic development and thereby contribute to the happiness of humanity. In particular, we strive to grow as a sustainable company by enhancing corporate transparency and trust based on ethical management. To this end, we have established a Code of Ethics as the standard for decision-making and action in all management activities. We also disclose the Code of Ethics Practice Guidelines, which contains detailed judgment criteria and specific action guidelines, publicly on our website, making sure that our employees comply with it. The Code of Ethics applies to all employees (including contract, dispatched, and part-time workers) and executives of SK siltron's domestic and overseas corporations, branches, subsidiaries, and investment companies. We also advise stakeholders engaged in business with us (suppliers, distributors, outsourcing operators, intermediaries, and other third parties) to comply with the code. We review the validity of the Code of Ethics regularly, revising it at least once every 60 months for continuous management.

Unethical BP Sanctions

Category	Unethical BP Sanctions in 2025
Purpose	The purpose is to prevent recurrence of acts that undermine fairness, transparency, and fair order in transactions with business partners (BPs) through sanctions and to ensure sound business operations of SK siltron.
Applicable scope	These guidelines apply to all unethical BPs.
Items subject to sanctions	- The sanction items related to unethical BPs are established by integrating the relevant provisions outlined in the BP Ethics Practice Pledge and transaction contracts, which are based on the SK siltron Code of Ethics. ① Offering money or entertainment ② Providing unfair shares ③ Refusing or failing to cooperate with diagnosis ④ Violating fair trade practices ⑤ Illegal or improper acts

Code of Ethics Practice Guidelines

SK siltron and its subsidiaries support employees in understanding and practicing the Code of Ethics properly. To this end, we have established the Code of Ethics Practice Guidelines, which provide standards for decision-making and behavior in situations involving ethical conflicts that may arise at work. The Practice Guidelines consist of four chapters: general provisions (Chapter 1), types of basic ethics violations by employees (Chapter 2), compliance matters related to business partners (Chapter 3), and protection of whistleblowers (Chapter 4), as well as supplementary provisions and appendices. The guidelines set specific criteria to offer practical help for employees in making ordinary work-related decisions.

Content of Code of Ethics Practice Guidelines



Code of Ethics Practice Guide

In addition to the Code of Ethics and the Code of Ethics Practice Guidelines, SK siltron and its subsidiaries have developed and posted a separate Code of Ethics Practice Guide designed to help employees naturally practice and easily utilize ethical management in their daily work.

Code of Ethics Practice Guide

Guide for Employees to Practice Basic Ethics



- 1 Manipulation of documents or counting and false reporting
- 2 Receiving money or gifts from stakeholders
- 3 Receiving entertainment, hospitality, or favors from stakeholders
- 4 Improper use of company assets or funds
- 5 Conflict of interest with the company



Anti-Corruption Regulations and Anti-Corruption Practice Guidelines

SK siltron applies separate anti-corruption regulations for all employees and has strengthened its anti-corruption management policy by disclosing the Anti-Corruption Practice Guidelines on its website.

- Article 1 Anti-bribery and anti-corruption
- Article 2 Compliance with anti-solicitation and anti-corruption laws
- Article 3 Protection of whistleblowers
- Article 4 Corruption report
- Article 5 Anti-Corruption Compliance Officer

Ethics and Compliance

Risk Management

SK siltron has established a process that allows all stakeholders to safely and freely report workplace grievances and unethical behaviors within the organization through the operation of a reporting system via channels such as the company website, email, phone call, and postal mail.

Ethical Management Reporting Channels

	Website	https://ethics.sk.co.kr
	Email	sksiltron.ethics@sk.com
	Phone	+82-54-470-8456
	Postal Mail	SK siltron Plant 3, 132-11, 3gongdan 3-ro, Gumi-si, Gyeongsangbuk-do Risk Management & Corporation Auditing Office (Zip 39400)

Creation of an Environment for Practicing Ethical Management

SK siltron engages in regular communication with employees to internalize ethical management and promote an ethical culture. We post various company-wide cases of ethical management violations, such as workplace bullying, sexual harassment, and receiving or offering money or gifts, as well as the reporting procedures. We send an Ethical Management Letter on a monthly basis to leaders of each department to instill an ethical management mindset as organizational leaders, ensuring they can effectively inspire this mindset among employees, leading by example. In addition, we review the effectiveness of ethical management communication activities each year, establish and implement improvement plans, and check the improvement results.

Transparent Reporting Process

All stakeholders of SK siltron can freely report unethical behaviors¹⁾ related to the management activities of SK siltron and its subsidiaries through the company website, email, phone call, or postal mail, either anonymously or under their real name. The whistleblower program, our reporting system, also operates a protection system ensuring whistleblower safety, covering all stakeholders, including domestic and overseas employees, suppliers, customers, local communities, and other third parties. SK siltron provides direct access to the reporting channel via links on the main pages of its company and subsidiary websites (Korean and English) and discloses related policies and procedures in detail, thereby enhancing accessibility to reporting. Reports are handled by the department in charge of ethical management through direct investigation according to a step-by-step reporting procedure, carried out in compliance with investigation lead times. We have stringent investigation and reporting systems in place to prevent omissions or the need for reinvestigation. Whistleblowers can submit reports conveniently through the online reporting system and track the progress and outcome of their reports.

1) Misconduct and power abuse toward suppliers, lack of mutual respect among employees, conflicts of interest in performing duties, improper work practices, actions that hinder social value, etc.)

Step-by-Step Reporting Procedure

- Submitting the report**
 - Website, email, phone call, postal mail, etc.
 - Choice between real name and anonymity
- Reporting to the management (Compliance Management Committee)**
- Conducting investigations**
 - Verifying facts
 - Protecting the whistleblower
- Reporting to the management (Compliance Management Committee)**
- Follow-up measures**
 - Personnel measures adopted through a disciplinary committee
 - Improving the process
 - Sharing instances of unethical cases with employees
- Providing feedback to the whistleblower (upon request)**
 - Providing feedback on the investigation results and follow-up measures
 - Monitoring the situation to prevent retaliation and disadvantageous treatment

Whistleblower Protection Regulations (Policy, System)

SK siltron's reporting channels provide guidance on the whistleblower protection policy. We have established whistleblower protection regulations (policy and system) to safeguard the reported content and the whistleblowers' information, based on which we operate a systematic protection framework. Anonymity, the most important aspect of the reporting program, is included and managed in the whistleblower protection regulations. In accordance with the law, whistleblowers may request the company to take measures to ensure their personal security and to prevent retaliation.

In addition, we conduct post-monitoring annually to determine whether whistleblowers have suffered any harm, such as retaliation or disadvantageous treatment. Those who engage in acts of retaliation or disadvantageous treatment against whistleblowers are subject to actions against violations of the whistleblower protection regulations, guaranteeing the safety of whistleblowers. We carry out activities such as raising awareness among employees and providing guidance on how to use the reporting channels to educate all employees of SK siltron and its subsidiaries on the whistleblower protection policy and to enhance psychological accessibility by using the reporting channels.

Activities to Disseminate the Whistleblower Protection Policy

SK siltron conducts activities to raise employee awareness and provide guidance on the use of reporting channels for all employees, in order to inform them about the whistleblower protection policy and to enhance psychological comfort when using the reporting channels.

Whistleblower Protection Regulations



- Granting whistleblowers the right to request protection, in accordance with the law
- Guaranteeing the anonymity of whistleblowers and the confidentiality of the reported contents
- Providing the same protection measures as whistleblowers to individuals who cooperate in the investigation process
- Conducting post-monitoring to determine whether whistleblowers have suffered any harm
- Taking disciplinary actions against violations of whistleblower protection regulations, such as acts of retaliation

Ethics and Compliance

Execution Performance

Spread and Internalization of Ethical Management Culture

Ethics and Anti-Corruption Practice Pledge

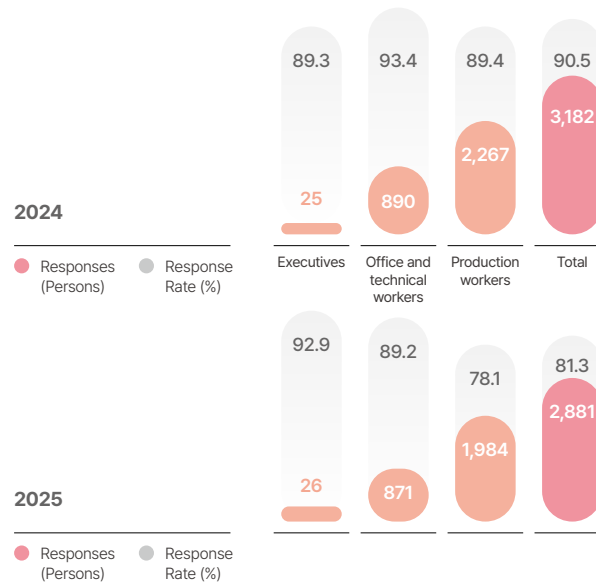
All employees (including contract, dispatched, and part-time workers) and executives of SK siltron and its subsidiaries are required to sign the Ethical Management Practice Pledge and the Anti-Corruption Compliance Pledge annually. In 2025, all SK siltron employees (3,565 persons / 100%) participated in the pledge. Additionally, we conduct the Business Partner (BP) Ethical Practice Pledge with suppliers annually. We include relevant clauses in contracts at the time of transactions and collect and manage pledge forms. The scope has been expanded to include suppliers of SK siltron's subsidiaries. Through this effort, we are committed to raising awareness and practicing ethical management, taking part in the effort to create a transparent and clean corporate culture.

Ethical Management Practice Survey

To examine the overall level of ethical management, SK siltron conducts an annual ethical management practice survey targeting all employees at all domestic and overseas business sites. The survey includes company-specific questions in addition to common group questions, and through analysis of the results, we derive insights and reflect them in activities to supplement and improve the ethical management system. We are strengthening in-depth analysis to derive more specific insights regarding subjective responses, and if necessary, we conduct additional investigations.

Furthermore, we formulate and implement improvement plans for issues identified from the survey results, and separately check and manage the implementation status. In 2025, we conducted the survey targeting all employees (including contract, dispatched, and part-time workers), including the management of not only SK siltron but also its subsidiaries, and approximately 80% of all employees participated in the survey.

Ethical Management Practice Survey Participation Status



In-House Ethical Management Training Programs

SK siltron develops and operates separate, specialized training programs tailored to various stakeholders, including employees of different ranks and roles, subsidiaries, those holding positions such as executives, and suppliers. Accordingly, specialized training is provided for new and scouted hires, leaders (team managers, section chiefs, and group leaders), and production workers. After the training, we conduct satisfaction surveys to assess the enhanced awareness of the training content and the usefulness of the materials, analyzing vulnerable areas, deriving insights, and making improvements.

Ethical Management Training Participation Status

Category		2024		2025	
Title of Training	Targets	Number of Sessions	Participants (Persons)	Number of Sessions	Participants (Persons)
Online training (group)	All employees	1	3,568	1	3,565
	Happy-Fill (subsidiary)	1	131	1	138
	SK siltron CSS (subsidiary)	1	282	1	250
	TERAON (subsidiary)	1	36	1	36
Ethical practice workshop (group)	All employees	1	3,537	1	3,537
	Happy-Fill (subsidiary)	1	134	1	145
	SK siltron CSS (subsidiary)	1	282	1	250
	TERAON (subsidiary)	1	34	1	34
Introductory course (in-house)	Office and technical workers	1	13	1	18
	Recruited workers	3	48	3	58
	Production workers	15	141	13	114

Ethical Management and Anti-Corruption Education Policy

SK siltron conducts annual ethical management and anti-corruption education for all employees (including contract, dispatched, and part-time workers), including the CEO and executives, at both domestic and overseas locations, to raise awareness of ethical management and anti-corruption. The education content covers various ethical issues such as bribery, corruption, and fair trade. In addition, online ethical management education and leader-driven discussion (Ethical Practice Workshop) are also conducted for all employees, including the CEOs and executives of subsidiaries. The Ethical Practice Workshop not only covers common groupwide topics but also identifies and resolves internal topics reflecting vulnerabilities specific to SK siltron and its subsidiaries, thereby enhancing practical educational effects tailored to organizational characteristics.

Ethics and Compliance

Advancement of Transparent Management System

Report Submission Status and Report Handling Results

In addition to providing guidance on reporting channels to improve accessibility, SK siltron discloses quantitative indicators related to reports, such as the number of reports received, handled, and resolved. In addition, we announce the results of disciplinary actions company-wide to inform all employees regularly. Furthermore, we identify action items for issues derived from the report handling results, and establish and implement improvement plans based on cause analysis. In 2025, we received and handled a total of 23 reports and took measures according to disciplinary regulations in 6 cases identified as unethical behaviors through investigations.

Measures for Code of Ethics Violations

SK siltron and its subsidiaries prepare detailed regulations for disciplinary action and punishment to enforce fair and consistent disciplinary guidelines. The guidelines and actual instances of disciplinary action are managed in the form of a master file to prevent discrepancies in the level of action. In the event that discrepancies occur, we confirm whether the level of disciplinary action should be adjusted based on reasonable grounds. In addition, the records of employees who have been subject to disciplinary action are reflected in their evaluations and managed.

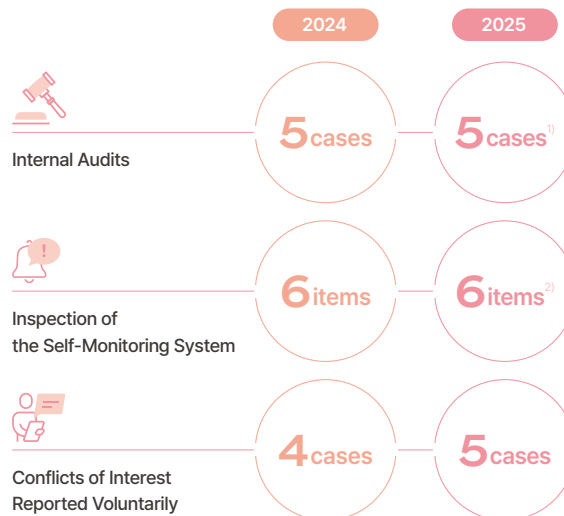
Code of Ethics Violations

Category	2024	2025
Manipulations of documents and counting		
Workplace bullying	Suspension 1	Suspension 4
Sexual harassment	Suspension 1	
Receiving money or entertainment	Suspension 1/Reprimand 1	
Leakage of personal information		
Recruitment solicitation		
Monetary loan	Disciplinary dismissal 1	
Negligence of duty at work	Advisory resignation 1/ Suspension 8/Reprimand 2	
Violation of work order	Suspension 1/Probation 1/ Reprimand 1	Probation 1/Reprimand 1
Disciplinary action (persons)	19 persons	6 persons
Total reported (cases)	45	23

Conduct of Internal Audits (Regular Management Diagnosis)

SK siltron conducts at least two internal audits annually and implements them on a minimum three-year cycle for each sector. Audit plans and results are reported annually to the Compliance Management Committee to ensure the transparency and independence of audit activities. In 2025, we conducted assessments in major risk areas such as quality and materials, purchasing, competitor comparison, equipment, and SHE, and the inspection of the self-correction system and the number of voluntary reports of conflicts of interest are also being systematically managed compared to the previous year.

Risk Inspection



- 1) Quality and material diagnosis, purchasing diagnosis, competitor comparison, equipment diagnosis, SHE diagnosis
 2) HR, cost, purchase/supplier, accounts receivable, investment, specific risk management

Support for Ethical Management Activities of Suppliers

SK siltron provides continuous support to strengthen the ethical management capabilities of its suppliers by providing ethical education video content and distributing newsletters. In 2025, we developed customized programs such as Ethical Management Together and conducted training for 144 individuals (across approximately 43 suppliers), thereby supporting the establishment of our suppliers' ethical management infrastructure. For traditional holidays, we send messages from the CEO emphasizing the No Giving or Receiving Gifts During Traditional Holidays policy to suppliers to actively enforce ethical management practices. In addition, we operate an online Business Partner Grievance Handling System separately from the reporting site, allowing suppliers to submit any grievances and concerns more easily.

Supplier Code of Conduct and Ethical Practice Pledge

Based on the RBA Code of Conduct, SK siltron has enacted the SK siltron Supplier Code of Conduct, a code of ethics for third parties,¹⁾ and discloses it on its website and the shared growth portal in various languages, including Korean. This code includes core ESG elements such as the prohibition of child labor, respect for fundamental human rights, appropriate working hours, fair compensation, industrial health and safety, business ethics, and sustainable procurement, and presents our suppliers with standards for responsible management practices. Additionally, SK siltron and its subsidiaries include the terms of ethical practice that suppliers must comply with in the 'BP Ethical Practice Pledge' and require them to take this pledge regularly on an annual basis.

1) Suppliers, distributors, outsourced operators, intermediaries, etc.

Ethics and Compliance

Compliance Operation

Certification and Surveillance Audit of Anti-Corruption Management System

By obtaining ISO 37001, the international standard for anti-corruption management systems, SK siltron has established a systematic prevention framework to identify and control internal corruption risks in advance. In particular, during the 2025 surveillance audit, we re-identified and inspected a total of 251 corruption risks across 89 departments at the Gumi sites and Seoul Office, and verified that all requirements of ISO 37001 are being implemented systematically. In addition, we have completed thorough corrective actions for the recommendations presented in the 2024 audit, thereby strengthening the reliability and execution capability of the system. Through this, SK siltron has demonstrated that its anti-corruption management regulations, related procedures, and internal regulations are being stably operated in accordance with international standards.

ISO 37001 Certification



Compliance Program

SK siltron aims to raise compliance awareness among employees, protect customer rights, and establish a fair trading order with suppliers and competitors. We introduced the Compliance Program and established Compliance Operating Regulations to lay an institutional foundation and foster a fair trade culture based on compliance with laws and principles.

Currently, we are strengthening various execution activities for the practical internalization of a fair trade culture. In 2024, the new CEO posted the Declaration of Commitment to Compliance Practice, and we conducted a Compliance Practice Pledge targeting executives and office workers. In addition, we educated employees on the Monopoly Regulation and Fair Trade Act, making the training more practical with content including core topics such as the protection of trade secrets and prevention of infringement. In 2025, we are promoting a fair trade culture through continuous campaigns and education, such as distributing guidance on precautions when requesting technical information from suppliers.

Declaration of Commitment to Compliance Practice

자율준수 실천의지 선언문

임직원 여러분, 안녕하세요?

우리 SK실트론은 항상 이래 지속적인 기술혁신과 상시적인 품질관리를 통해 시장과 고객이 신뢰하는 반도체 소재 전문 기업으로 꾸준히 성장하고 있습니다. 이와 함께 우리 SK실트론은 당사의 성장에 따라 더욱 높아지는 사회적 기대에 부응하여 공정한 시장거래를 구축과 상생문화 확산을 위해 공정거래 법규 준수와 공정한 경쟁 구현에 항상 노력해 왔습니다.

이제 우리 SK실트론은 우리 스스로 적극적인 의지를 가지고 공정거래를 실천하겠다는 임직원의 뜻을 모아 2022년 도입한 공정거래 자율준수 프로그램(Compliance Program)을 한층 강화하여 시행하고자 합니다.

우리 SK실트론은 공정한 거래와 자율준수 프로그램의 지속적 작을 실현을 통해 시장질서 선도하는 윤리경영, 공정거래 모범 실천기업으로 자리매김하여 사회와 고객에 신뢰를 획득함으로써, 우리의 첨단 기술 수준에 상응하는 회사의 질적 성장을 이룰 수 있게 될 것입니다.

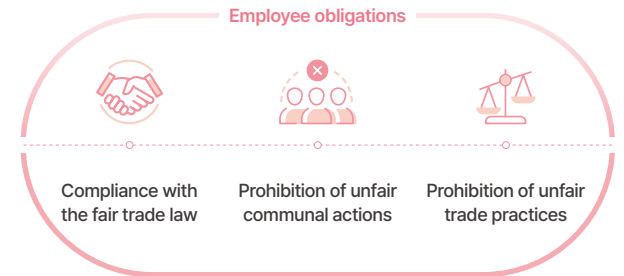
이를 위해 저는 CEO로서 임직원 여러분과 함께 다음 사항을 적극 실천하겠습니다.

1. 공정거래의 자율적 실천이 SK실트론의 경쟁력을 높이고 적극 실천하겠습니다.
2. 안전한 하도급 거래를 위해 노력하고, 비즈니스 파트너와의 거래에 있어 거래상 지위를 남용하는 등 불공정한 거래 행위를 하지 않으며, 부당한 기술지원을 요구하는 등 부당한 방법으로 정보를 획득하거나 유출하지 않겠습니다.
3. 공정거래 관련 법령 위반 행위의 자식, 송인, 공표를 절대 하지 않겠습니다.

공정거래 문화를 기업문화로 정착하기 위해서는 대표이사를 포함한 최고경영진의 강력한 실천 의지와 전 임직원의 노력이 바탕이 되어야 하리라 믿습니다. 따라서, 우리 SK실트론의 공정거래 실천에 대한 강력한 의지를 같이 이해해 주시고, 공정거래 자율준수 문화가 지속적으로 심정 될 수 있도록 임직원 여러분의 많은 관심과 노력을 당부드립니다. 감사합니다.

2025년 11월 1일
SK실트론 주식회사 대표이사
정광진

Compliance Operating Regulations



Compliance Program Operation



Ethics and Compliance

Ethical/Compliance Risk Management Oversight

	Method	Management Oversight
Regular management diagnosis All business sites and businesses of the Head Office and subsidiaries * At least once every three years per operating business and business site 	- Conducting regular ethics audits to determine whether risks exist, manage identified risks, and recommend improvements - Identifying major risks that impede the achievement of management goals at the company-wide level every year to find, inspect, and manage a pool of management risks - Reflecting environmental changes and conducting materiality assessment when updating the risk pool - Establishing medium- and long-term audit plans according to priority based on the derived risk pool - Identifying new initiatives by reflecting changes in the business environment throughout the year or implementing additional initiatives at the request of the Compliance Management Committee	Establishing a transparent reporting system Audit results are reported regularly and as needed to the CEO and the Compliance Management Committee to increase governance efficiency. System-based risk management For improvement tasks related to risks identified through audits, implementation and future plans are tracked and managed in real time through the Ethical Management Practice System (EMPS). Ensuring implementation of recommendations The implementation plan for the derived recommendations is approved by the Compliance Management Committee (which has functions similar to the Audit Committee) and the CEO, the current year's plan is implemented, and the results are reported to the Compliance Management Committee and the CEO.
Self-monitoring system All business sites under the Head Office and subsidiaries 	- Conducting annual inspection and monitoring across all areas, including HR, expenditure, accounts receivables, buyers/suppliers, and specific risk management, through the self-monitoring system to identify ethical and corruption risks - Establishing improvement plans for issues identified during the current year's inspection based on the effectiveness of the self-monitoring design, and evaluating implementation of the previous year's improvement plan during the year - Conducting regular risk assessments and periodic monitoring of bribery and corruption risks, and advancing the compliance system by identifying risks and opportunities associated with ethics and anti-corruption - Determining areas requiring improvement in the ethics and compliance system based on the audit results - Disclosing violations and expenditure related to corruption, bribery, and anti-competitive practices	Verifying the effectiveness of the self-monitoring system The effectiveness of the system is continuously improved by conducting design evaluations (analyzing the effectiveness of inspection items and methods) and operational evaluations (monitoring of diligent inspection) at the same time.
Voluntary reporting of conflicts of interest Employees 	- Operating a Voluntary Reporting System for Conflicts of Interest with the Company so that employees can resolve their issues regarding conflicts of interest with the company, such as possessing supplier companies' shares or holding concurrent jobs or positions - Informing employees of the voluntary conflicts of interest reporting system and receiving, handling, and monitoring reports	Transparently handling and reporting reported matters All received reports are handled fairly according to regulations, and major issues and results are reported to the CEO and the Compliance Management Committee.
Compliance inspection All business sites and businesses under the Head Office and subsidiaries 	- Conducting a Self-Assessment Questionnaire (SAQ) on evaluation items, including labor, health and safety, ethics, and environment, to check for compliance with the RBA Code of Conduct - Conducting on-site audits of major suppliers every three years to verify self-inspection results and reflect them in regular evaluations	Establishing a system for reporting to the highest decision-making body Results of compliance inspections are reported to the management and the Board of Directors, thereby strengthening the supervisory function of the highest decision-making body regarding the company-wide direction for risk management.

Ethics and Compliance

Metrics and Targets

Performance in 2025 and Medium-to-Long-Term Targets

	Initiatives	2025	Medium-to-Long-Term Targets
Ethics and Anti-Corruption 	Advanced anti-corruption management	Operated the Compliance Management Committee (10 meetings) Maintained ISO 37001 certification	2030 Expanding support for anti-corruption management of subsidiaries and suppliers
	Completion rate for anti-corruption education	100% for employees	2030 100% for subsidiaries
	Violations of anti-corruption-related laws	0 cases	2030 0 cases
	Instances of corruption and irregularities among executives	0 cases	2030 0 cases
Compliance 	Legal violations, corruption, and irregularities	0 cases	2030 0 cases

Information Security

2025 Highlight



Information protection management system

Maintained

ISO 27001 certification

Strengthened information protection practices

Information protection pledges signed
by employees

100%

Incidents of corporate and customer data
leakage

0 cases

Promotion Strategy

SK siltron has appointed a dedicated executive (CISO, Chief Information Security Officer) directly under the CEO and operates an independent information security organization to systematically respond to internal and external information security risks. In addition, we have separately designated a personal information protection manager to ensure compliance with relevant laws, and we check and strengthen our breach prevention and response systems consistently in accordance with our internal management plans. To control and respond to security risks comprehensively, we establish a Medium-to-Long-Term Information Security Master Plan that includes measures for mitigating production suspension risks, responding to vulnerabilities in new technologies, advancing information leakage control, and enhancing the operational efficiency of the security management system. In particular, in view of the rapidly increasing utilization of AI-related services and the establishment of dedicated infrastructure, we have introduced an AI Security framework as a core element of our information security strategy. Through this, we are not only verifying the security of AI models and infrastructure, but also protecting data integrity during the learning and inference processes, and driving proactive responses to new threats that may arise when utilizing generative AI. By securing both technological innovation and security stability simultaneously, SK siltron is leading sustainable digital transformation.

Risk Management

SK siltron operates a system based on technical, physical, and administrative security measures to prevent security breaches and enable rapid response and recovery in the event of an incident. We are strengthening the protection system for information assets including national core technologies, based on the ISO 27001 certification, the international standard for information security, and the Act on Prevention of Divulgence and Protection of Industrial Technology, and conducting continuous risk mitigation activities by resolving system vulnerabilities and supplementing security policies.

In addition, we operate the Security Review Committee, chaired by the CEO, holding regular meetings semiannually to review and resolve information security policies and major security issues. The top management (C-level) regularly participates in specialized security training programs provided by organizations such as the Korea Association for Industrial Technology Security and the National Intelligence Service to raise awareness of information security risks.

Category	Dedicated Roles	
Information Security Department/Manager	- Overall command and responsibility for the management system - Convening council meetings and submitting agenda items	- Reviewing and evaluating policies, guidelines, and procedures, and managing their enactment and revision - Leading the implementation of tasks in case of emergency situations, such as breach incidents
Information Security Manager	- Establishing and revising policies and guidelines - Security review and risk management of information assets	Establishing and executing related training plans
Personal Information Protection Manager	- Establishing and revising guidelines for personal information protection - Implementing inspections on the status of personal information management	Establishing internal management plans
Information Security System Manager	- Configuring and operating the information protection system - Responding to security breach incidents	Establishing operation policies and security plans for the information protection system
Chief Information Security Officer/Information Security Manager	- Supervision and responsibility for information protection activities within the department - Responsibility for managing access rights to information assets for employees within the department and external parties (including suppliers)	- Responsibility for managing information assets within the department - Periodic inspections of security activities for information assets such as department servers, network equipment, and PCs

Information Security

Execution and Performance

Raising Information Security Awareness

As a company that possesses national core technologies, SK siltron provides mandatory annual information security training for all employees and suppliers. In particular, the management and executives related to information security participate in special lectures organized by the Korea Association for Industrial Technology Security and the National Intelligence Service, and information security personnel are required to complete more than 40 hours of specialized training each year to continuously enhance their security capabilities. In addition, we develop and distribute security promotional materials and newsletters to raise employees' information security awareness in their daily work.

Security Training Operation Status (Persons)

Year	2023	2024	2025
Persons	3,649	3,550	3,603

Information Security Day Event

Every July as part of Information Security Day, SK siltron organizes events to raise information security awareness among all employees. Through these events conducted using company-wide bulletin boards and other means, we emphasize the importance of information security and strive to raise awareness regarding cyberattacks.



Revision of Information Security Declaration

In view of the rapidly changing information security environment, SK siltron reaffirmed the importance of protecting information assets and completely revised the existing Information Security Declaration. With the acceleration of digital transformation, cyber threats are becoming increasingly sophisticated and large-scale, and global security regulations are also being strengthened day by day. To proactively respond to these changes, we introduced efforts to strengthen our information security system and establish a foundation to respond actively to new threats.

This revision reflects the management's commitment to consistently safeguard trust and quality, the core values we have long pursued, even in the digital era. We declare that information security is no longer the exclusive domain of the IT department, but a top-priority management task that all employees must take the initiative in practicing. Accordingly, all executives and employees of SK siltron aim to heighten their sense of security responsibility and firmly establish it as a robust security culture that responds proactively to new threats.

Information Security Declaration

정보보호 선언문

반도체의 기술개발도 일리온 웨이퍼(공조막대) 제조사업자인 에스케이실트론은 우리회사는 대한민국의 미래의 미래를 선도할 핵심 기업으로서, 정보자산 보호가 회사의 계속 성장과 고객 신뢰의 기반임을 깊이 인식하여, 본회사는 보안 환경과 최신 기술 트렌드에 맞추어 안전하고堅固한 정보보호 체계를 유지하기 위해 다음과 같은 정보보호 행동강령을 선언하고 실천하고자 한다.

우리는 정보자산 이용자에게, 동시에 정보자산을 관리자에게

명예, 회사는 안전한 정보보호 문화를 선도적으로 정착시키고, 기업과 고객 양측의 이익을 위해 핵심 자산으로서 정보를 책임지게 활용한다.

동행, 회사는 보호하고 있는 모든 정보자산의 정확성 가치를 인식하며, 무단 접근, 유출, 훼손 등 불법 행위로부터 이들 보호할 의무를 성실히 이행한다.

명예, 회사는 고객과 사회에 신뢰를 기반으로 개인정보 및 기업비밀과 밀접한 보호를 최우선 과제로 삼아, 정보자산 관리에 있어 최선의 노력을 다한다.

명예, 회사는 보안 위협에 능동적으로 대응하는 체계를 구축하고, 지속적인 정보보호 활동에 적극 참여함으로써 보안강화 시도를 사내에 세정한다.

다짐에, 회사는 우리의 정보보호 관련 정책, 규제, 표준을 준수하고, 신뢰할 수 있는 디지털 환경을 실현함으로써 안전한 정보화 사회 정착에 기여한다.

최고, 같은 정보보호 행동강령 준수를 위하여 에스케이실트론은 우리회사는 지속적으로 보안 수준을 강화하고, 기업과 사회의 책임을 성실히 수행할 것을 선언한다.

2025년 11월 1일

에스케이실트론 주식회사
대표이사 정 경

Vulnerability Assessment

SK siltron conducts periodic risk assessments through an automated information system and a source code vulnerability inspection process. Furthermore, we carry out ongoing diagnosis using simulated hacking that applies the latest techniques. We operate CSPM¹⁾ by strengthening security infrastructure and continue to advance the scenario-based anomaly detection system that is capable of responding proactively to signs of security breaches and information leaks.

1) Cloud Security Posture Management

Compliance with Information Security Reporting Process

To respond promptly and transparently to information security-related reports, SK siltron operates various channels, such as email, phone, postal mail, and an online reporting system. Furthermore, we ensure that all stakeholders, including employees, can easily access these channels and submit a report. Depending on the nature of the report received, we conduct investigations using appropriate procedures, and in the case of a security violation, the issue is handled fairly and systematically in accordance with information security policies and guidelines.

The anonymity and personal information of the whistleblower are strictly protected, and we maintain a safe reporting environment by complying with whistleblower protection regulations in accordance with the principle of prohibiting retaliation or disadvantageous treatment. We provide prompt feedback on the reporting process and results upon the whistleblower's request, helping enhance trust in the reporting system. We also actively accept suggestions or recommendations for improvements related to internal security policies and incorporate them into our policies.

Information Security

Response System for External Service Threats and Information Leaks

In view of the spread of the dark web, such as illegal information trading, SK siltron has established an internal monitoring system and operates a response system for various security risks, including information leaks, cyberattacks, and extortion threats. In particular, we have implemented an ASM¹⁾ system to cope with the continuously growing number of zero-day vulnerability attacks, and reflecting the AI/DT era, we are advancing a system for the early detection of anomalies at endpoints and networks.

Based on this approach, moving beyond the traditional perimeter-based security paradigm, SK siltron has introduced a Zero Trust security architecture that enables granular, identity-based access control and continuous trust verification. Through an integrated security system that combines dark web monitoring, ASM, AI-based anomaly detection, and Zero Trust security, we are protecting our core information assets from both internal threats and external attacks, and we are continuing our efforts to provide a reliable digital security environment for our customers and partners.

1) Attack Surface Management

Advancement of Security Management System for Overseas Corporations/Branches

SK siltron operates the SASE²⁾ to standardize and efficiently operate and manage security policies for its overseas corporations and branches. Through this, we are strengthening security for cloud and remote work environments, and advancing our global security system based on a zero-trust security model that continuously verifies the reliability of users and devices.

In addition, we establish an annual audit plan to conduct periodic workplace security assessments and are continuously strengthening our administrative, technical, and physical security control systems. This allows us to actively respond to internal and external threats and systematically protect our core information assets.

2) Secure Access Service Edge



Advancement of Security System in Preparation for AI

To proactively respond to the rapid advancement and spread of AI technology, SK siltron is driving the establishment of a next-generation AI infrastructure that ensures both security and scalability simultaneously. We apply RBI³⁾ technology and establish a dedicated commercial AI environment completely isolated from the internal network to prevent the leakage of internal information, thereby blocking the risk of data leakage when utilizing external AI services.

In addition, we operate a blocking system based on SWG⁴⁾ to effectively manage shadow IT and AI tools that are frequently used without authorization. Furthermore, to establish an official AI utilization system that considers both work efficiency and security simultaneously, we are building an integrated AI infrastructure based on MCP⁵⁾ that can safely integrate and control multiple public AI services. Through this, we are accelerating company-wide digital transformation and productivity innovation by providing an environment where employees can swiftly and safely incorporate AI into their work.

3) Remote Browser Isolation

4) Secure Web Gateway

5) Multi-modal Control Platform

Risk Management



Risk Management System

SK siltron operates a risk management system to detect and respond proactively to risks that may affect its business in a rapidly changing environment. Each responsible organization manages risks covering the entire scope of operations, including manufacturing, sales, finance, supply chain, and climate change. Under the company-wide risk management procedures, the Plan-Do-Check-Act (PDCA) process is performed periodically. In addition, we have established and operate a Business Continuity Plan (BCP) to protect employees and maintain business operations in the event of various disasters and emergencies. Through this, we formulate emergency response and recovery plans and constantly strive to improve risk factors.

SK siltron Policy Declaration

- 1 We make every effort to restore business operations swiftly and thereby prevent any disruption to customers' businesses in the event of a disaster, incident, or other crisis situation.
- 2 We regularly analyze risk factors that may cause business interruption and improve prevention, emergency response, and recovery plans continuously.
- 3 We actively reflect social responsibility and the needs of stakeholders, including customers.

Risk Management Procedure

SK siltron operates a company-wide decision-making process for reviewing and finalizing risk management policies, indicators, and plans through management meetings consisting of the CEO and key executives. Normally, each department carries out quarterly risk inspections, evaluations, training, and improvement activities for its respective areas in accordance with company-wide procedures. In the event of an emergency situation such as business interruption, we mobilize an Emergency Response Committee along with an Integrated BCP Situation Room and an execution organization to establish a framework capable of emergency response, including on-site recovery and support, customer response, and external communication.

Disaster and Damage Types

SK siltron manages different types of risks that could hinder the achievement of management goals, including business, environmental, and disaster risks. In particular, we define various types of disasters and damages, and prepare scenario-based preventive, temporary, and recovery measures according to each type of risk. We consider not only immediate damages such as those occurring from natural disasters, but also medium- and long-term risks like climate change as factors that affect the sustainability and stability of business, and we integrate them into company-wide risk management.

Disaster Types

Category	Division
Social disasters	Laws and regulations
	Strikes and disturbances
	Terrorist attacks and financial crises
Natural disasters	Fires
	Earthquakes, volcanic eruptions, and floods
	Infectious diseases
	Climate change
Public infrastructure disasters	Interruption of electricity and water supply
	Interruption of waste discharge
	Interruption of transportation and housing
Technology disasters	Interruption and failure of computer systems
	Cyberattacks
	Communication interruption and failure
Other disasters	Others

Damage Types

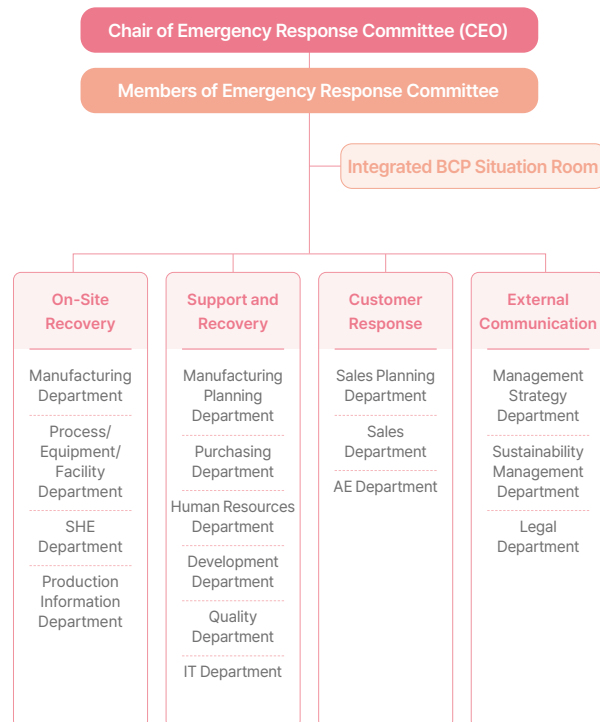
Category	Division
Procurement interruptions	Raw and auxiliary materials and parts
	Equipment and facilities
Facility losses	Buildings and equipment
	Facilities, supply chain, and the emissions network
Infrastructure failures	Electricity and water supply
	Wastewater and waste disposal
	Transportation and communication
IT failures	Computerized data
	Computer systems and devices
	Product and material inventory
Asset losses	Production
	Funds and bonds
	Patents and manufacturing capabilities, import, and usage rights
Other damages	Manpower, reputation, and credibility

Risk Management

Emergency Response BCP Implementation System

In the event of a disaster or damage, SK siltron convenes a management meeting to activate the BCP and transition to an Emergency Response Committee system, executing necessary activities for emergency response and rapid recovery. The Emergency Response Committee determines the time for deactivation of the BCP based on the level of damage, the scale and duration of business interruption, the achievement of recovery goals, and the feasibility of resuming business.

Organization During Emergency



Company-Wide BCP Simulation Training and Enhancement of Emergency Response Capabilities

SK siltron regularly conducts company-wide BCP training. Based on highly probable risk scenarios, we set main training themes such as production blockages due to fires at manufacturing sites, business paralysis caused by IT system downtime, and supply chain disruptions resulting from intensifying geopolitical conflicts, verifying our response capabilities under various crisis situations. During the simulation training, the CEO and key executives directly participate as members of the Emergency Response Committee and convene emergency management meetings. The management promptly reviews core decision-making matters regarding the presented crisis scenarios, such as estimating the scale of damage by organization, and establishing emergency alternative supply plans and customer communication strategies, and inspects the emergency response system under the leadership of top management. After the training, we immediately implemented follow-up measures based on the identified improvement tasks. By preparing specific improvement plans such as strengthening the redundancy of core systems, reviewing the adequacy of safety stock, and supplementing emergency contact networks and response manuals, we are continuously advancing our emergency response capabilities to ensure business continuity even in actual crisis situations.



BCP Management Procedure

SK siltron formulates response strategies for normalization of business across key areas such as manufacturing, raw materials, equipment, infrastructure, sales, human resources, and external communication. Additionally, we promote continuous improvement through effective management of risk indicators and simulation training for each work area.

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Plan	Train	Check	Improve
Establishing indicators for BCP management	Conducting simulation training based on disaster scenarios	Documenting emergency plans	Reviewing and introducing improvements based on feedback

BCP Implementation Process



ESG DATA & APPENDIX

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Financial Statements

Summary of Consolidated Statement of Financial Position

(Unit: KRW million)

	2023	2024	2025
Current Assets	1,631,404	1,740,835	1,367,122
Cash and cash equivalents	682,508	560,602	195,685
Short-term financial instruments	26,611	12,916	87,802
Trade and other receivables	233,475	325,615	280,368
Inventories	633,125	739,825	742,842
Other current assets	55,685	101,877	60,425
Non-current Assets	3,820,159	4,437,950	4,227,688
Tangible assets	2,745,018	3,293,416	3,511,602
Intangible assets	548,165	610,013	237,250
Deferred tax assets	57,508	121,980	163,289
Other non-current assets	469,468	412,541	315,547
Total Assets	5,451,563	6,178,785	5,594,810
Current Liabilities	1,407,186	1,590,655	1,460,358
Non-current Liabilities	2,090,967	2,344,898	2,201,021
Total Liabilities	3,498,153	3,935,553	3,661,379
Equity Attributable to Equity Holders of the Parent	1,949,147	2,239,577	1,930,319
Capital stock	33,512	33,512	33,512
Capital surplus	10,465	10,465	10,312
Accumulated other comprehensive income	44,545	110,414	118,860
Retained earnings	1,860,625	2,085,186	1,767,635
Non-controlling Interest	4,263	3,655	3,112
Total Equity	1,953,410	2,243,232	1,933,431

Summary of Consolidated Income Statement

(Unit: KRW million)

	2023	2024	2025
I. Sales	2,025,590	2,126,813	2,057,486
II. Cost of Goods Sold	1,634,999	1,694,668	1,730,975
III. Gross Profit	390,592	432,145	326,511
IV. Selling, General, and Administrative Expenses	109,963	116,622	133,407
V. Operating Profit	280,628	315,523	193,104
Financial income	47,318	107,926	44,415
Financial expense	73,947	151,863	66,173
Loss on valuation using equity method	7,018	1,618	19,285
Other non-operating income	33,192	46,950	37,478
Other non-operating expense	33,101	31,812	444,293
VI. Income Before Income Tax Expense	247,072	285,106	-254,753
VII. Income Tax Expense	13,081	37,057	38,867
VIII. Consolidated Net Income	233,992	248,049	-293,621
Equity attributable to owners of the parent	234,406	248,657	292,914
Non-controlling interest	-414	-608	-706
IX. Earnings Per Share			
Basic earnings per share	3,497	3,710	-4,370

Quantitative ESG Data: Environmental

Greenhouse Gas Emissions

		Unit	2023	2024	2025
Total emissions (Scope 1 +Scope 2)	Total ¹⁾	tCO2-eq	288,615	311,948	363,386 ⁴⁾
	Intensity	tCO2-eq/ KRW 100 million	14.2	14.7	17.7
Direct emissions (Scope 1)	Total	tCO2-eq	16,157	16,233	19,242
	Carbon dioxide (CO ₂)	tCO2-eq	14,319	14,166	16,787
	Methane (CH ₄)	tCO2-eq	7	7	8
	Nitrogen dioxide (NO ₂)	tCO2-eq	790	856	1,079
	Perfluorocarbons (PFCs)	tCO2-eq	1,040	1,204	1,368
Indirect emissions (Scope 2)	Total (Location-based) ²⁾	tCO2-eq	370,165	394,415	427,748
	Total (Market-based) ³⁾	tCO2-eq	272,461	295,715	344,144
	Carbon dioxide (CO ₂)	tCO2-eq	367,981	392,088	425,226
	Methane (CH ₄)	tCO2-eq	61	65	70
	Nitrogen dioxide (NO ₂)	tCO2-eq	2,123	2,262	2,452
Other indirect emissions(Scope 3)	Total	tCO2-eq	2,056,535	2,063,951	1,964,652

1) Scope 2 emissions are aggregated as market-based emissions considering the use of renewable energy.

2) Location-based: Emissions calculated by applying the average emission factor of the regional power grid where the business site is located to the electricity consumed by the business site

3) Market-based: Indirect (electricity) emissions calculated by reflecting market-based options, such as renewable energy certificates and electricity contracts purchased by SK siltron

4) 2025 Statement emissions: 447,001 tCO2-eq | green premium purchase volume: 181,980 MWh

Energy Consumption

		Unit	2023	2024	2025
Consumption by energy source	Non-renewable energy usage	GJ	6,062,922	6,564,856	7,643,992
	Renewable energy usage	GJ	2,041,651	2,062,406	1,747,008
	Percentage of renewable energy usage ⁸⁾	%	25	24	19
	Percentage of power grid usage ⁹⁾	%	100	100	100
Total energy consumption	Total	GJ	8,104,573	8,627,262	9,391,000
	Intensity ¹⁰⁾	GJ/ KRW 100 million	400.1	405.6	456.4
Eco-friendly vehicles	Percentage in possession	%	27	23	36

8) Renewable energy consumption / (renewable energy consumption + non-renewable energy consumption)

9) Proportion supplied through domestic power grid (KEPCO) in South Korea

10) Intensity basis: Annual total energy consumption / company revenue

Water Use and Discharge

		Unit	2023	2024	2025
Water intake	Total	Ton	15,881,738	15,694,294	17,422,406
	Third-party water resource	Ton	153,435	165,686	178,000
	Subtotal (industrial water + reclaimed wastewater)	Ton	15,728,303	15,528,608	17,244,406
	Industrial water	Ton	12,845,096	12,548,954	14,197,553
	Reclaimed sewage water	Ton	2,883,207	2,979,654	3,046,853
	Intensity	Ton/ KRW 100 million	784.1	737.9	846.8
Water recycling and reuse	Total	Ton	8,387,468	8,349,247	8,658,484
	Percentage ¹²⁾	%	34.6	34.7	33.2
Wastewater discharge	Total	Ton	14,561,463	15,569,068	17,007,712
Water consumption (intake-discharge)		Ton	1,320,275	125,226	414,694
Water pollutant discharge	Biological oxygen demand (BOD)	Ton	567.4	430.8	358.3
	Chemical oxygen demand (COD) ¹³⁾	Ton	274	213.3	184
	Total nitrogen (T-N)	Ton	285	355.7	372.1
	Total phosphorous (T-P)	Ton	1.6	1.8	1.8

12) Water recycling and reuse rate = water recycled and reused volume / (water intake + water recycled and reused) * 100

13) As measurements have been conducted in Total Organic Carbon (TOC) since 2022 due to the revision of relevant laws, the corresponding data is based on TOC.

Waste Management

		Unit	2023	2024	2025
Waste discharged	Total	Ton	27,576	29,475	29,985
	Intensity	Ton/ KRW 100 million	1.39	1.41	1.46
	General waste	Ton	13,148	12,872	13,538
	Designated waste	Ton	14,428	15,136	16,447
Waste treated	Landfilled	Ton	81	44	84
	Incinerated (with energy recovery) ¹⁴⁾	Ton	991	1,035	1,131
	Incinerated (without energy recovery) ¹⁵⁾	Ton	530	464	450
	Other treatment methods	Ton	0	0	0
	Recycled/reused	Ton	25,973	26,465	28,312
	Recycling rate ¹⁶⁾	%	94	95	94
ZWTL certification rate	Certified business sites/ total business sites	%	100	100	100

14) General incineration 15) Designated incineration

16) Detailed criteria for calculating the recycling rate follow the overall recycling rate standards.

Quantitative ESG Data: Environmental

Air Pollutant Emissions¹⁾

	Unit	2023	2024	2025
NOx (nitrogen oxide) emissions ²⁾	Ton	25.3	29.4	20.7
SOx (sulfur oxide) emissions	Ton	4.8	3.0	2.5
Dust emissions	Ton	4.0	4.4	5.0
VOC ³⁾	Ton	0.0	0.0	0.0

1) Data scope: All Gumi plants (Plants 1, 2, 3) and Cheongju business site

2) Including boilers

3) VOC is not applicable to these business sites and therefore is not under management.

Environmental Investments and Expenses

	Unit	2023	2024	2025
Environmental investments	KRW million	2,782	3,867	4,950
Environmental expenses	KRW million	3,464	2,986	2,707
Total environmental investments and expenses	KRW million	6,246	6,853	6,853

Environmental Education

		Unit	2023	2024	2025
Professional environmental education	Employees	Persons	926	615	883
		Hours	14,840	9,840	14,128
Environmental compliance education	Suppliers	Persons	234	5,707	5,406
		Hours	3,744	11,414	10,812

Environmental Audits

	Unit	2023	2024	2025
Percentage of new suppliers that have undergone review of environmental standards	%	100	100	100
Actually or potentially significant, adverse impacts within the supply chain and countermeasures	Cases	0	0	0

Violations of Environmental Laws and Regulations

	Unit	2023	2024	2025
Financial value of fines imposed	KRW million	0	0	4 ⁴⁾
Number of non-monetary sanctions	Cases	0	0	0
Number of lawsuits filed	Cases	0	0	0

4) A total of three administrative fines were imposed for violations including failure to report non-point pollution source installations, delayed self-monitoring of emissions, and failure to report changes in waste discharge locations. The Company immediately paid all fines and completed the required reporting procedures.

Environmental Policy and Management System

		Unit	2023	2024	2025
Environmental management system	Coverage of verifications that comply with international standards such as ISO14001, JIS Q 14001, and EMAS Certification	%	100	100	100

Quantitative ESG Data: Social

Safety Education

		Unit	2023	2024	2025
Hours of safety education	Employees	Hours	102,788	82,037	77,421
	Suppliers	Hours	12,390	11,589	11,267
Number of persons who completed safety education	Employees	Persons	3,281	3,063	3,209
	Suppliers	Persons	11,720	11,589	10,432

Occupational Accidents

	Unit	2023	2024	2025
Number of occupational accidents ¹⁾	Cases	11	11	12
Occupational accident rate (Korea) ²⁾	Cases / 200,000 hours	0.31	0	0
Lost Time Injury Rate (LTIR)	Cases / 200,000 hours	0.313	0.149	0.092

Business Site Safety Management

		Unit	2023	2024	2025
Employees	Fatalities	Persons	0	0	0
	Working hours	Hours	7,183,142	7,198,014	7,732,177
	Lost time injuries	Cases	13	5	5
	Lost Time Injury Rate (LTIR) ³⁾	Cases / 200,000 hours	0.362	0.139	0.129
	Number of occupational illnesses	Cases	1	2	0
	Occupational Illness Frequency Rate (OIFR) ³⁾	Cases / 200,000 hours	0.028	0.028	0.026
	Total monetary losses resulting from legal proceedings related to employees' health and safety violations	KRW	0	0	0
	Fatalities	Persons	0	0	0
Suppliers	Working hours	Hours	2,377,749	2,200,318	3,126,870
	Lost time injuries	Cases	2	2	0
	Lost Time Injury Rate (LTIR)	Cases / 200,000 hours	0.168	0.182	0.000
	Number of occupational illnesses	Cases	0	1	0
	Occupational Illness Frequency Rate (OIFR)	Cases / 200,000 hours	0	0.091	0.000

1) Number of cases of 3 or more days away from work

2) Occupational accident rate (Korea) = (number of converted casualties / number of full-time workers) * 100

3) Based on current employees in office, technical, and production positions

Occupational Safety and Health Committee

	Unit	2023	2024	2025
Members of Occupational Safety and Health Committee	Persons	16	20	20

Hazardous Chemical Substances

	Unit	2023	2024	2025
Hazardous chemical substances used	Ton	14,015	14,293	13,768
Reduction in chemicals emissions	Ton	4,525	-278	525

Quality Control

	Unit	2023	2024	2025
Quality rule compliance inspections	Cases	1,582	1,451	3,262
Improvement measures	Cases	1,581	1,446	3,233

Employee Status

		Unit	2023	2024	2025
Total number of employees	Subtotal	Persons	3,562	3,630	3,624
Employees by age group	Below 30 years old	Persons	970	841	669
	30-50 years old	Persons	2,136	2,276	2,412
	50 years old or above	Persons	456	513	543
Employees by gender	Male	Persons	3,020	3,067	3,056
	Female	Persons	542	563	568
Employees by region	Korea	Persons	3,557	3,625	3,619
	Overseas	Persons	5	5	5
By employment type	Full-time	Persons	3,519	3,516	3,476
	Fixed-term workers	Persons	43	114	148
Turnover rate ³⁾	Total turnover rate	%	2.32	3.28	5.27
	Voluntary turnover rate	%	1.98	2.67	3.15
Average years of continuous service	Subtotal	Years	12.6	12.9	13.7
	Male	Years	13.1	13.4	14.2
	Female	Years	9.6	9.9	10.7

Quantitative ESG Data: Social

New Recruitment¹⁾

		Unit	2023	2024	2025
Newly recruited employees	Subtotal	Persons	264	232	167
	Male	Persons	231	171	118
	Female	Persons	33	61	49
	Regular	Subtotal	244	100	53
		Male	218	86	40
		Female	26	14	13
	Temporary (excluding dispatched)	Subtotal	20	132	114
		Male	13	85	78
		Female	7	47	36
	By age group	Below 30 years old	188	150	116
		30-50 years old	74	78	47
		50 years old or above	2	4	4
	By job position	Employees	259	231	167
		Managers	3	1	0
		Executives	2	0	0
	Number of transfers through in-house posting	Persons	0	0	0
Employment cost	Total employment cost	KRW million	278	396.3	82.1
	Average employment cost (average cost/FTE)	KRW million	1.05	1.71	0.49

Respect for Diversity

			Unit	2023	2024	2025
Ratio of female employees	Subtotal		%	15.2	15.5	15.6
	Executives ²⁾		%	0	0	0
	Managers ³⁾		%	6.1	8.9	8.2
Recruitment of socially vulnerable	Percentage of employees with disabilities ⁴⁾		%	3.48	3.4	3.3
	National veterans		Persons	44	43	42
Board of Directors composition	By gender	Male	Persons	3	3	4
		Female	Persons	0	0	0
	By age group	Below 30 years old	Persons	0	0	0
		30-50 years old	Persons	0	0	0
		50 years old or above	Persons	3	3	4

1) Includes both contract employees and contract-to-regular employees

2) Percentage of women among position holders at the office head level and above

3) Percentage of women among position holders at the team leader level

4) Includes personnel in standard workplaces for persons with disabilities, based on the calculation criteria of the Korea Employment Agency for Persons with Disabilities

Labor-Management Relations (Regular Employees)

		Unit	2023	2024	2025
Labor Union	Employees subject to membership	Persons	3,556	3,523	3,534
	Membership	Persons	2,474	2,497	2,450
	Membership rate	%	69.6	70.9	69.3

Performance Appraisals

		Unit	2023	2024	2025
Performance appraisals	Percentage of employees who received periodic performance appraisals	%	100	100	100
	Total number of employees subject to performance appraisals	Persons	3,333	3,332	3,279
	Number of employees who received official performance appraisals	Persons	3,333	3,332	3,279
	Percentage of employees who received 360-degree appraisals	%	100	100	100
	Percentage of employees appraised from the same appraisal pool by job rank	%	100	100	100
	Percentage of employees who received periodic performance and career development reviews ⁵⁾	%	100	100	100

Leaves

			Unit	2023	2024	2025
Maternity leave	Number of employees who used maternity leave		Persons	109	140	170
	Number returned after maternity leave		Persons	85	102	129
	Percentage returned		%	78	73	76
Parental leave	Number of employees who used parental leave	Subtotal	Persons	117	115	152
		Male	Persons	65	69	97
		Female	Persons	52	46	55
	Number returned after parental leave	Subtotal	Persons	70	68	91
		Male	Persons	43	50	65
		Female	Persons	27	18	26
	Percentage returned	Subtotal	%	96	88	91
		Male	%	100	98	97
		Female	%	90	69	79
	Employees who worked 12 months or longer after returning from parental leave	Subtotal	Persons	56	57	51
		Male	Persons	27	36	36
		Female	Persons	29	21	15
		Ratio	%	93	76	65

5) Subjects excluded from appraisals: Experienced employees who joined after July 1 of the current year, newly hired employees, employees on leave of absence for 180 days or more during the current year (including maternity leave), and contract employees

Quantitative ESG Data: Social

Human Rights

		Unit	2023	2024	2025
Human rights education	Number subject to human rights education	Persons	3,655	3,601	3,516
	Number completed	Persons	3,655	3,601	3,516
	Prevention of sexual harassment at work	%	100	100	100
	Prevention of workplace bullying	%	100	100	100
	Improvement of disability awareness	%	100	100	100
	Hours of education per employee	Hours/person	3	3	3

Supply Chain Management

		Unit	2023	2024	2025
Supplier status	Suppliers	Companies	569	588	588
	Total amount purchased	KRW 100 million	14,491	13,346	11,252
Shared growth	Investments to support shared growth ¹⁾	KRW 100 million	166	108	89.1

1) Shared growth fund, technical support (147 cases, including HZ design for the development of high-performance grower), technical data escrow, educational support, consulting support

Supplier Evaluation

		Unit	2023	2024	2025
Periodic supplier evaluation	Companies		85	86	66
	%		15	14.6	11.8
Number of suppliers confirmed to have actually or potentially adverse social impacts (including incidents of child labor and forced labor)		Companies	0	0	0
Percentage of suppliers revoked of contract according to their social impact evaluation results		%	0	0	0

Social Contribution Activities

		Unit	2023	2024	2025
Social contribution investments		KRW million	2,690	2,072	1,770
Total donations		KRW million	2,690	2,072	1,770
Volunteer activities	Total hours of volunteer activities	Hours	5,696	2,300	1,815
	Number of employees who participated in volunteer activities	Persons	2,127	639	511
	Hours of volunteer activities per employee ²⁾	Hours/person	1.6	0.63	0.5

2) Total hours of volunteer activities / total number of employees

Training and Education

		Unit	2023	2024	2025
Average hours of education per employee	Office workers	Hours/person	116	64	59
	Production workers	Hours/person	28	11	8
Cost of employee education	Total	KRW 100 million	39.3	35.4	34.1
Total hours of education	Male	Hours	164,730	79,127	65,351
	Female	Hours	27,510	15,398	14,166
	Subtotal	Hours	192,240	94,525	79,517

Information Protection

		Unit	2023	2024	2025
Security education	Number completed	Persons	3,649	3,550	3,603
Information security certifications	Percentage of ISO 27001, NIST, or similar certifications acquired	%	100	100	100

Employee Satisfaction

		Unit	2023	2024	2025
Happiness survey	Participation rate	%	67	60.8	74.4
	Number of participants (male)	Persons	2,024	1,831	634
	Number of participants (female)	Persons	281	237	86

3) Scope limited to office and production workers

Quantitative ESG Data: Governance

Tax Payment by Country

		Unit	2023	2024	2025
Republic of Korea ¹⁾	SK siltron Co., Ltd., TERAON, and Happy-Fill	Sales	KRW million	1,992,691	2,100,838
		Profit before tax	KRW million	350,620	397,724
		Tax payment	KRW million	202,261	32,259
United States ¹⁾	SK siltron USA and SK siltron America, Inc.	Sales	KRW million	80,706	108,321
		Profit before tax	KRW million	-97,663	-131,800
		Tax payment	KRW million	287	355
Japan	SK siltron Japan, Inc	Sales	KRW million	44,411	40,423
		Profit before tax	KRW million	-137	-35
		Tax payment	KRW million	152	-8
China	SK siltronShanghai Co., Ltd.	Sales	KRW million	3,224	3,628
		Profit before tax	KRW million	570	592
		Tax payment	KRW million	29	153
Effective tax rate ²⁾	Income before income tax	KRW million	247,072	285,106	-254,753
	Nominal tax amount	KRW million	13,081	37,057	38,867
	Nominal tax rate	%	5.29	13.00	N/A ³⁾
	Effective tax amount	KRW million	202,729	32,759	98,413
	Effective tax rate	%	82.05	11.49	N/A ³⁾

Ethical Management Education

		Unit	2023	2024	2025
SK siltron	Korea	Persons	3,573	3,517	3,535
	Overseas	Persons	51	51	30
	Education completion rate	%	100	100	100
Subsidiaries ⁴⁾	Korea	Persons	131	167	174
	Overseas	Persons	221	282	250
Suppliers	Number of companies	Companies	89	67	43
	Participants	Persons	363	228	144

Anti-Corruption Education and Training

		Unit	2023	2024	2025
SK siltron participants	Korea	Persons	3,573	3,517	3,535
	Overseas	Persons	51	51	30
	Education completion rate	%	100	100	100
Subsidiaries ⁴⁾	Korea	Persons	132	167	174
	Overseas	Persons	221	282	250
Suppliers	Number of companies	Companies	89	67	43
	Participants	Persons	363	228	144

Business Site Corruption Risk Assessment⁵⁾

	Unit	2023	2024	2025
Total number of business sites	Sites	4	4	4
Number of business sites evaluated on corruption risk	Sites	4	4	4
Percentage of business sites evaluated on corruption risk	%	100	100	100

Regulatory Violations Related to Anti-Corruption

	Unit	2023	2024	2025
Number of regulatory violations related to anti-corruption	Cases	0	0	0

Intellectual Property Protection and Anti-Competitive Behaviors

	Unit	2023	2024	2025
Total amount of losses from legal proceedings related to anti-competitive behavior regulations	KRW million	0	0	0

1) Due to a change in the standards for reclassifying performance by country, the data for 2023 and 2024 have been retrospectively restated. (The performance of CSS KOREA, which was previously included in the US, is reflected separately under the Republic of Korea.)

2) The 2024 data have been revised to match the amounts of net income before corporate tax and corporate tax expense on the consolidated income statement (recalculation of the nominal tax rate and effective tax rate).

3) As a net loss before corporate tax occurred, the nominal tax rate and effective tax rate are not calculated.

4) Subsidiaries include domestic (Happy-Fill, TERAON) and overseas (SK siltron CSS and dispatched workers) subsidiaries.

5) By redefining the calculation scope of business sites in accordance with the ISO 37001 certification standards, the cases has been revised.

Quantitative ESG Data: Governance

Expenditure for Major Related Associations⁶⁾

	Unit	2023	2024	2025
Semiconductor Equipment and Materials International (SEMI)	KRW million	14	16	17
Korea Semiconductor Industry Association	KRW million	102	106	85
Gumi Chamber of Commerce and Industry	KRW million	90	90	90
Gumi National Industrial Complex Integrated Defense Council	KRW million	13	26	27
National Academy of Engineering of Korea	KRW million	20	20	0
Korea Enterprises Federation	KRW million	21	22	23

6) SK siltron complies with Chapter 6, Article 31 of the Korean Political Funds Act, which prohibits political fund donations by corporations or organizations.

Board of Directors

		Unit	2023	2024	2025
	Number of Board meetings held	Times	14	11	15
	Average Board attendance rate	%	100	100	98
	Total number of Board agenda items	Items	41	50	54
	Executives (number of inside directors)	Persons	2	2	2
	Number of outside directors	Persons	0	0	0
	Other non-executive directors	Persons	2	1	2
	Total Board size	Persons	4	3	4
	Female directors	Persons	0	0	0
	Average tenure	Years	4.1	3.1	3.5
	Government shareholding percentage	%	0	0	0
	Percentage of total voting rights	%	100	100	100
	Voting rights per share	-	1	1	1
Compensation	Total compensation	KRW million	2,712	3,068	2,151
	Average remuneration per director	KRW million/ person	678	1023	538

Research & Development

		Unit	2023	2024	2025
R&D personnel	Number of employees	Persons	170	189	158
	Ratio to all employees	%	4.8	5.2	4.3
R&D activities	Expenditures	KRW million	52,118	51,574	56,699
	Government subsidies	KRW million	2,108	2,379	3,894
	Ratio to sales	%	2.57	2.42	2.76
Patent status (applications during the year)	Domestic patents	Cases	77	52	65
	Overseas patents	Cases	31	19	39

GRI Index

SK siltron has reported its sustainability information for the period from January 1, 2025, to December 31, 2025, in accordance with the GRI Standards 2021.

Universal Standards

GRI Standards	Disclosed Metrics	Page	Remarks
The organization and its reporting practices	2-1 Organizational details	6-7	Refer to 43rd Business Report p. 38 '(2) Consolidated Subsidiaries and Their Status.'
	2-2 Entities included in the organization's sustainability reporting	93	
	2-3 Reporting period, frequency and contact point	93	
	2-4 Restatements of information	-	Changes from the previous year are explained in the notes to the relevant information.
	2-5 External assurance	90-91	
Activities and workers	2-6 Activities, value chain and other business relationships	7	
	2-7 Employees	80	
	2-8 Workers who are not employees	80	
Governance	2-9 Governance structure and composition	14	
	2-10 Nomination and selection of the highest governance body	61-62	
	2-11 Chair of the highest governance body	61-62	
	2-12 Role of the highest governance body in overseeing the management of impacts	61-62	43rd Business Report p. 175-182 (VI. Matters Related to Company's Institutions Such as Board of Directors, 1. Matters Related to Board of Directors)
	2-13 Delegation of responsibility for managing impacts	61-62	
	2-14 Role of the highest governance body in sustainability reporting	61-62	
	2-15 Conflicts of interest	10	
	2-16 Communication of critical concerns	10, 74-75	
	2-17 Collective knowledge of the highest governance body	61-62	
	2-18 Evaluation of the performance of the highest governance body	61-62	43rd Business Report p. 182-203 (VIII. Matters Related to Executives and Employees, etc., 2. Remuneration for Executives, etc.)
	2-19 Remuneration policies	61-62	
	2-20 Process to determine remuneration	-	
	2-21 Annual total compensation ratio	-	Based on management decision, this information is not disclosed to the public.
Strategy, policies and practices	2-22 Statement on sustainable development strategy	4	
	2-23 Policy commitments	4	
	2-24 Embedding policy commitments	4	
	2-25 Processes to remediate negative impacts	16-17, 25-27, 32, 41, 54	
	2-26 Mechanisms for seeking advice and raising concerns	40-41, 53-55, 65	
	2-27 Compliance with laws and regulations	63-69, 79	
	2-28 Membership associations	89	
	2-29 Approach to stakeholder engagement	10	
Stakeholder engagement	2-30 Collective bargaining agreements	41, 81	
	3-1 Process to determine material topics	11	
Disclosures on material topics	3-2 List of material topics	12	
	3-3 Management of material topics	13	

Topic Specific Standards

GRI Standards	Disclosed Metrics		Page	Remarks
Material Topic 1. Climate Change Response				
Material Issues ☉ Greenhouse gas emissions, ☉ Use of renewable energy, ☉ Expansion of eco-friendly portfolio				
GRI 302. Energy	302-1	Energy consumption within the organization		
	302-2	Energy consumption outside the organization	78	
	302-3	Energy intensity		
	302-4	Reduction of energy consumption	18-19	
	302-5	Reductions in energy requirements of products and services	18-19	
GRI 305. Emissions	305-1	Direct (Scope 1) GHG emissions		
	305-2	Energy indirect (Scope 2) GHG emissions	78	
	305-3	Other indirect (Scope 3) GHG emissions		
	305-4	GHG emissions intensity		
	305-5	Reduction of GHG emissions	18-19	
	305-6	Emissions of ozone-depleting substances(ODS)	-	Our company does not generate any ODS.
	305-7	Nitrogen oxides (NOx), sulfur oxides(SOx), and other significant air emissions	78-79	
Material Topic 2. Resource Circulation				
Material Issues ☉ Resource circulation, ☉ Water use, ☉ Waste discharge, ☉ Environmental pollutant emissions				
GRI 301. Materials	301-2	Recycled input materials used	18, 27	
	301-3	Reclaimed products and their packaging materials	25	
GRI 303. Water and Effluents	303-1	Interactions with water as a shared resource	26-27	
	303-2	Management of water discharge-related impacts	26-27	
	303-3	Water withdrawal		
	303-4	Water discharge	78	
	303-5	Water consumption		
GRI 306. Waste	306-1	Waste generation and significant waste-related impacts		
	306-2	Management of significant waste-related impacts		
	306-3	Waste generated	78	
	306-4	Waste diverted from disposal		We dispose of waste through contractual relationship with a waste treatment company.
	306-5	Waste directed to disposal		
Material Topic 3. Sustainable Supply Chain				
Material Issues ☉ Supply chain ESG management				
GRI 308. Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	79	
	308-2	Negative environmental impacts in the supply chain and actions taken	79, 82	
GRI 414. Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	82	
	414-2	Negative social impacts in the supply chain and actions taken	82	

GRI Index

Topic Specific Standards

GRI Standards	Disclosed Metrics	Page	Remarks
Material Topic 4. Human Resources			
Material Issues @ Protection of labor and human rights, @ Employee competency development			
GRI 404. Training and Education	404-1 Average hours of training per year per employee	82	
	404-2 Programs for upgrading employee skills and transition assistance programs	43-47	
	404-3 Percentage of employees receiving regular performance and career development reviews	81	
GRI 406 Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	40-42	Zero discriminations occurred at our company.
GRI 407. Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	41, 53-55, 81-82	
GRI 408. Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	39-42, 53-55	
GRI 409. Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	39-42, 53-55	
Material Topic 5. Health and Safety			
Material Issues @ Prevention of serious accidents			
GRI 403. Occupational Health and Safety	403-1 Occupational health and safety management system	30	
	403-2 Hazard identification, risk assessment, and incident investigation	32-35	
	403-3 Occupational health services	36-37	
	403-4 Worker participation, consultation, and communication on occupational health and safety	35	
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health	36-37	
	403-7 Prevention and mitigation of occupational health and safety directly linked by business relationships	36-37	
	403-8 Workers covered by an occupational health and safety management system	36-37	
	403-9 Work-related injuries	80	
	403-10 Work-related ill health		
Material Topic 6. Ethics and Compliance			
Material Issues @ Prevention of unethical and corrupt behaviors @ Compliance violation			
GRI 205. Anti-corruption	205-1 Operations assessed for risks related to corruption	68-69, 83	
	205-2 Communication and training about anti-corruption policies and procedures	64-69	
	205-3 Confirmed incidents of corruption and actions taken	67-69	
GRI 426. Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	67-69	

GRI Standards	Disclosed Metrics	Page	Remarks
Additional Metrics Besides Metrics Related to Material Topics			
GRI 201. Economic Performance	201-1 Direct economic value generated and distributed	77	
	201-2 Financial implications and other risks and opportunities due to climate change	16-17	
	201-3 Defined benefit plan obligations and other retirement plans	-	Refer to 43rd Business Report '18. Defined Benefit Liability (Asset).'
	201-4 Financial assistance received from government	84	
GRI 202. Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-	We comply with the Korean minimum wage laws in conducting our business activities.
	202-2 Proportion of senior management hired from the local community	-	100% of high-rank executives are Koreans.
GRI 207. Tax	207-1 Approach to tax		We adhere to the principles of legal compliance and prohibit aggressive tax avoidance.
	207-2 Tax governance, control, and risk management	-	We conduct regular reviews led by the Finance Team and risk monitoring by the Audit Committee.
	207-3 Stakeholder engagement and management of concerns related to tax		We maintain transparent communication with the tax authorities.
	207-4 Country-by-country reporting	83	
GRI 401. Employment	401-1 New employee hires and employee turnover	81	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	36-37	
	401-3 Parental leave	81	
GRI 405. Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	61-62, 84	
	405-2 Ratio of basic salary and remuneration of women to men	-	Business report (employee status, etc.)
GRI 410. Security Practices	410-1 Security personnel trained in human rights policies or procedures	40	
GRI 411. Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	-	Zero violations of rights of indigenous peoples
GRI 413. Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	58-59	
GRI 415. Public Policy	415-1 Political contributions	-	We comply with Chapter 6, Article 31 of the Political Funds Act, and political fund donations in 2025 amount to 0 KRW.
GRI 416. Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	-	As products that do not contain hazardous substances and involve no consumer contact, they are not subject to assessment.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	Zero incidents of non-compliance with laws and regulations related to the health and safety of our products
GRI 418. Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	Zero complaints regarding breaches, losses, etc., of personal information by our company

SASB Index

Accounting Metrics

Topic	Code	Disclosure Information	Reference Page and Response
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions, (2) PFCs emissions	78
	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	16-20, 23
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	78
Water Stewardship	TC-SC-140a.1	(1) Total water withdrawn, (2) Total water consumed	78
		(2) Total water consumed	78
		(3), (4) Percentage of water withdrawn/consumed in regions with high or extremely high baseline water stress	Although our company does not manage this specific information, we comprehensively understand the overall water stress status of our production sites based on a pessimistic (RCP 8.5) scenario through a water impact assessment. In addition, we have established water consumption and water recycling/reuse rates as KPIs, monitoring them monthly using the environmental management system (ISO 14001) process.
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	78
Workforce Health and Safety	TC-SC-320a.1	Description of efforts to assess, monitor and reduce exposure of employees to human health hazards	Our company has set a medium-to-long-term goal of zero cases of occupational disease observations (D1). Alongside legally regulated hazardous factors, we measure radiation and electromagnetic waves, which are not subject to statutory measurement, twice a year, and we manage the working environment by managing exposure trends and applying improvement measures.
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	There are no financial losses resulting from employee health and safety violations.
Recruiting and Managing a Global and Skilled Workforce	TC-SC-330a.1	(1) Percentage of employees that are foreign nationals	2023 (0.06%), 2024 (0.06%), 2025 (0.06%)
		(2) Percentage of employees that are located offshore	2023 (0.06%), 2024 (0.06%), 2025 (0.06%)
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Our company complies with IEC 62474 declarable substances and RoHS, and for other standards, we comply with REACH SVHC (Substances of Very High Concern). As of 2025, there are no hazardous substances contained in our products. Furthermore, we strictly comply with the Korean Act on the Registration and Evaluation of Chemical Substances and receive chemicals through the operation of an internal chemical introduction process. We minimize negative impacts concerning hazardous substances contained in our products by analyzing the products delivered to customers at least once a year.
	TC-SC-410a.2	Processor energy efficiency at a system level for: (1) servers, (2) desktops and (3) laptops	Not applicable
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Our company conducts pre-screening when selecting suppliers through the integrated purchasing portal, and we intensively manage high-risk suppliers through regular supply chain ESG assessments. In addition, to restrict the use of conflict minerals, we are identifying and investigating the usage status across all suppliers of raw and auxiliary materials.
Intellectual Property Protection and Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	There are no financial losses resulting from legal proceedings related to anti-competitive behavior.

TCFD Index

Topic	Code	Disclosure Information	Reference Page and Response
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	The Board of Directors, the highest decision-making body of SK siltron, reflects overall sustainability management, including climate change response, in core business strategies. It supervises the deliberation and resolution of major management agendas and the execution of duties by the management. Through this, the Board systematically links climate-related risks and opportunities to management decision-making, and enhances corporate credibility through transparent and ethical management. In addition, for sustainable growth, we are further strengthening ESG management to practice environmental protection and fulfill our social responsibilities.	16
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	The management regularly reports and resolves Net Zero implementation strategies to the Board of Directors and the ESG Management Committee, and actively reflects climate change-related risks and opportunities in business strategies. In 2025, the Company-wide Net Zero Promotion Status and Plan for Securing Additional PPAs were submitted as key agendas to specify and execute the medium-to-long-term roadmap. Energy efficiency improvement and GHG reduction targets are reflected in the management's KPIs, and execution responsibility is strengthened by linking this to the executive performance evaluation and compensation system. Through this, climate change response is managed to be strategically internalized across the organization, contributing to the realization of sustainable management and the creation of new business opportunities.	16
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	We identified approximately 40 climate-related risk and opportunity factors using S&P's physical risk modeling tool, and among these, items with material financial impacts were selected and analyzed. To grasp the financial impact of risks and opportunity factors caused by climate change, they were classified into transition risks and physical risks, and the corresponding risks and opportunity factors were analyzed.	16-17
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Physical damages due to climate change are spreading globally, and the strengthening of regulations by respective countries is accelerating accordingly. Financial impacts, such as disaster recovery costs and loss of business opportunities, are projected to increase as a result. As a company subject to the domestic Emissions Trading Scheme (ETS) regulations, SK siltron expects an increase in the costs of securing emission allowances and the costs of transitioning to renewable energy due to the tightening of regulations. Accordingly, we are managing environmental risks and pursuing sustainable growth through the strengthening of ESG management.	16-17
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios.	SK siltron has established a systematic response direction to minimize climate change risks and secure sustainable business opportunities. By strengthening cooperation with customers and suppliers, we manage the risk of increased carbon costs across the supply chain, and we will mitigate the risk of rising electricity costs through the expansion of PPA-based renewable energy supply. Through this, we intend to realize ESG management that simultaneously pursues environmental protection and economic efficiency.	16-17
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	SK siltron operates an integrated management system based on ISO 14001 and ISO 50001 certifications for systematic environmental management, and related departments, such as manufacturing, safety and health, sustainability management, and sales, collaborate to continuously monitor climate change-related risks. GHG emissions by emission source are managed in an integrated manner on a monthly basis, and the accuracy and reliability of the data are secured through annual external third-party verification. Through this, we practice transparent environmental performance management and preemptively promote ESG management that meets global standards.	16
	b) Describe the organization's processes for managing climate-related risks.	The safety, health, and energy management organization manages energy consumption and GHG emissions, and forecasts energy consumption according to climate change. Centered on the ESG Management Committee, where the sustainability management organization acts as the secretariat, major climate change-related issues are regularly deliberated and responded to effectively. Through this, we are enhancing the effectiveness of the company-wide environmental management system and solidifying the foundation for sustainable management.	16
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Due to the nature of the semiconductor materials manufacturing process, SK siltron has a high proportion of GHG emissions resulting from electricity consumption. Therefore, fluctuations in emission allowance prices and renewable energy purchasing costs are recognized as core financial factors directly linked to our profitability and business competitiveness. In addition, as the strengthening of environmental regulations by country can have a material impact on business execution and corporate reputation, we integrate the corresponding risks into the company-wide risk management system to proactively monitor and respond to them. Through this, we minimize the financial impact caused by climate change and lay the foundation for sustainable management.	18
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	To effectively assess and manage risks and opportunities arising from climate change, SK siltron systematically monitors key metrics such as GHG emissions, energy consumption, renewable energy consumption, GHG emissions intensity, water consumption, and waste management. We regularly review the implementation status against the reduction targets set each year and use external verification to ensure the reliability of the data. Through this, we ensure that environmental performance is linked to management goals, and we promote specific action plans for improving resource efficiency and achieving carbon neutrality.	78
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	To comply with international standards, SK siltron systematically calculates GHG emissions as Scope 1, 2, and 3, and discloses transparent information through the sustainability report and Carbon Disclosure Project (CDP). Through this, we strengthen trust with stakeholders and demonstrate responsible actions in responding to climate change. In addition, we secure the reliability of information through regular data verification and contribute to achieving goals for the realization of sustainable management.	18-20, 78
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	SK siltron establishes medium- to long-term targets for managing climate change-related risks and opportunities and regularly assesses performance against the targets through a systematic management process. Additionally, we disclose transparent information through the sustainability report and CDP based on verified data to strengthen trust with stakeholders.	92

Ten Principles of UNGC Index

SK siltron complies with the Ten Principles in the areas of human rights, labor, environment, and anti-corruption, which are the four core values of the United Nations Global Compact (UNGC), through active support. Accordingly, through this year's report, we report the activities to comply with the Ten Principles of the UNGC.

Category	Indicator		Report Page
Human Rights	Principle1	Businesses should support and respect the protection of internationally proclaimed human rights.	39-42
	Principle2	Businesses should make sure that they are not complicit in human rights abuses.	
Labor	Principle3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	39-42
	Principle4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	
	Principle5	Businesses should uphold the effective abolition of child labor.	
	Principle6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	43-45
Environment	Principle7	Businesses should support a precautionary approach to environmental challenges.	17, 24
	Principle8	Businesses should undertake initiatives to promote greater environmental responsibility.	53-54
	Principle9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	
Anti-Corruption	Principle10	Businesses should work against corruption in all its forms, including extortion and bribery.	63-69

Membership of Association

Gyeongbuk and Daegu Green Council

Gumi National Industrial Complex United Defense Council

Gumi, Gimcheon Safety Management Council

Gumi Industrial Complex Firefighting Safety Council

Gumi Chamber of Commerce and Industry

Korea Foundation for Cooperation of Large & Small Business, Rural Affairs

Korean Nursing Association

Korea Mechanical Construction Contractors Association

Korea Industrial Safety Association

Korea Exchange

Korea Enterprises Federation

Korea Air Cleaning Association

National Academy of Engineering of Korea

Korea Customs Logistics Association

Korea International Trade Association

Korea Semiconductor Industry Association

Korean Society of Semiconductor and Display Technology

Korea Semiconductor Research Association

National Academy of Industrial Security of Korea

Korean Association of Industrial Technology Security

Korea Industrial Technology Association

Korea Fire Safety Institute

Korea Electrical Engineers Association

Korean Association of Occupational Health Nurses

Korea Chemicals Management Association

PSM Safety Management Association

RE100 Initiative

RBA (Responsible Business Alliance)

SEMI (Semiconductor Equipment and Materials Institute)

Independent Assurance Statement

To readers of SK Siltron Sustainability Report 2026

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of SK Siltron Sustainability Report 2026 for the year ending December 31, 2025. The preparation, information and internal control of the report are the sole responsibility of SK Siltron's management. KMR's responsibility is to comply with the agreed engagement and express an opinion to SK Siltron's management.

Subject Matter

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

- SK Siltron Sustainability Report 2026

Reference Standard

- GRI Standards 2021

Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of AA1000AS v3 and KMR's proprietary SRV1000. Under AA1000AS v3, we assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using these criteria. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.

- ISO 17029 : 2019, ISO 14065 : 2020, AA1000AS v3 : 2020 (AccountAbility), AA1000AP : 2018 (AccountAbility), SRV1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
- Levels of assurance/materiality: AA1000AS v3 – Type 1&2/moderate, limited/ not set

Scope of assurance

The information subject to verification in the sustainability report is as follows.

- GRI Standards 2021 reporting principles
- Universal Standards
 - GRI 2 General Disclosures 2021
 - GRI 3 Material Topics 2021

Topic Specific Standards

- GRI 201: Economic Performance, GRI 202: Market Presence, GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior, GRI 207: Tax,
- GRI 301: Materials(301-2, 301-3), GRI 302: Energy, GRI 303: Water and Effluents, GRI 305: Emissions, GRI 306: Waste, GRI 308: Supplier Environmental Assessment,
- GRI 401: Employment, GRI 403: Occupational Health and Safety, GRI 404: Training and Education, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labor, GRI 409: Forced or Compulsory Labor, GRI 410: Security Practices, GRI 411: Rights of Indigenous Peoples, GRI 413: Local Communities(413-1), GRI 414: Supplier Social Assessment, GRI 415: Public Policy, GRI 416: Customer Health and Safety, GRI 418: Customer Privacy

As for the reporting boundary, information external to the organization was excluded from the scope of assurance.

KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standard outlined above:

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

Independent Assurance Statement

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. In a limited assurance engagement, the scope of the risk assessment procedures and the subsequent procedures performed in response to the assessed risks are limited than in a reasonable assurance engagement. Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by SK Siltron are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with SK Siltron on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. We found that the report was prepared in accordance with the criteria presented by SK Siltron, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Our opinion on the principles is as follows:

Inclusivity

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

Materiality

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

Responsiveness

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

Impact

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

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of sustainability performance data, including economic, environmental, and social performance data. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

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

Limitations of Use

This assurance statement is made solely for the management of SK Siltron for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of SK Siltron. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.



August 18, 2026

CEO

Assurance Statement

This Assurance Statement has been prepared for SK Siltron Co., Ltd.

Terms of Engagement

LRQA was commissioned by SK Siltron Co., Ltd. to provide independent assurance on its Greenhouse Gas (GHG) Inventory Report for the calendar year 2025 (the report) against “the guidelines on emission reporting and certification under the GHG emissions trading system” and the monitoring plan for the calendar year 2025 using “the verification guidelines for GHG emissions trading system”.

The report relates to direct GHG emissions and energy indirect GHG emissions.

Management Responsibility

LRQA's responsibility is only to SK Siltron Co., Ltd. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The management of SK Siltron Co., Ltd. is responsible for preparing the report and for maintaining effective internal controls over all the data and information within the report. Ultimately, the report has been approved by, and remains the responsibility of SK Siltron Co., Ltd.

LRQA's Approach

LRQA's assurance engagement has been carried out in accordance with our verification procedure using “the verification guidelines for GHG emissions trading system” to reasonable level of assurance.

The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Visiting sites and auditing management system to control the data and records regarding GHG emissions and energy uses
- Interviewing the relevant persons responsible for managing and maintaining data and associated records
- Reviewing the historical data and information back to source for the calendar year 2025
- Reviewing the results of contractual instruments in the procurement of electricity.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a reasonable level of assurance, and at the materiality of the professional judgement of the verifier and at the materiality level of 5%.

LRQA's Opinion

Based on LRQA's approach, we believe that the report is prepared in accordance with “the guidelines on emission reporting and certification under the GHG emissions trading system” and the monitoring plan for the calendar year 2025 using “the verification guidelines for GHG emissions trading system” and the GHG emissions data in the Table 1 is materially correct.

Summary of GHG emissions (Unit: tCO₂eq)

Scope of GHG emissions	Year 2025
Total GHG Emissions	446,987
Direct GHG emissions	19,242
Energy indirect GHG emissions (location-based)	427,748
Energy indirect GHG emissions (market-based)	344,144

1. The total GHG emissions may differ from the sum of emissions by scope due to decimal handling of GHG emissions amounts for each site.
2. Market-based is terminology from Annex E of ISO 14064-1:2018.
3. The energy indirect GHG emissions (market-based) are not subject to the allocation and submission of emission permits under the Emissions Trading System in Korea.



LRQA
2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea
LRQA Reference: SEO6046253

3 August 2026
Il-Hyoung Lee

A handwritten signature in black ink, appearing to read 'Il-Hyoung Lee'.

About This Report

Overview of Report

SK siltron has been publishing sustainability reports annually since publishing the first ever sustainability report in 2021 to transparently disclose ESG management performance and sustainability activities to various stakeholders. The 2026 Sustainability Report, the sixth report, systematically summarizes the impact of ESG strategies, implementation performance, and business activities on society and the environment. In the future, SK siltron will continue to build trust with stakeholders and create a sustainable future through regular information disclosure and sincere communication.

Reporting Scope

This report includes ESG management activities conducted at all domestic and overseas business sites of SK siltron and the resulting performance, and the scope of social value measurement was calculated focusing on the activities of SK siltron and Happy-Fill, a standard workplace for persons with disabilities. Financial information has been prepared based on K-IFRS consolidated financial statements, and energy consumption and greenhouse gas emissions reflect results verified by authorized external bodies to ensure accuracy and reliability.

Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, an international sustainability reporting standard. In addition, this report refers to the Ten Principles of the United Nations Global Compact (UNGC) and the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) to enhance the transparency and comparability of financial and non-financial ESG information.

Reporting Period

This report covers SK siltron's qualitative and quantitative ESG performance and key activities from January 1, 2025, to December 31, 2025. For some items, the latest information up to the first half of 2026 has been included to provide timely content. Quantitative performance indicators include three-year data for comparative analysis, and additional explanations are provided through notes to each item where special interpretations are necessary.

Report Assurance

All information contained in this report is based on data collected from relevant organizations and has been verified internally for accuracy. Additionally, a specialized external body conducted third-party assurance to enhance the fairness and reliability of the report preparation process and the information included.

Forward-Looking Statements

All specific details in this sustainability report, including SK siltron's ESG goals and strategies, may constitute forward-looking statements pursuant to relevant laws. Forward-looking statements generally use terms such as 'promote,' 'expect,' 'intend,' 'plan,' 'goal,' 'strategy,' and 'estimate.' In particular, statements in this report may include references to future business strategies, environmental goals such as greenhouse gas emissions and energy consumption, external ESG-related commitments, and operational strategies. We believe that the expectations reflected in forward-looking statements are reasonable, but we cannot guarantee their accuracy. These statements are provided solely to help readers understand our approach, strategies, initiatives, and anticipated operating environment related to key ESG areas and may not be suitable for other purposes, such as investment decisions. Forward-looking statements are relevant only as of the date they are made, and we do not assume any obligation to update forward-looking statements as a result of new information, future events, or other outcomes.

Contact

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