SK HYNIX
SUSTAINABILITY REPORT 2025

About this Report

Overview

SK hynix actively engages in a wide range of initiatives across the economic, social, and environmental sectors, and has been publishing an annual sustainability report since 2008 to transparently provide relavant information to our stakeholders. During the report's publication process, we conducted a materiality assessment reflecting stakeholders' viewpoints to identify material issues, and faithfully disclose our efforts and achievements related to these issues.

Reporting Period

The reporting period for this report spans from January 1, 2024, to December 31, 2024. For significant achievements outside this period are included in this report, covering activities in the first half of 2025. For quantitative performance data from 2021 to 2024 is provided for trend analysis.

Reporting Boundaries

This report covers SK hynix's ESG activities and performance at all its sites in Korea (Icheon, Cheongju, Bundang, and satellite offices in Seoul) and manufacturing facilities in China (Wuxi, Chongqing). Partial information is provided for the facilities in Wuxi and Chongqing, China, with reporting boundaries specified for each dataset.

Reporting Standards

This report has been prepared with reference to ISO 26000, the UN Global Compact principles, Sustainability Accounting Standards Board (SASB) Disclosure Standards, International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, European Sustainability Reporting Standards (ESRS). Financial information is presented on a consolidated basis, and the reporting standards and definitions follow Korean International Financial Reporting Standards (K-IFRS). Both financial and non-financial information are based on the fiscal year in accordance with our disclosure system, and data related to energy use and greenhouse gas emissions are based on the results of emissions verification. Any significant changes are separately indicated in the relevant sections.

Report Assurance

To enhance the internal and external credibility of the report, we engaged Anjin Deloitte, a professional assurance provider, to conduct third-party assurance. Through this process, we ensured the reliability and fairness of the preparation process, public data, and report content. The report, once assurance is completed, is submitted to the CEO and the Sustainability Committee under the Board of Directors. Detailed assurance statements are included in the Appendix.

Forward-looking Statement

All specific statements made within SK hynix's Sustainability Report, including content corresponding to short- and mid-to-long-term ESG goals and strategies, may constitute forward-looking statement. The forward-looking statement in this report reflects SK hynix's current views on matters and performance related to corporate sustainability, and these are subject to risks and uncertainties.

While SK hynix believes that our views reflected in this forward-looking statement is reasonable, we cannot guarantee they will necessarily prove to be correct in the future. The forward-looking statement presented in this report is intended to help readers better understand our approach, strategies, and future objectives concerning key areas related to sustainability. However, these statements are subject to various types of risks, contingencies, and uncertainties, which could cause actual results to differ materially.

The following factors are examples of such risks, and unlisted factors may also contribute to discrepancies between the forward-looking statement and actual results.

- Fluctuations in global economic conditions, changes in raw material availability and supply chain volatility, rapid shifts in relationships with stakeholders including customers, geopolitical and politico-economic situations in countries where SK hynix operates, exchange rate fluctuations, legislative and regulatory changes, deterioration of business continuity due to unforeseen business disruptions, and the unpredictability of ongoing or potential litigation, among others.

Moreover, SK hynix has made this forward-looking statement in the Sustainability Report based on what it currently believes to be timely and reasonable estimations and information, as previously mentioned, the forward-looking statement inherently involves risks and uncertainties due to various factors, and actual results may differ from SK hynix's expectations and plans.

The forward-looking statement is, in all cases, based on the point in time at which such statements were made, and SK hynix undertakes no obligation to update any forward-looking statement due to new information or future events.

For Additional Information and Inquiries

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Report published: June 19, 2025
Last updated: July 22, 2025

COMMUNICATION ON PROGRESS

UN GLOBAL COMPACT

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

SK hynix upholds the Ten Principles of the UN Global Compact and strives to integrate these principles throughout its management practices.

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Interactive PDF
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Introduction

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Letter to our Stakeholders

Dear Valued Stakeholders,

The year 2024 stands as a watershed moment, marking SK hynix's definitive emergence as a "Full Stack AI Memory Provider" and heralding a new epoch in the semiconductor landscape. High Bandwidth Memory (HBM), the linchpin of the AI era, saw its commanding technological supremacy earn undisputed market leadership globally. This triumph, augmented by the vigorous expansion of high-value product sales including DDR5 and high-capacity enterprise SSDs, propelled SK hynix to achieve unprecedented financial milestones, the highest in our corporate history.

Anticipating the sophisticated technological requirements of our global clientele, we are vigorously augmenting our production capacity and fortifying supply chain resilience. The establishment of our advanced packaging facility in Indiana, USA, has formally commenced, while the construction of the Cheongju M15X plant and the Yongin Cluster has taken decisive first steps forward.

These accomplishments were only possible through our relentless pursuit of technological innovation, the cohesive "One Team" spirit embodied by all our members, and, most crucially, the unwavering trust and support extended by you, our stakeholders

Concurrently, SK hynix remains resolutely committed to the path of sustainable growth. The diligent efforts of our "Carbon Management Committee" over the past three years have culminated in securing neon gas recycling technology. We are making demonstrable progress in greenhouse gas reduction by realizing eco-conscious solutions at every process stage, encompassing alternative gas adoption and enhancements to scrubber and pump efficiencies.

Beyond environmental stewardship, we are fortifying another pillar of sustainable management: unwavering adherence to ethical business practices. Our establishment of fair and ethical internal control systems spanning R&D, manufacturing, quality, and marketing culminated in a significant external validation: SK hynix was named one of the "World's Most Ethical Companies" for 2025 by the leading global ethics assessment authority, Ethisphere—a first for any Korean semiconductor company.

This commitment extends to our people-centric management philosophy, which we actively translate into practice. Anchored in a culture of transparent communication between management and employees, we continuously invest in systems and environmental enhancements that foster work-life balance. Through these initiatives, we are cultivating a healthy corporate culture where every employee can unlock their full potential and achieve collective growth.

The meteoric rise of AI technology presents not only extraordinary new business horizons but also brings with it elevated expectations concerning corporate sustainability and the responsible deployment of technology. SK hynix is committed to navigating this landscape by developing superior high-performance, high-efficiency products, while concurrently formulating and implementing mid-to-long-term carbon reduction plans, advancing steadfastly towards our Net Zero aspirations.

Responding proactively to the global movement towards mandatory ESG disclosure, we are devising forward-thinking strategies aligned with international standards, and persistently enhancing the transparency and credibility of our disclosures. Through these actions, we aim to further strengthen the foundations of trust with all our stakeholders.

For SK hynix, ESG management transcends mere corporate strategy; it is the embodiment of our accountability in fulfilling our pledges to you, our stakeholders. Looking ahead, every member of SK hynix, myself included, remains dedicated to simultaneously bolstering our business competitiveness and our commitment to sustainability, thereby continuously enhancing our corporate value.

We cordially invite you to continue accompanying us on the journey of this "SK hynix Renaissance," as we chart a course toward a new horizon, built upon the bedrock of groundbreaking technology and enduring sustainability.

With deepest gratitude,

President and CEO, SK hynix
Kwak Noh-Jung



Company Overview

Pioneering the Global AI Memory Era as an AI First Mover

The transformation ignited by AI is reshaping our world with breathtaking speed, and at the heart of this evolution lies memory semiconductor technology.
Since pioneering Korea's first 16Kb SRAM in 1984, SK hynix has charted a course of continuous growth fueled by distinctive technological innovation.
Today, as a purveyor of AI memory semiconductors, exemplified by our High Bandwidth Memory (HBM), we stand at the forefront of the AI memory industry, unlocking novel possibilities and delivering unparalleled value.
In this age of boundless AI potential, SK hynix embraces its role as a "Full Stack AI Memory Provider." Through our semiconductors, we aspire not only to provide new value to customers and the world but also to contribute meaningfully to resolving pressing global challenges, such as climate change, and addressing a spectrum of societal issues. Our commitment is unwavering: to cultivate happiness for all stakeholders through the creation of sustainable social value.

We Do Technology
첨단기술의 중심, 더 나은 세상을 만듭니다 | SK hynix

Company name	SK hynix
CEO	Kwak Noh-Jung
Date of commencement of semiconductor business	February 1983
Area of business	Manufacture and sales of semiconductor devices
Address of headquarters	2091, Gyeongchung-daero, Bubal-eup, Icheon-si,Gyeonggi-do, Korea
Products and services	DRAM, NAND Flash, Multi-Chip Package (MCP), etc.







2024 at a Glance

The “Full Stack AI Memory Provider” Forging the Future with Innovative Technology

Embracing the critical role of memory semiconductors in the AI era, SK hynix relentlessly pursues innovation to reach the zenith of technological prowess. Building on the successful mass production of HBM3E in 2024, we delivered early samples of the 12-layer HBM4 product to customers in March 2025, solidifying our leadership in the memory semiconductor market. We refuse to rest on these laurels; through persistent technological innovation, we shall cement our standing as the definitive Full Stack AI Memory Provider.

Achieving Unprecedented Performance Milestones

Amidst the vigorous demand for AI memory semiconductors, SK hynix leveraged its HBM technological dominance and profitability-centric management approach to attain these historic heights in 2024. HBM has driven growth based on differentiated product competitiveness, while enterprise solid state drives (eSSD) have also demonstrated meaningful growth. With leading technology companies amplifying investments in AI servers and the escalating importance of AI inference capabilities, the demand for HBM—indispensable for high-performance computing—and high-capacity server DRAM is anticipated to grow continually. SK hynix plans to develop and supply products with the latest technology required by the market in a timely manner. Through profitability-focused operations and flexible sales strategies tailored to customer demand, we aim to achieve sustainable growth.

Spearheading AI Memory Technology

In 2024, SK hynix solidified its market leadership by spearheading advancements in AI memory technology. Beginning mass production of the fifth-generation HBM (HBM3E), in March 2024, we initiated mass production of the 12-layer HBM3E and the development of the 16-layer version. In March 2025, we supplied samples of the sixth-generation HBM (HBM4) 12-layer product, to major customers ahead of schedule. We plan to complete preparations for mass production of the HBM4 12-layer product within 2025 to meet customer demand. Beyond HBM, we accelerated innovation in AI-focused NAND solutions. Following the successful development of the “ZUFS 4.0” for On-Device AI and “PCB01” SSD for AI PCs, SK hynix also succeeded in developing new products for data centers and demonstrated its technological prowess by commencing mass production of the world’s highest-layered “321-layer NAND.” Furthermore, SK hynix has consistently prepared next-generation AI memory solutions, such as the PIM-based accelerator card “AiMX” and the CXL-based solution “CMM-Ax.” We will continue to lead AI memory technology in response to the surging demand for AI, striving to further strengthen its market leadership.

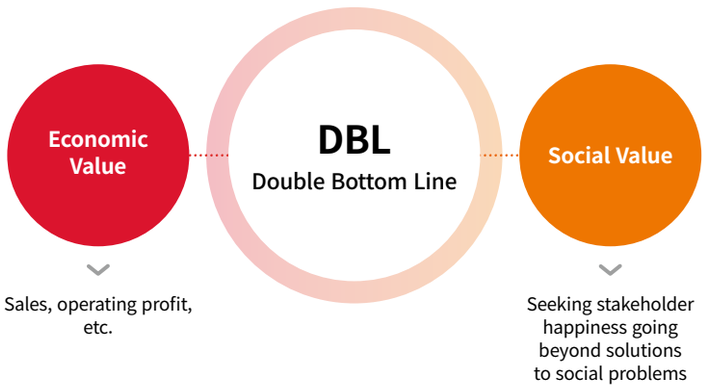
Securing the Foundations for Future Growth

SK hynix continues to secure growth drivers by making ongoing investments for future growth. M15X, under construction at our Cheongju Campus, is set for completion in the fourth quarter of 2025 and construction of the Yongin Cluster’s initial fab will commence in Februrary 2025, targeting completion by May 2027. Expanding our global footprint, an investment agreement was finalized in April 2024 to establish an advanced packaging facility for AI memory in West Lafayette, Indiana, USA, coupled with collaborations on semiconductor R&D with local research organizations, including Purdue University. We will continue to explore new growth engines through proactive market analysis and bold investments.

Double Bottom Line

Double Bottom Line (DBL) Management Philosophy

Double Bottom Line (DBL) is SK hynix's guiding principle, aiming to enhance economic value (EV) and social value (SV) concurrently, fostering symbiotic growth with society. As societal connections strengthen amid ongoing social shifts, stakeholders' expectations regarding a company's societal role escalate. Earning trust and support from stakeholders is vital for sustainable corporate development. Therefore, SK hynix endeavors to secure stakeholders' trust and support by embracing DBL principles, delivering both EV and SV, ultimately maximizing stakeholder happiness.

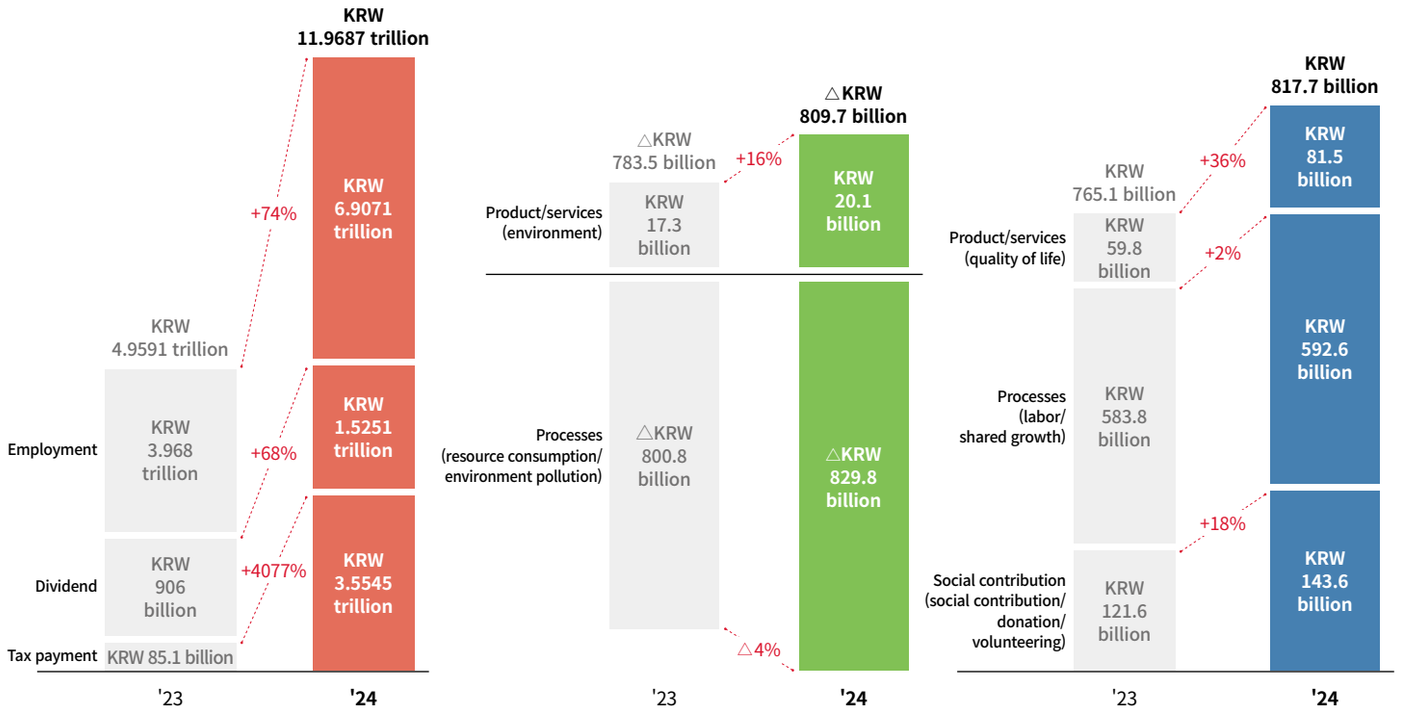


SK hynix's Performance in Creating Social Value in 2024

Indirect contribution to economy
KRW 11.9867 trillion
(+142%, + KRW 7.0276 trillion YoY)

Environmental performance
△KRW 809.7 billion
(△3%, △KRW 26.2 billion YoY)

Social performance
KRW 817.7 billion
(+7%, +KRW 52.6 billion YoY)



*The social value (SV) measurement includes data from five subsidiaries and four social enterprises
(Subsidiaries: SK hynix system ic, SK hystec, SK hyeng, Happy More, Happy Narae / Social enterprises: Happy Lunchbox, Happy School, Happy Together, Wuxi Cleaning).
**With the change to include GHG emissions as Scope 1 and 2 within the environmental pollution SV performance measurement area, the 2023 figures have also been updated accordingly.
***For the economic indirect contribution performance, the corporate tax performance measurement standard has been changed to actual tax paid, excluding deferred corporate tax.

Double Bottom Line

SK hynix's Social Value Management System

Social value measurement system

Indirect contribution to economy

Economic
The value that the company indirectly creates for the economy through business activities

- Employment
- Dividend
- Tax payment

Environmental performance

Environmental
Environmental benefits generated by the company's products and services

- Products/ services
- Processes
- Resource consumption
- Environmental pollution

Social performance

Social
Social benefits generated by business activities

Products/ services	Quality of life
	Consumer protection
Processes	Labor
	Shared growth
Social contribution	Social contribution activities
	Donation
	Volunteering

Social value measurement principles

The SV measurement principles and methodology can be found on the SV Hub website operated by the Center for Social value Enhancement Studies (CSES).

1. We aim to measure all business activities.
- Measure overall corporate activities, including product development, production, sales, HR, and cooperation with business partners
- Measure positive as well as negative performance

2. We measure outcomes but aim to measure impacts.
- Measure the changes in the lives of the beneficiaries as the direct outcome of business activities
- Aim to assess the impact that our business activities ultimately have on society

Input > Activity > Output > Outcome > Impact

3. Principle of conservatism
- Use objective and conservative criteria and data to increase validity and reliability

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Stakeholder Engagement

SK hynix values stakeholder opinions and strives to create shared happiness by categorizing key stakeholders into seven groups and actively engaging with each group through the most effective channels.
The needs and demands identified through this process are integrated into SK hynix's business activities in various ways, and the results are shared with the stakeholders.

Stakeholder Group	Communication Channels	Communication Activities
Customers	· Customer-oriented QI (Quality Intelligence) activities · Website	· The Customer Service Center (CSC) handles customer inquiries and requests on the website · Quarterly Business Review (QBR) to share business updates with customers · Quarterly Technical Review (QTR) meetings to review production plans and technical issues
Employees	· Management briefings · Labor-Management Council · Communication bulletin board · Junior Board, 1-on-1 meetings · Employee surveys	· "THE Communication" conducted quarterly for communication between the CEO and employees · Upgrade of the employee communication bulletin, "Comm.ON" · Regular 1-on-1 meetings between executives and employees · Regular conduct of "Culture Survey" and "SwitchON Survey" for all employees
Government·NGOs	· Korea Chamber of Commerce and Industry (KCCI) · National Assembly · Policy meetings · UNGC	· Participation in the KCCI Digital Leaders Academy · Submission of the UNGC Communication on Progress (CoP)
Shareholders·Investors	· Earnings calls · General shareholders' meeting · Meetings with investors and securities firms · Website, telephone inquiries	· Quarterly earnings conference calls and website disclosures · Year-round meetings with investors and securities firms · Regular general shareholders' meetings and e-voting
Communities	· Work Environment and Health Center · Happiness Sharing Fund Steering Committee · Regional Committee on Chemical Substances	· Operation of the Work Environment and Health Center · Operation of the Steering Committee for the execution of the Happiness Sharing Fund
Suppliers	· Shared Infrastructure Portal · Shared Growth Committee · ECO Alliance · ESG consulting	· Ongoing support programs for suppliers, such as Semiconductor Academy and Youth Hy-Five, through the Shared Infrastructure Portal · Strengthening strategic partnership with partner companies through the council for shared growth
Associations·Initiatives	· Korea Semiconductor Industry Association · Semiconductor Equipment and Materials International · Semiconductor Climate Consortium (SCC)	· Participation in the World Semiconductor Council (WSC) meeting · Participation in the SCC as a founding member

Materiality Assessment

Defining the Materiality Assessment Methodology

Each year, SK hynix undertakes a materiality assessment to discern the key sustainability issues that materially influence our corporate sustainability and to integrate these findings into strategic planning and decision-making processes. In 2024, leveraging the Materiality Assessment Implementation Guidance issued by the European Financial Reporting Advisory Group (EFRAG), SK hynix formulated its distinct Double Materiality Assessment methodology, which was subsequently applied to the 2025 materiality assessment. This double materiality approach is designed to identify the impacts, risks, and opportunities (IROs) most critical to sustainability and to pinpoint material issues by comprehensively considering both the financial ramifications of external factors on the company and the effects of the company's own business activities on the external environment.

The Materiality Assessment Process

SK hynix's materiality assessment unfolds across four distinct phases: ① Identification and review of impacts, risks, and opportunities (IROs); ② Financial materiality assessment; ③ Impact materiality assessment; and ④ Selection of material issues.

Identification and Review of IROs

This initial phase builds upon the IROs from the preceding year. It involves a thorough analysis of value chain impacts, international standards and evaluation metrics, media trends, national industry regulations, and reports from peer companies, customers, and industry leaders to ascertain necessary additions, modifications, or enhancements to the existing IRO inventory. Through this rigorous analysis, SK hynix identified approximately 120 distinct IROs, which were then consolidated into 21 overarching issues.

Issue Pool in 2025

Environment	Social	Governance & General
Carbon Neutrality	Supply Chain Management	Information Protection and Industrial Security
Energy Management	Occupational Safety and Health	Technology Innovation
Water and Wastewater Management	Human Resources Management	Compliance and Ethical Management
Hazardous and Pollution Management	Product Stewardship	Public Policy Engagement
Waste Management	Community Value Creation	Board and Governance Structure
Circular Economy System	Human Rights and Labor Relations	Shareholder Rights
Raw Material Management	Diversity & Inclusion	
Biodiversity and Ecosystems		

Financial Materiality Assessment

This stage evaluates the financial risks and opportunities within the pool of IROs identified previously. Drawing parallels with materiality concepts in financial accounting, SK hynix established specific thresholds and calculation methods to ascertain sustainability-related financial materiality, examining whether each identified risk or opportunity surpassed these defined limits. Where quantitative assessment proved challenging, qualitative evaluations were employed as a supplementary measure. The assessment was finalized through surveys and roundtable discussions involving internal experts from each pertinent domain.

Financial Materiality Assessment Criteria

Category		Assessment Criteria
Financial Risk /Opportunity	Quantitative Assessment	Review threshold exceedance based on calculation formulas specific to each risk/ opportunity.
	Qualitative Assessment	For risks/opportunities difficult to quantify, conduct qualitative assessment via surveys and roundtables, considering severity (scale, scope, etc.) and likelihood of occurrence.

Materiality Assessment

Impact Materiality Assessment

Here, the focus shifts to evaluating the external environmental and social impacts stemming from the previously identified IROs. SK hynix structured the assessment survey utilizing the impact measurement scales delineated in the ESRS Materiality Assessment Implementation Guidance. Notably, the 2025 assessment incorporated insights from experts within departments having the most direct interface with key external stakeholders, ensuring that stakeholder perspectives on importance and interest were adequately reflected.

Selection of Material Issues

Synthesizing the outcomes of the financial and impact materiality assessments, SK hynix designated a total of 11 material issues. These identified material issues were subjected to management review before being reported to the Sustainability Committee under the Board of Directors for final endorsement.

Impact Materiality Assessment Criteria

Category		Assessment Criteria
Environmental/ Social Impact	Scale	The magnitude or gravity of each potential impact
	Scope	The geographical extent affected by each impact
	Irremediability	The geographical extent affected by each impact
	Likelihood	The probability or anticipated frequency of each impact occurring

2025 Material Issues

Domain	Material Issues
Environment	Carbon Neutrality
	Energy Management
	Water and Wastewater Management
	Hazardous and Pollution Management
Social	Supply Chain Management
	Occupational Safety and Health
	Human Resources Management
	Product Stewardship
	Community Value Creation
Governance & General	Information Protection and Industrial Security
	Technology Innovation

Analysis of Materiality Assessment Results and Future Direction

Employing its bespoke double materiality assessment methodology for the 2025 evaluation, SK hynix maintained the number of material issues at 11, consistent with the prior year. A notable shift occurred with the elevation of Community Value Creation, resulting in the latter's inclusion as a new material issue. This adjustment is primarily ascribed to the increased weight given to community-related matters during the impact materiality assessment, reflecting the approaching completion of the Yongin Cluster project.

The persistent similarity in the profile of material issues, even with the application of the double materiality framework, suggests that certain themes hold enduring significance within the semiconductor sector, provided the external landscape remains relatively stable. Nonetheless, refining the quantitative assessment of financial risks and opportunities, alongside deepening our comprehension of the company's external impacts, remains absolutely essential for enhancing corporate sustainability. SK hynix is committed to the ongoing refinement of its materiality assessment methodology and the reinforcement of its implementation structures, ensuring robust management and oversight of material issues at both the executive and Board levels.

Materiality Assessment

Material Issue Management

2025 Material Issues	Governance Structure	Strategy and Risk Management	Key Related Targets	Reporting Pages
Carbon Neutrality	· Strategy & performance oversight by the Sustainability Committee under the Board of Directors · Discussion of current issues & key decision-making by the CEO-led ESG Management Committee · Execution strategy establishment & implementation by the Carbon Management Committee	· Establishment and implementation of detailed reduction strategies for Scope 1, 2, and 3 GHG emissions · Climate change risk, opportunity, and scenario analysis	Achieve Net Zero by 2050 Maintain Scope 1 and 2 GHG emissions at 2020 levels by 2030	19-23
Energy Management			Achieve 100% renewable electricity usage rate by 2050 Achieve a cumulative energy saving of 3,000 GWh by 2030 Achieve a 33% renewable electricity usage rate by 2030	
Water and Wastewater Management	· Strategy & performance oversight by the Sustainability Committee under the Board of Directors · Discussion of current issues & key decision-making by the CEO-led ESG Management Committee · Execution strategy establishment & implementation by the SHE Management Committee	· Establishment and implementation of detailed strategies for water conservation, water risk management, and ensuring ecosystem health -Identification and management of site-specific water stress levels	Achieve a cumulative water savings of 600 million tons by 2030	24-26
Hazardous & Polluting Substances Management		· Management according to internal regulations such as Environmental Management Regulations, Chemical Substance Management Regulations, Air Environment Management Rules, Hazardous Chemical Substance Management Rules, etc., with ongoing monitoring of related risks	-	29-31
Industrial Safety and Health		· Management according to internal regulations such as Industrial Safety Management Regulations, Industrial Health Management Regulations, Emergency Response Management Regulations, etc., with ongoing monitoring of related risks	Achieve a 10% reduction in total accident rate by 2030 Achieve a 10% reduction in metabolic syndrome by 2030	42-44
Supply Chain Management	· Strategy & performance oversight by the Sustainability Committee under the Board of Directors · Discussion of current issues & key decision-making by the CEO-led ESG Management Committee · Execution strategy establishment & implementation by the Labor & Human Rights Council	· Management according to the Supplier Code of Conduct and Supply Chain ESG Management Policy and Guidelines, with ongoing monitoring of related risks	Achieve 100% on-site ESG assessments for high-risks and critical suppliers by 2030 Achieve procurement of 12 types of responsible minerals by 2030.	45-49
Human Resources Management		· Management according to the Human Rights & Labor Policy and detailed human rights policies, with ongoing monitoring of related risks	Achieve a 95% certification rate for Digital Competency Level 2 by 2030. Achieve a 10% ratio of female team leaders by 2030.	33-41
Product Stewardship	· Discussion of current issues & key decision-making at the CEO-led Quality Innovation Meeting	· Based on the Quality Policy, detailed strategies are established and implemented. · Management according to the Quality Management Manual, with ongoing assessment of related risks.	-	53-54
Community Value Creation	· Strategy & performance oversight by the Sustainability Committee under the Board of Directors · Discussion of current issues & key decision-making by the CEO-led ESG Management Committee	· Establishment and implementation of detailed strategies centered around the three main activity pillars within the Social Contribution Framework	Achieve a cumulative total of KRW 1 trillion in social value creation through social contribution initiatives by 2030	50-52
Information Protection & Industrial Security	· Discussion of current issues & key decision-making centered around the CISO (Head of Industrial Security)	· Management according to the Industrial Security Regulations and related rules, etc., with ongoing monitoring of related risks	-	64
Technology Innovation	· Discussion of current issues & key decision-making centered around the Technology Steering Committee (TSC)	· Management according to Product Development Work Rules etc., with ongoing monitoring of related risks	Achieve a twofold increase in HBM energy efficiency by 2026. Achieve a 1.8-fold increase in eSSD energy efficiency by 2030. Achieve a 1.6-fold increase in LPDDR energy efficiency by 2030.	55-57

PRISM Framework and 2030 Goals

PRISM Framework

Since unveiling our distinctive ESG strategy framework, PRISM, in 2022, SK hynix has consistently engaged in transparent communication with stakeholders regarding our ESG management objectives, methods, and advancements each year. The five pillars of PRISM hold specific significance, embodying SK hynix's medium to long-term aspirations to be realized by 2030 in our sustainability journey. Not only does SK hynix diligently disclose the steps taken toward these goals, but we also remain committed to identifying new challenges continuously, aiming to contribute to a better world by closely monitoring external environmental shifts and heeding stakeholder input.

2024 Achievements and 2025 Targets

SK hynix establishes annual goals alongside mid- to long-term goals for 2030, and transparently discloses the efforts and performance related to goal achievement each year. In 2024, SK hynix achieved the targeted level in 20 out of 25 annual goals, excluding two biennially managed goals.

In May 2025, the ESG Management Committee, attended by the CEO and key executives, analyzed the 2024 performance and discussed the establishment of goals for 2025. As a result, SK hynix revised one existing goal and set two new goals to reflect internal and external environmental changes, bringing the total number of mid- to long-term goals to 30 for 2025. SK hynix will continue to make dedicated efforts to achieve these mid- to long-term goals and will ensure transparent disclosure of both the process and outcomes.

2030 PRISM Goals at a Glance

● Achieved ○ Underachieved - N/A (Biennial goals)

Category		2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
PURSUE	Our Value to Society	Generate cumulative value created from SV social contribution activities of KRW 1 trillion	KRW 390.4 billion	KRW 515.8 billion	●	KRW 600.8 billion
		Create 1,000 jobs for people with disabilities or low-income households*	1,000 jobs	1,041 jobs	●	1,000 jobs
		Promote the cumulative participation of 100,000 people in the global ICT talent fostering program*	37,650 persons	38,087 persons	●	47,679 persons
		Help cumulative 100,000 people from underserved communities by conducting social contribution activities with cutting-edge technology*	41,362 persons	51,354 persons	●	60,054 persons
		Serve cumulative 12,000 people through our meal sharing program*	5,300 persons	5,100 persons	○	6,200 persons
	Robust Governance	Increase gender/nationality diversity of the Board to 30%	20%	20%	●	20%
	Safety & Health at Work	Reduce the integrated incidents rate by 10%* (Baseline year: 2021)	3.3% decrease	14.7% increase	○	4.4% decrease
		Reduce the metabolic syndrome prevalence by 10%* (Baseline year: 2021)	3.3% decrease	21.8% increase	○	4.4% decrease
RESTORE	Climate Action	Maintain Scope 1 and 2 GHG emissions at 2020 levels	6.17 million tCO_2eq	5.50 million tCO_2eq	●	5.67 million tCO_2eq
		Reduce GHG emissions intensity by 57% (by 2026)	32% decrease	42% decrease	●	48% decrease
		Create cumulative energy savings of 3000 GWh	1,274 GWh	1,328 GWh	●	1,602 GWh
		Achieve 33% renewable electricity use	30.0%	29.9%	○	31.0%
	Water Stewardship	Achieve cumulative water conservation of 600 million tons	201 million tons	225.94 million tons	●	264 million tons
		Reduce water withdrawals intensity by 35% (by 2026)	10% decrease	7% decrease	○	3% decrease
	Circular Economy	Receive ZWTL Gold (99%) certification	99% (overall)	99% (overall)	●	99% (overall)
		Achieve 30% recycled materials use**	16%	16%	●	20%
INNOVATE	Sustainable Manufacturing	Reduce GHG emissions from process gases by 40%	40% decrease	55% decrease	●	49% decrease
		Improve the destruction and removal efficiency of scrubbers to 95%	93%	94%	●	95%
	Green Technology	Double HBM energy efficiency (by 2026)	1.38-fold	1.42-fold	●	twofold (2026)
		Increase eSSD energy efficiency 1.8-fold	-	-	-	1.58-fold
		Increase LPDDR energy efficiency 1.6-fold (Baseline year: 2024)	-	1 (Baseline year)	-	1.3-fold (2026)
SYNCHRONIZE	Responsible Engagement	Ensure 100% of new suppliers sign SK hynix Supplier Code of Conduct	100%*	100%*	●	100%*
		Ensure 100% of first-tier suppliers complete online ESG self-assessment (every two years)	-	-	-	100%*
		Ensure 100% of high-risks/critical suppliers receive on-site ESG assessment (every two years)	94%*	100%*	●	100% (2026)*
		Triple the number of responsibly sourced minerals (from 3TG minerals to 12 minerals)	6 minerals	6 minerals	●	7 minerals
	Shared Growth	Invest/support cumulative KRW 1.5 trillion in technological cooperation to promote shared growth	KRW 555.6 billion	KRW 677.7 billion	●	KRW 716.1 billion
MOTIVATE	Inclusive Workplace	Triple the ratio of women in executive positions (Baseline year: 2021)	3.0%	3.1%	●	3.4%
		Ensure 10% representation of women in team leader positions***	5.8%	6.3%	●	6.5%
	Talent Development	Achieve 95% certification rate for Digital Competency Level 2****	-	86.8%	-	86.9%
		Ensure 10,000 cumulative participants in semiconductor talent development programs (Baseline year: 2022)	-	4,620 persons	-	5,620 persons

*Figures from domestic sites **Figures based on product weight (excl. SSD case) ***Figures based on domestic engineering and office staff ****Figures from domestic and Chinese manufacturing sites
※ The standards for each target and the changes compared to the previous year are detailed on pages 16-17.

PRISM Framework and 2030 Goals

PURSUE

In the PURSUE pillar, we achieved the 2024 targets for 5 out of 8 goals. Most targets were met through the continued implementation of various social contribution programs. However, the meal sharing program did not reach the planned level due to partial changes in the project content. For 2025, we have established targets that include the shortfall from 2024, and we plan to pursue our initiatives more proactively to achieve these goals.
Both safety and health-related targets were not met. Despite various efforts, the total accident rate increased due to a rise in everyday safety accidents. In 2025, we will strengthen workplace safety management and promote safety culture activities, as well as improve the pedestrian environment and facilities, to achieve the targeted performance levels.

● Achieved ○ Underachieved

Category	2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
Our Value to Society	Generate cumulative value created from SV social contribution activities of KRW 1 trillion	KRW 390.4 billion	KRW 515.8 billion	●	KRW 600.8 billion
	Create 1,000 jobs for people with disabilities or low-income households*	1,000 jobs	1,041 jobs	●	1,000 jobs
	Promote the cumulative participation of 100,000 people in the global ICT talent fostering program*	37,650 persons	38,087 persons	●	47,679 persons
	Help cumulative 100,000 people from underserved communities by conducting social contribution activities with cutting-edge technology*	41,362 persons	51,354 persons	●	60,054 persons
	Serve cumulative 12,000 people through our meal sharing program*	5,300 persons	5,100 persons	○	6,200 persons
Robust Governance	Increase gender/nationality diversity of the Board to 30%	20%	20%	●	20%
Safety & Health at Work	Reduce the integrated incidents rate by 10%* (Baseline year: 2021)	3.3% decrease	14.7% increase	○	4.4% decrease
	Reduce the metabolic syndrome prevalence by 10%* (Baseline year: 2021)	3.3% decrease	21.8% increase	○	4.4% decrease

*Figures from domestic sites

RESTORE

In the RESTORE pillar, six out of eight 2024 targets have been achieved. Despite an increase in production volume compared to 2023 due to the overall recovery of the semiconductor market, we successfully met the planned objectives in various environmental goals. However, the renewable electricity usage rate fell short of the established target by 0.06% point due to higher-than-expected domestic electricity consumption. Nevertheless, it is significant that renewable electricity consumption increased year-on-year, and that we maintained a similar RE ratio to the previous year by expanding procurement in Korea, where sourcing renewable electricity is relatively challenging. SK hynix will continue to make every effort to achieve the planned objectives in various environmental goals, even amid continuous production increase resulting from the semiconductor market recovery.

● Achieved ○ Underachieved

Category	2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
Climate Action	Maintain Scope 1 and 2 GHG emissions at 2020 levels	6.17 million tCO_2eq	5.50 million tCO_2eq	●	5.67 million tCO_2eq
	Reduce GHG emissions intensity by 57% (by 2026)	32% decrease	42% decrease	●	48% decrease
	Create cumulative energy saving of 3000 GWh	1,274 GWh	1,328 GWh	●	1,602 GWh
	Achieve 33% renewable electricity use	30.0%	29.9%	○	31.0%
Water Stewardship	Achieve cumulative water conservation of 600 million tons	201 million tons	225.94 million tons	●	264 million tons
	Reduce water withdrawals intensity by 35% (by 2026)	10% decrease	7% decrease	○	3% decrease
Circular Economy	Receive ZWTL Gold (99%) certification	99% (overall)	99% (overall)	●	99% (overall)
	Achieve 30% recycled materials use*	16%	16%	●	20%

*Figures based on weight (excl. SSD case), the 2025 target announced in 2024 has been adjusted in consideration of the quality stabilization period required for material changes and the responsiveness of suppliers.
※ Emissions targets are based on market-based method. GHG emissions from the Dalian fabrication plant (acquired from Intel), and Key Foundry are not reflected.
All intensities are measured by a unit of production (Gigabit equivalent)

PRISM Framework and 2030 Goals

INNOVATE

In the INNOVATE pillar, SK hynix achieved the 2024 target levels for three out of four goals, excluding one biennially managed objective. In response to the increase in power consumption driven by AI, SK hynix has newly established an energy efficiency target for the LPDDR product line, reflecting market demand for high energy efficiency products. SK hynix will continue to strive in 2025 to maximize product energy efficiency and further reduce emissions within manufacturing processes.

● Achieved ○ Underachieved - N/A (Biennial goals)

Category	2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
Sustainable Manufacturing	Reduce GHG emissions from process gases by 40%	40% decrease	55% decrease	●	49% decrease
	Improve the destruction and removal efficiency of scrubbers to 95%	93%	94%	●	95%
Green Technology	Double HBM energy efficiency (by 2026)	1.38-fold	1.42-fold	●	twofold (2026)
	Increase eSSD energy efficiency 1.8-fold	-*	-	-	1.58-fold
	Increase LPDDR energy efficiency 1.6-fold (Baseline year: 2024)	-	1 (Baseline year)	-	1.3-fold (2026)

*Revised to a biennial calculation target.

SYNCHRONIZE

In the SYNCHRONIZE pillar, we achieved all four 2024 targets except for one biennial management goal. For the shared growth technology cooperation target, we refined the indicator name and clarified the calculation criteria, resulting in adjustments to the 2024 and 2030 targets. In 2025, we will further strengthen investments and support for enhancing the ESG management capabilities of our suppliers and promoting shared growth, to ensure that all planned objectives are achieved.

● Achieved ○ Underachieved - N/A (Biennial goals)

Category	2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
Responsible Engagement	Ensure 100% of new suppliers sign SK hynix Supplier Code of Conduct	100%*	100%*	●	100%*
	Ensure 100% of first-tier suppliers complete online ESG self-assessment (every two years)	-	-	-	100%*
	Ensure 100% of high-risks/critical suppliers receive on-site ESG assessment (every two years)	94%*	100%*	●	100% (2026)*
	Triple the number of responsibly sourced minerals (from 3TG minerals to 12 minerals)	6 minerals	6 minerals	●	7 minerals
Shared Growth	Invest/support cumulative KRW 1.5 trillion in technological cooperation to promote shared growth**	KRW 555.6 billion	KRW 677.7 billion	●	KRW 716.1 billion

*Figures from domestic sites
**Due to changes in the measurement methodology, including the exclusion of SV performance measurement indicators, the 2030 and 2024 targets have been adjusted.

MOTIVATE

In the MOTIVATE pillar, we achieved two 2024 targets, excluding one revised goal. In addition, the previous category, “Empowering People,” has been changed to “Talent Development” to reflect our commitment to nurturing not only members but also prospective talent. In response to the AI innovation, the previous target of “annual self-development training hours” has been replaced with the “Digital Competency certification rate,” which is specifically designed to strengthen members’ AI capacity. Furthermore, a new goal has been set to support the growth of future talent. In 2025, we will strive to achieve all targets, including the newly established ones, by promoting leadership diversity, enhancing members’ digital competency, and expanding the talent development program.

● Achieved ○ Underachieved - N/A (Biennial goals)

Category	2030 Goals (Baseline year : 2020)	2024 Targets	2024 Achievements	Compared to 2024 Target	2025 Targets
Inclusive Workplace	Triple the ratio of women in executive positions (Baseline year: 2021)	3.0%	3.1%	●	3.4%
	Ensure 10% representation of women in team leader positions*	5.8%	6.3%	●	6.5%
Talent Development	Achieve 95% certification rate for Digital Competency Level 2**	-	86.8%	-	86.9%
	Ensure 10,000 cumulative participants in semiconductor talent development programs (Baseline year: 2022)	-	4,620 persons	-	5,620 persons

*Figures based on domestic engineering and office staff
**Figures from domestic and Chinese manufacturing sites

Environmental

Material Issues

Carbon Neutrality, Energy Management, Water and Wastewater Management, Hazardous and Pollution Management, Technology Innovation

Climate Change 19
Water and Biodiversity 24
Waste 27
Pollution 29

Climate Change

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, operating under the Board of Directors, oversees the company-wide climate change response strategy, targets, and performance. Furthermore, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, including climate change response. Since 2022, SK hynix has operated the Carbon Management Committee under the ESG Management Committee, pursuing detailed implementation tasks to reduce company-wide greenhouse gas emissions. Key achievements are reported regularly to the ESG Management Committee.

Strategy and Risk Management

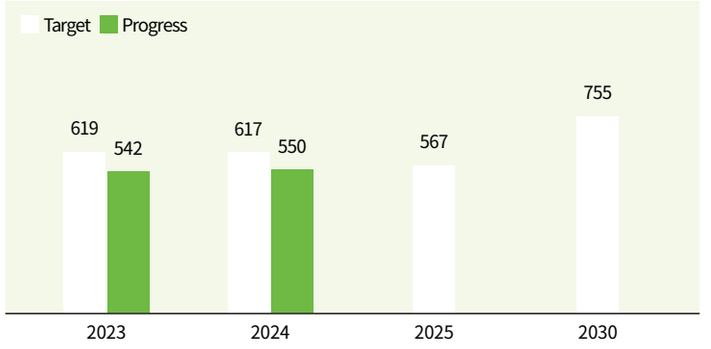
SK hynix has established strategies for Scope 1, 2, and 3 greenhouse gas reduction, and is actively implementing these initiatives. Centered around the Carbon Management Committee, SK hynix is continuously advancing its carbon reduction strategy, analyzing production plans, policy and technology trends from multiple perspectives to establish the optimal implementation pathway, and proactively pursuing reduction initiatives. In addition, SK hynix is closely monitoring and reviewing potential business risks and opportunities arising from climate change. These efforts have been disclosed through the two Task Force on Climate-related Financial Disclosures (TCFD) Reports that SK hynix has published to date. In 2025, considering the characteristics of climate change scenarios that do not show significant changes in the short term, SK hynix is focusing on refining climate change scenarios to better reflect the company's business characteristics, rather than issuing a new report. Internally, under a management system that includes the Carbon Management Committee, ESG Management Committee, and Sustainability Committee, SK hynix continues to monitor climate change risks and opportunities and incorporates the results into its business strategy. Furthermore, SK hynix plans to disclose its climate change risks, opportunities, and corresponding response strategies at the point when meaningful changes are observed in the results of climate change scenario analysis

Targets and Progress

Targets and Performance

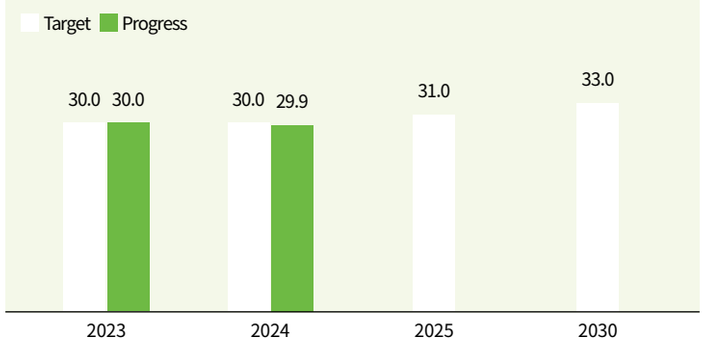
SK hynix has established long-term goals of achieving Net Zero and RE100 by 2050. To fulfill these, we have set interim targets for 2030: maintaining Scope 1 and 2 greenhouse gas emissions at 2020 levels and achieving a 33% renewable electricity usage rate.

Scope 1 and 2 GHG emissions (Unit: 10,000 tCO_2eq)



*The 2030 target includes the projected emissions from the Dalian, Yongin, and Indiana sites.

Renewable electricity use (Unit: %)



Process Gas Reduction and Alternative Gas Introduction

Scope 1 greenhouse gas emissions at SK hynix primarily originate from process gases used within manufacturing operations. To achieve Net Zero, we are implementing various measures to reduce process gas usage and developing and introducing alternative gases with lower Global Warming Potential (GWP).

To reduce perfluorocarbons (PFCs) emissions, SK hynix is optimizing processes in the etching and thin-film deposition stages by analyzing by-products from chamber cleaning using ToF-MS and OES analytical equipment. In addition, we are continuously expanding the evaluation and mass production application of replacing nitrogen trifluoride (NF_3), which is also primarily used for chamber cleaning, with gases that have a lower global warming potential (GWP). Furthermore, to reduce the overall input of process gases, SK hynix is identifying high gas-consuming steps within the etching process and conducting evaluations for the introduction of mixed gases, with plans to implement these measures in mass production.

Moreover, SK hynix continues the long-term development of Low-GWP alternative gases to curtail process emissions. We have internally assessed four types of alternative gases, confirming their potential to replace PFCs used in existing etching, thin-film deposition, and diffusion processes. Based on these findings, we plan to apply these alternatives in mass production and expand their usage, continuously evaluating and deploying them to maximize process gas reduction.

Climate Change

Improving Scrubber Treatment Efficiency

Scrubbers used in semiconductor processes remove byproducts generated during production. They play a crucial role in purifying hazardous substances and ensuring safe treatment in semiconductor manufacturing processes involving various chemicals. SK hynix is enhancing efficiency of existing scrubbers and developing new scrubbers to reduce greenhouse gas emissions and minimize the impact on climate change. In the case of the scrubber that decomposes carbon tetrafluoride (CF_4) generated during the etching process using plasma heat, we optimized power consumption by introducing a variable output system that links production equipment and the scrubber, and by adding water (H_2O) inside the scrubber to lower the temperature required for greenhouse gas decomposition, instead of applying higher heat than conventional methods. Additionally, by optimizing the flow rate of nitrogen (N_2), we have been able to increase treatment efficiency to 99%. SK hynix plans to sequentially introduce these improved scrubbers starting with its Korean manufacturing facilities.

To address the limitations of scrubbers installed on a chamber unit basis within the etching process, we have developed a bay-type scrubber in collaboration with our suppliers. Conventional scrubbers installed per chamber require a large number of units, leading to high power consumption and the generation of Nitrogen Oxides (NOx), an air pollutant, during GHG treatment. The newly developed bay-type scrubber is installed in bay units, each consisting of multiple chambers, which enables the treatment of greenhouse gases with fewer pieces of equipment. As a result, it contributes to the reduction of Scope 2 greenhouse gas emissions by lowering electricity consumption required for scrubber operation, while also reducing management and operational costs. In addition, by utilizing a catalyst to lower the decomposition temperature of greenhouse gases, it further reduces electricity consumption and suppresses the formation of nitrogen oxides. The bay-type scrubber is scheduled for introduction coinciding with the opening of M15X in 2025 and is expected to treat GHGs from the new fab's etching processes with 99% efficiency. SK hynix will continue to expand scrubber efficiency improvements to meet its company-wide treatment efficiency targets.

Expanding Renewable Electricity Procurement

SK hynix formulates mid-to-long-term RE100 implementation strategies and devises renewable electricity procurement plans aligned with our Net Zero goals and governmental policies. Since achieving early RE100 compliance in 2022 at overseas production facilities where renewable resources are relatively abundant, we have consistently maintained our renewable electricity balance. For facilities in Korea, we plan to gradually increase the share of renewable electricity usage based on supply conditions. SK hynix sourced 29.9% of the electricity used at its global production sites from renewable electricity in 2024. While this is a similar level to the previous year, it is significant that SK hynix maintained the company-wide renewable electricity ratio by additionally sourcing renewable electricity despite an increase in total electricity consumption and a relatively challenging domestic renewable electricity procurement environment.

SK hynix has initiated first domestic power purchase agreement (PPA) in 2024 and is actively seeking additional PPA opportunities. By utilizing PPAs, we are establishing a stable domestic renewable electricity procurement base and anticipates achieving Scope 2 greenhouse gas reduction as a result. In addition, SK hynix has expanded its self-generation capacity by installing a total of 0.8MW of solar power generation facilities at domestic sites in 2024. At its global production sites, SK hynix has signed its first 5MW on-site PPA in Chongqing, China, enabling stable procurement of renewable electricity. Moving forward, we will continue to review various implementation measures to achieve the RE100 and will expand renewable electricity procurement through ongoing collaboration with renewable electricity generators and intermediaries.

Energy Conservation

SK hynix operates an Energy Management Working Group, chaired by the Head of Facilities and Infrastructure, to ensure efficient energy use and conservation. This operational structure has been in place since 2012. To enhance efficiency, we introduced and obtained certification for the Energy Management System (ISO 50001) in use at our facilities in 2014 and continue activities to meet energy-saving targets in compliance with international standards.

In 2024, through energy-saving and optimization activities—including optimizing steam supply for the N-Stripper in wastewater treatment using artificial intelligence and digital transformation (AI/DT) technology, changing control points for the waste heat recovery systems in M14/M16 plants, optimizing chiller optimization rates and operations, applying Idle/Off modes to low-efficiency utilities and production equipment, and replacing aged fluorescent lights with high-efficiency LEDs in factories—we achieved outstanding results (350 GWh), exceeding the planned target (a reduction of 295 GWh).

In 2025, the overall production volume, including HBM, is expected to increase, leading to higher operating rates for production equipment and utility facilities. SK hynix will continue to drive energy saving initiatives by executing early investments in energy saving, proactively identifying additional improvement opportunities through analysis and horizontal deployment of existing saving items, and reviewing ways to maximize energy efficiency of utility facilities by leveraging AI/DT technology.

Energy Savings through N-Stripper Steam Supply Optimization in Wastewater Treatment

SK hynix is actively pursuing a project to significantly enhance energy efficiency in the wastewater treatment process by optimizing steam usage for the N-Stripper. The N-Stripper system removes ammonia from wastewater, and this project aims to reduce steam energy consumption by optimizing the temperature during the wastewater heating process.

Heating is essential to increase efficiency in removing ammonia from wastewater. The project commenced upon confirming the potential to

Climate Change

regulate wastewater temperature by precisely adjusting steam usage according to the inflow rate. The core idea is to minimize the steam required for heating while ensuring the discharged ammonia concentration fully meets standards. Utilizing machine learning technology allows for the application of optimal wastewater temperature in the denitrification process, which is expected to significantly reduce steam consumption. This is anticipated not only to cut costs but also enhance the overall stability of ammonia treatment while contributing to energy savings.

Energy Savings by Changing Control Points in Waste Heat Recovery Systems

The hot water production system is where steam is most heavily used in semiconductor fabs. To reduce steam consumption here, a waste heat recovery system facilitates primary heat exchange between the high-temperature cooling water exiting chillers (after absorbing heat) and the low-temperature hot water returning from usage points (after releasing heat). Maximizing steam savings in the waste heat recovery system requires either increasing the cooling water flow rate or raising its temperature.

Consequently, since 2021, SK hynix has been maximizing the cooling water temperature during winter when steam usage is high, within limits that do not cause issues for the chillers themselves. As part of efforts to further maximize energy savings by reducing steam use, we changed the control point for the cooling water supply pump in the waste heat recovery system from pressure to temperature, thereby controlling the flow rate. Previously, the pump's control point was fixed at pressure. However, since fluctuations in cooling water supply pressure have minimal impact on the waste heat recovery system, we determined it to be more efficient to vary the flow rate according to the hot water load. Applying this operational method resulted in savings of approximately 34,000 tons of steam annually in 2024 and in stabilization of the hot water supply system. SK hynix plans to continuously monitor and apply this operating method to achieve ongoing reductions in steam consumption.

Supply Chain Emissions Management

SK hynix formed and operates the ECO Alliance to enable Korean semiconductor companies to jointly address environmental issues and enhance their competitiveness. Launched in 2019 with 31 Tier 1 suppliers, the ECO Alliance had grown to 48 participating suppliers by 2024. Activities include setting GHG reduction targets, participating in the Carbon Disclosure Project (CDP) Supply Chain program, and enhancing member capabilities and networking through workshops. In 2024, upon achieving the three-year GHG reduction roadmap established and announced in 2022, and as a first step towards setting and fulfilling reduction targets, 28 member companies with significant GHG emissions jointly declared their commitment to GHG reduction. SK hynix provides support to the form of consulting services to ECO Alliance members for calculating GHG emissions and setting targets, while at the same time facilitating synergy in target setting by sharing goals and activities among members during workshops. In addition, we conducted four training sessions to support member participation in the revamped 2024 CDP Supply Chain program and will continue to provide unwavering support for their ongoing participation.



<2024 ECO Alliance Member Company GHG Reduction Joint Declaration Workshop>

Participation in External Initiatives

SK hynix joined the Semiconductor Climate Consortium (SCC), formed in 2022 for collaborative global climate action in the semiconductor industry, as a founding member. Since SCC's inception, SK hynix has continuously engaged with key companies representing various segments of the semiconductor industry to discuss effective and efficient GHG reduction strategies across the value chain. In July 2024, SK hynix participated in SEMICON West, an annual event hosted by Semiconductor Equipment and Materials International (SEMI), at the invitation of SCC, a SEMI affiliate organization. At the event, SK hynix presented its Scope 1 GHG reduction strategies and achievements through alternative gas development and process gas usages optimization, as well as its ECO Alliance activities pursued in collaboration with major suppliers in its value chain for Scope 3 GHG reduction. Additionally, at SEMICON Korea in February 2025, we co-hosted a supply chain climate change forum with Korean member companies, creating a venue for SK hynix's global customers and suppliers to discuss the importance of supply chain-level GHG emission calculation and reduction. SK hynix plans to actively participate in future SCC activities to contribute not only through its own efforts but also to the discovery of effective collective GHG reduction methods for the semiconductor industry.


<Participation in 2024 SEMICON West Event>

Climate Change

Sustainable Technology and Products

With the advent of the AI era, the exponential increase in data processing volumes has led to continually growing market demand for high-performance memory semiconductors. Amidst this changing landscape, memory semiconductor companies face the challenge of developing products that are not only superior in performance but also environmentally sustainable. In 2021, SK hynix proclaimed "Memory ForEST" as a new roadmap for the future technology ecosystem, striving to develop sustainable technologies and products that reduce greenhouse gas emissions during the product use phase. Achieving high energy efficiency in products is crucial for reducing use-phase emissions. SK hynix has made energy-efficient technology development a core company strategy, concentrating its technological capabilities on creating products with improved energy efficiency over the long haul.

Specifically, HBM and eSSD have been designated and managed as "sustainable products," with LPDDR products added to the list in 2024. We established concrete targets—doubling HBM energy efficiency by 2026, increasing eSSD energy efficiency 1.8-fold by 2030, and increasing LPDDR energy efficiency 1.6-fold by 2030—and are disclosing performance indicators against these development goals. In addition, to ensure objectivity regarding product sustainability, we received accreditation from the Carbon Reduction Certification Center, operated by the Korea Chamber of Commerce and Industry, for our carbon reduction methodology during the use phase of low-power DRAM and eSSD product lines. This signifies that using SK hynix's newest generation products reduces power consumption per unit of data processed, thereby lowering greenhouse gas emissions during the use phase. SK hynix is committed to continuously enhancing the energy efficiency of these product lines, aiming to reduce unit power consumption across the diverse range of industries utilizing semiconductors, including rapidly growing data centers and AI technology sectors, thereby contributing to the reduction of use-phase greenhouse gas emissions.

Product Carbon Footprint Certification

Life Cycle Assessment (LCA) is a method for evaluating the environmental impact of a product throughout its entire lifecycle, from raw material extraction to production, use, recycling, and disposal. The goal of LCA is to quantify all inputs and outputs, assess the resulting environmental loads, and compare the environmental impacts attributable to products. While past focus was primarily on greenhouse gas emissions from a company's production facilities, stakeholder interest in emissions across the entire product lifecycle has recently grown significantly. SK hynix conducts LCA and carbon footprint certification annually for its main representative DRAM and NAND flash memory products. Since obtaining the first Environmental Product Declaration certification from the Ministry of Environment in 2013 for a 20nm-class 4G DDR3 product, SK hynix has continually expanded third-party LCA and carbon footprint certifications for its semiconductor products. Notably, in 2024, we obtained Carbon Trust carbon footprint certification for 10 representative products and among these, six products received low-carbon product certification. Additionally, reflecting customer LCA requirements, we are developing a system to calculate carbon emissions for each of our products. Once developed, this system will undergo third-party verification to ensure reliability and completeness before providing customers with full lifecycle carbon emission information for our semiconductor products.

Climate Change

Carbon Management Committee Operational Achievements

SK hynix established the Carbon Management Committee under the ESG Management Committee in 2022 to proactively and systematically address climate change issues. This report presents the key activities and achievements of the Carbon Management Committee in each area as it marks its third year since its inception.

Establishment of Climate Change Response Strategy

The Carbon Management Committee establishes SK hynix's annual targets and implementation strategies for Net Zero and Renewable Electricity 100% (RE100), and continuously advances these strategies by reflecting internal and external environmental changes. The committee regularly identifies detailed tasks and monitors the implementation status to achieve strategic objectives. In addition, SK hynix is promoting the establishment of an Life Cycle Assessment system (LCA system) to further enhance carbon reduction strategies by measuring carbon emissions throughout the entire product life cycle.

Scope 1

Reduction and Development of Alternative Process Gases

In 2023, through by-product analysis in the cleaning process, SK hynix optimized the use of the high-GWP gas (high global warming potential gas) nitrogen trifluoride (NF_3), achieving an annual reduction of approximately 30,000 tCO2eq. (tonnes of carbon dioxide equivalent) in greenhouse gas emissions. In parallel, SK hynix is dedicated to developing alternative gases for perfluorocarbons (PFCs) used in the cleaning process.

Improvement of Scrubber Treatment Efficiency

In 2024, by adding water (H_2O) to plasma scrubbers to lower the greenhouse gas decomposition temperature and optimizing the flow rate of nitrogen (N_2), SK hynix increased the treatment efficiency of carbon tetrafluoride (CF_4) in the etching process from the previous 96.9% to 99%, while reducing power consumption.

Development of Neon Gas Recycling Technology

In 2024, for the first time in the semiconductor industry, SK hynix, in collaboration with partners, developed a technology to selectively capture, separate, and refine neon gas emitted from scrubbers after the lithography process, thereby achieving greenhouse gas reduction through resource circulation.

Scope 2

Diversification of Renewable Electricity Procurement Sources

Following the achievement of Renewable Electricity 100% (RE100) at overseas production sites in 2022, SK hynix has continued efforts to diversify renewable electricity procurement sources by expanding PPA (power purchase agreement) contracts, starting with the first domestic PPA in 2024, and is steadily increasing the domestic renewable electricity usage rate.

Development of Low-Power Scrubber

In 2024, SK hynix developed a bay-type scrubber that can reduce the number of chamber-type scrubbers used in the existing etching process. When introduced to the new M15X fab (fabrication plant), it is expected to reduce annual power consumption by approximately 81%.

Development of Low-Power Pump

In 2024, SK hynix successfully developed a new low-power pump that reduces power consumption by approximately 39.7% compared to existing models by modifying motors, materials, structures, and introducing a new architecture. In addition, SK hynix is reviewing measures to reduce power consumption by lowering the rotation speed of pumps currently in operation.

Scope 3

Advancement of Scope 3 Emissions Calculation

In 2023, to advance the calculation of Category 1 emissions from purchased raw materials and services, SK hynix developed an emissions calculation automation and real-time management system linked to the procurement system. SK hynix is continuously reviewing ways to expand the scope of Scope 3 emissions calculation.

Supplier Greenhouse Gas Reduction Efforts

Through Eco Alliance activities, 17 member companies jointly declared the use of renewable electricity in 2022, and in 2024, 28 member companies jointly declared greenhouse gas reduction targets. SK hynix continues to support the establishment of supplier greenhouse gas reduction strategies and implementation plans.

Participation in the CDP Supply Chain Program

To strengthen suppliers' climate change response capabilities, SK hynix joined the CDP Supply Chain program (Carbon Disclosure Project Supply Chain program) in 2022 and has since continuously increased supplier participation in CDP (Carbon Disclosure Project) responses, while providing consulting and support to improve participating companies' CDP ratings.

Water and Biodiversity

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, operating under the Board of Directors, oversees matters related to the environment, including water resources. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, including water resources. SK hynix operates the SHE Management Committee, centered around the organization responsible for safety, health, and environment, to continuously monitor environmental activities, key issues, strategies, and performance, including those related to water resources and biodiversity.

Strategy and Risk Management

SK hynix has established and manages a water resource management direction focused on water resource reduction, water risk management, and ecosystem health assurance, along with detailed implementation strategies to achieve these objectives. In addition, SK hynix assesses the level of water stress in the regions where each production site is located, based on the "Water Risk Atlas" data from the World Resources Institute (WRI) Aqueduct, and utilizes this information as a reference when formulating region-specific water resource management plans. Water stress refers to the proportion of water demand relative to the annual average available water resources; a higher value indicates a greater share of demand compared to supply.

However, as the water stress data provided by WRI is relatively accurate for assessing available water volume across broad basins but less precise for smaller regions or specific local water demands, a water stress level designation of "High" does not necessarily equate to an absolute current water shortage in that area. Therefore, we utilize this data primarily as a reference point in formulating our water management strategies.

Water Stress Levels by Major Production Site Region*

Korea	Icheon	Medium-High
	Cheongju	High
China	Wuxi	Medium-High
	Chongqing	Low

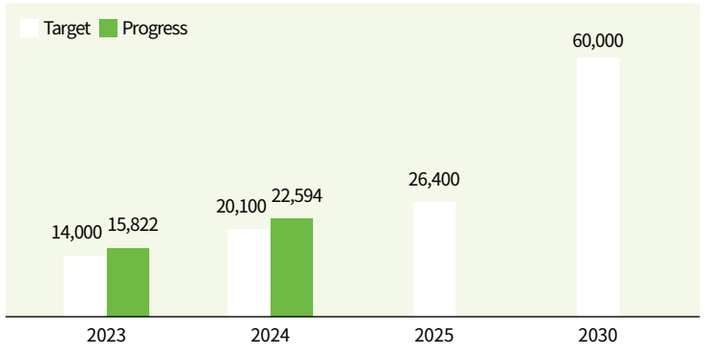
*Utilizing WRI Aqueduct 4.0, each business site was analyzed based on latitude and longitude coordinates.

Targets and Progress

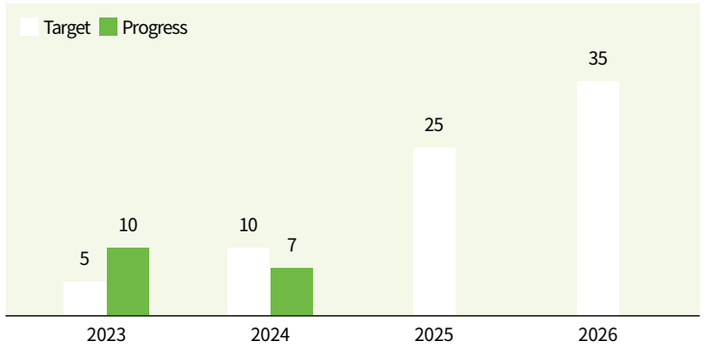
Targets and Performance

SK hynix has established mid-to-long-term goals of achieving a cumulative 600 million tons in water conservation by 2030 and reducing water withdrawal intensity by 35% by 2026. We monitor and implement progress towards these goals annually.

Water conservation (Cumulative since 2021) (Unit: 10,000 tons)



Water withdrawals intensity reduction (Unit: %)



Water and Biodiversity

Water Conservation through Scrubber Structure Improvement

SK hynix operates a "Water/Wastewater Reduction Task Force" to promote water conservation and expand wastewater reuse within its sites and processes. Given that the Icheon Campus, our headquarters, is located adjacent to a water source protection area, meticulous management of water resources is imperative. The "Water/Wastewater Reduction Task Force" regularly monitors performance related to water conservation initiatives. Notably, since the operation of the new M16 Fab commenced, the need for water conservation has increased. Consequently, starting in 2023, we established goals to reduce water usage by improving the internal structure of Point of Use (POU) scrubbers, and secured actual water savings through dedicated investments beginning in 2024. Improvements to the POU scrubber internal structure were implemented in two main ways, depending on the model. For the first model type, water supply was reduced by changing the water nozzle type for improved spray methods. As of 2024, a total of 742 units were upgraded, achieving a reduction in water usage of approximately 3,205 tons per day. For the second model type, water usage was reduced by enhancing gas treatment efficiency through modifications to the water supply path. As of 2024, investment in 381 units resulted in water savings of approximately 1,646 tons per day. This represents an achievement exceeding the initially established target by about 2,001 tons per day, contributing significantly to water conservation at the Icheon Campus. SK hynix plans to pursue further reductions of over 1,071 tons per day through continued investment expansion.

Water Quality Pollutant Monitoring

In consideration of the semiconductor industry's characteristic use and discharge of large water volumes, SK hynix has been regularly monitoring the aquatic ecosystem status of the discharge rivers near its Korean facilities since 2019. We conduct surveys optimized for each site location (Icheon, Cheongju, Yongin) to assess the aquatic ecosystem's health and confirm the presence of endangered species (legally protected species). We strive to improve habitats for native species by controlling the behavior of invasive and ecologically disruptive species. In addition, we track ecological changes in communities of plants, mammals, birds, fish, benthic macroinvertebrates, and attached algae to ascertain the role of maintenance stream flow in providing habitat and food sources. In addition, to proactively prevent environmental pollution caused by unexpected environmental accidents or malfunctions at the wastewater treatment plant, we have installed and are operating an emergency retention facility linked to a Tele-Monitoring System (TMS). Besides TMS instruments automatically measuring physicochemical indicators, we also employ toxicity monitoring devices using biological species (biomonitoring devices). Biomonitoring devices assess toxicity in the water by observing behavioral changes in species upon exposure to pollutants. Using daphnia (for heavy metals and ionic substances), microalgae (for organic substances), and sulfur-oxidizing bacteria (for ionic substances), the sensitivity changes upon exposure to contaminants are converted into toxicity indices for each device to determine the presence of toxic substances. Monitoring is managed across four levels (Interest-Caution-Alert-Serious), allowing ongoing assessment of potential impacts on aquatic ecosystems and biodiversity by identifying toxicity effects before discharge. SK hynix thus ensures the safety of its discharged water beyond legal requirements by directly confirming biological impacts.

Assessing the Biological Safety of Discharged Water and Discharge Rivers

As part of efforts to conduct long-term monitoring of the potential toxic effects of discharged water on aquatic, benthic, and terrestrial flora and fauna upon entering rivers, SK hynix employs the concept of the "Mesocosm" for regular biological toxicity assessments. Mesocosm is a technique simulating natural ecosystems; we artificially replicate the discharge river environment at a controllable laboratory scale to periodically evaluate toxic effects through species exposure tests. Target species are first divided into aquatic and terrestrial organisms. For aquatic species, standard test organisms include dominant species in the discharge river like crucian carp, first-grade indicator species like Rhynchocypris oxycephalus, aquatic plants (Ceratophyllum demersum, Potamogeton crispus), and freshwater benthic amphipods. Terrestrial species are represented by local agricultural crops. Aquatic organisms undergo serial cultivation according to water pollution process test methods and international standard test methods, with toxicity evaluations conducted according to exposure assessment periods. For crops, an artificial cultivation system is established using experimental pots to assess growth status and bioaccumulation under exposure to discharged water versus local agricultural water, thereby evaluating the toxicity of the discharged water. Through such long-term perspectives, SK hynix aims to foster a better ecological environment and enhance biodiversity.

2024 effluent water quality management target: Maintain the "Good Water" grade according to the river life standard.

Category	BOD	TOC	SS	T-P
"Good Water" grade (mg/L)	3	4	25	0.1
Icheon	0.8	1.0	0.6	0.016
Cheongju	2.0	1.9	0.8	0.006

Water and Biodiversity

Bokhacheon Stream Environmental Cleanup Activities

SK hynix organizes the “Waterway Volunteer Corps,” composed of participating employee, to carry out water environment conservation activities in local rivers. The Bokhacheon Stream, flowing near the Icheon Campus, is a first-grade tributary that traverses Icheon, Yongin, and Yeoju before joining the Namhanggang River. This stream has fostered fertile plains in the area, significantly contributing to the production of Icheon Rice, a local specialty, and also plays a crucial role in SK hynix’s operations as a source of water resources. In collaboration with Icheon City, SK hynix conducted environmental cleanup activities to preserve and improve the water quality of Bokhacheon Stream, including removing trash along the riverbanks and underwater, and tossing EM mudballs. Mudballs, made by mixing various beneficial microorganisms like yeast, Koji mold, photosynthetic bacteria, and actinomycetes with yellow clay, are highly effective in purifying water, removing odors, and inhibiting putrefaction. As of 2024, approximately 220 employees and local residents participated in three volunteer sessions. SK hynix plans to continue engaging in a diverse array of activities for water resource conservation by building partnerships with the local community.



<2024 Bokhacheon Stream Environmental Cleanup Activity>

Biodiversity Conservation with Stakeholders

SK hynix endeavors to proactively observe the impact of its business activities on ecosystems, aiming to conserve biodiversity. A prime example is the Memorandum of Understanding (MOU) signed with Microsoft in 2021 for a joint study on species diversity in the Anseong Stream, located near the site of the future Yongin Semiconductor Cluster. Subsequently, SK hynix has also collaborated with the Korea Forest Foundation to implement the Anseong Stream Biodiversity Project, meticulously observing ecosystem changes before and after the development of the Yongin Semiconductor Cluster and transparently recording the resulting data. Notably, the “Anseong Stream ECOSEE Program,” spearheaded by citizen scientists[9] with the goal of collecting ecosystem data before and after Fab construction, is central to the Anseong Stream Biodiversity Project. In 2024, a total of 345 individuals participated in ECOSEE, including 30 citizen scientists comprised of families of SK hynix and Microsoft employees who joined the program in April to mark Earth Day. They contributed to the conservation of Anseong Stream’s biodiversity by conducting surveys of aquatic life, plants, and birds in the Anseong Stream area, alongside plogging activities to clean up the surrounding vicinity.

In addition, as part of efforts to commemorate Environment Month in June, SK hynix hosted the “Next Shift Biodiversity Forum” at Walkerhill Arcadia in Gwangjin-gu, Seoul, bringing together stakeholders from the private sector, government, and academia to discuss ways to leverage AI technology for biodiversity conservation.

In 2025, SK hynix plans to continue expanding the Anseong Stream Biodiversity Project, including the ECOSEE program, to enable middle and high school students and residents in the Yongin area to voluntarily engage in Anseong Stream ecological monitoring and conservation activities.



<2024 ECOSEE Biodiversity Program>



<2024 Next Shift Biodiversity Forum>

Waste

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, under the Board of Directors, oversees environmental issues, including waste and resource circulation. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, encompassing waste and resource circulation. SK hynix operates the SHE Management Committee, centered around the organization responsible for safety, health, and environment, to continuously monitor environmental activities, key issues, strategies, and performance related to waste and resource circulation.

Strategy and Risk Management

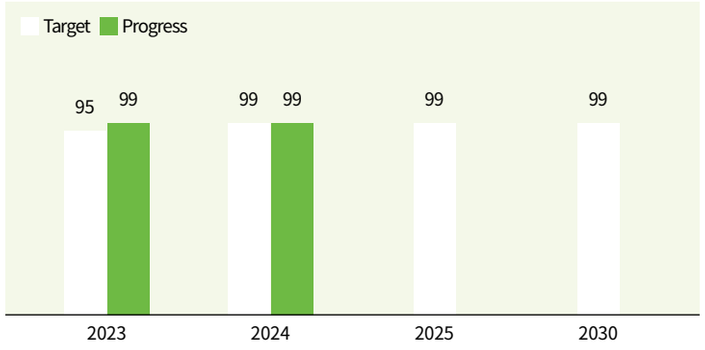
SK hynix promotes diverse waste reduction and resource circulation activities, including waste-to-resource initiatives, waste minimization and recycling expansion, reuse of used assets, and utilization of recycled materials. We strictly manage waste generation, collection, storage, and treatment according to internal regulations like the “Environmental Management Regulations” and “Waste Management Rules.” Relevant departments, such as the environmental department under the SHE department, monitor and respond to waste-related risks on an ongoing basis.

Targets and Progress

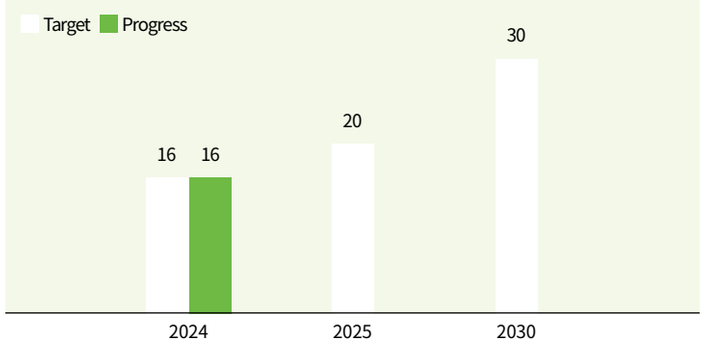
Targets and Performance

SK hynix has established mid-to-long-term goals of achieving ZWTL Gold certification by 2030 and using 30% recycled materials by 2030. We review and implement progress towards these goals annually.

ZWTL Gold (99%) certification (Unit: %)



Recycled materials use (Unit: %, based on product weight (excl. SSD case))



Use of Recycled Materials

Aiming to minimize environmental impact through efficient resource use, SK hynix announced its goal and “Recycled and Renewable Materials Usage and Management Policy” in February 2024. To proactively review and manage the use of recycled materials during design and manufacturing stages, SK hynix launched a task force in the first half of 2023, encompassing various departments including Sustainability, Development, Procurement, Sales, and Quality. Leveraging the expertise of each department, we comprehensively reviewed the feasibility of using recycled materials in semiconductor products. As a result, we set a mid-to-long-term goal of achieving a recycled material usage rate of 30% by weight (excluding SSD product cases) by 2030. In addition, we conduct thorough reliability testing from the initial introduction phase to ensure no quality issues arise from using recycled materials in final products. For raw materials purchased directly, we enhance internal certification procedures and quality assessments prior to product application. For materials included in components manufactured by suppliers, we meticulously review accompanying quality assessment reports. This ensures we meet high product quality standards while minimizing environmental impact.

SK hynix began using recycled materials starting with certain metal materials used in back-end processes, considering environmental impact, material properties, and weight. In 2024, we focused on transitioning copper material included in substrates used in memory semiconductor products to recycled sources. We are gradually expanding the scope of recycled material use through close collaboration with various stakeholders, including the supply chain. SK hynix plans to continue expanding the use of recycled materials through active collaboration across various departments.

Waste

Waste Reduction

Waste Minimization and Recycling Efforts

SK hynix continuously promotes recycling activities to minimize the environmental impact of waste disposal and enable its transformation into resources. While most waste generated at our facilities is recycled, some types inevitably require incineration or landfilling. To minimize these incineration and landfill volumes, SK hynix has made efforts to further subdivide waste types and identify additional recycling providers capable of handling previously non-recyclable waste streams. As a result, in 2024, we were able to reduce the amount of incinerated/landfilled waste at the Icheon Campus by approximately 12% compared to the previous baseline. SK hynix will continue to enhance waste management standards and explore diverse methods for converting waste into resources, striving to maximize the waste recycling rate.

Waste-to-Resource Initiatives

SK hynix persistently endeavors to convert waste into resources, annually expanding the list of items approved under the Ministry of Environment's "Circular Resource Recognition" program. Following the initial recognition of Integrated Circuit (IC) Trays as a circular resource in 2019 (a first for a large corporation), we obtained recognition for an additional nine items, including Wafer Carriers, in 2023, and another eight items, including non-ferrous metals, in 2024. Recognition as a circular resource contributes to waste reduction effects and enabling efficient resource use. SK hynix plans to continue expanding the list of recognized circular resource items in 2025, contributing to the robust growth of the circular economy.

Achieving Zero Waste to Landfill (ZWTL) Certification

"Zero Waste to Landfill (ZWTL)" certification evaluates a company's actual waste recycling rate and final landfill volume based on its resource recycling level and the amount of residual waste ultimately landfilled. Since SK hynix first obtained ZWTL certification at its domestic Icheon and Cheongju sites in 2018, extended it to overseas sites in Wuxi and Chongqing in 2019. In 2022, SK hynix achieved the highest level of 100% (Platinum) at its domestic sites (Icheon and Cheongju), followed by the Wuxi site in 2023. Continuing into 2024, SK hynix is maintaining this highest standard by consistently pursuing waste reduction and recycling improvement initiatives. Also in 2024, the Chongqing Campus achieved a certification rate of 99% (Gold) by improving waste segregation by type and striving to reduce incineration and landfill rates, thereby meeting the company-wide goal of a certification rate of 99% or higher for all facilities. The Chongqing Campus plans to continuously enhance its waste management level to achieve the highest rating, and we will strive to maintain top-tier waste management across all locations.

ZWTL Certification Status by Major Production Sites*

Campus	Icheon	Cheongju	Wuxi	Chongqing
Rate	100%	100%	100%	99%

*Based on 2024 certification

Reducing Waste through Recycling of Used ICT Assets

Since 2018, SK hynix has contributed to resource circulation and social value creation by donating used ICT assets from the company, instead of discarding them, to social enterprises. Major donated items include office automation assets like PCs, monitors, laptops, and thin clients, as well as industrial assets such as servers, network equipment, storage devices, mounting equipment, and high-cost consumables. These donated assets are recycled and refurbished for sale by the social enterprise "Happy ICT," which employs individuals with developmental disabilities, thereby generating revenue. From 2018 to 2024, the cumulative number of donated assets reached approximately 290,000 units across all types, creating employment for a cumulative total of 23 individuals with developmental disabilities at the social enterprise. The social value (SV) generated through this used ICT asset donation initiative is estimated to be approximately KRW 8.2 billion cumulatively. SK hynix plans to further contribute to resource circulation by expanding donation volumes and diversifying the range of items donated in the future.

Pollution

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, operating under the Board of Directors, oversees environmental issues, including pollution and chemical substances. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, encompassing pollution and chemical substances. SK hynix operates the SHE Management Committee, centered around the organization responsible for safety, health, and environment, to continuously monitor environmental activities, key issues, strategies, and performance related to pollution and chemical substances.

Strategy and Risk Management

SK hynix promotes diverse pollution and chemical management activities, including the reduction of air and water pollutants and chemical substance lifecycle management. We strictly manage pollution and chemical substances according to internal regulations such as the "Environmental Management Regulations," "Chemical Substance Management Regulations," "Air Environment Management Rules," "Water Quality Management Rules," and "Hazardous Chemical Substance Management Rules." Relevant departments, such as the environmental department and chemical substance management department under the SHE department, monitor and respond to pollution and chemical-related risks on an ongoing basis.

Targets and Progress

Development of Air Pollutant Reduction Technology

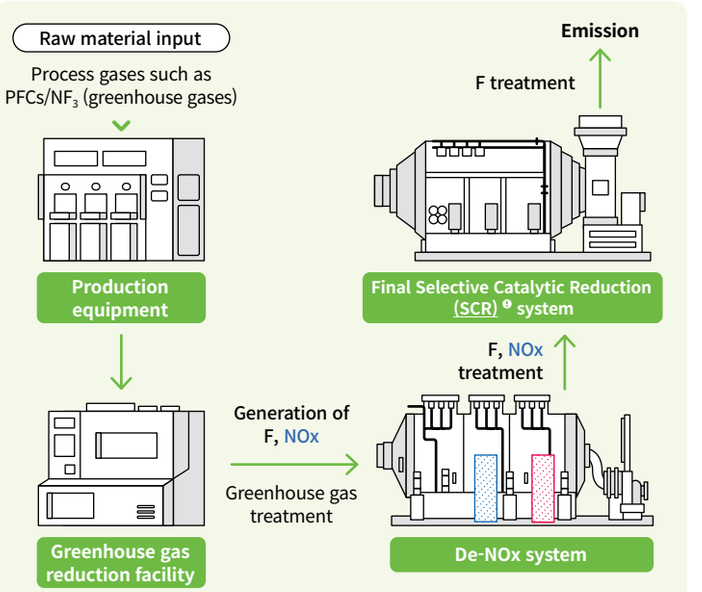
Various process gases and chemical substances are used in semiconductor manufacturing processes. SK hynix has continuously developed advanced technology for treating air pollutants to prepare for future fab expansions and increased product output. Notably, we developed the "De-NOx" system capable of treating Nitrogen Oxides (NOx) and Hydrogen Fluoride (HF), fine dust precursors generated during the decomposition of process gases (greenhouse gases), successfully treating NOx which was previously difficult with conventional methods. In addition, we developed the "De-NH_3" system to effectively treat ammonia used in processes with higher efficiency than before. The "De-NOx" and "De-NH_3" systems have been sequentially installed on an expanded basis from 2020 to 2023. As a result, air pollutant emissions have decreased to approximately 33% of 2020 levels, despite the additional operation of new fabs like M15 and M16. SK hynix plans to expand the introduction of the "De-NOx" and "De-NH_3" systems to future production facilities, including the Yongin Semiconductor Cluster.

Air pollution management target:
Maintain the 2020 level of air pollutant emissions (every year)

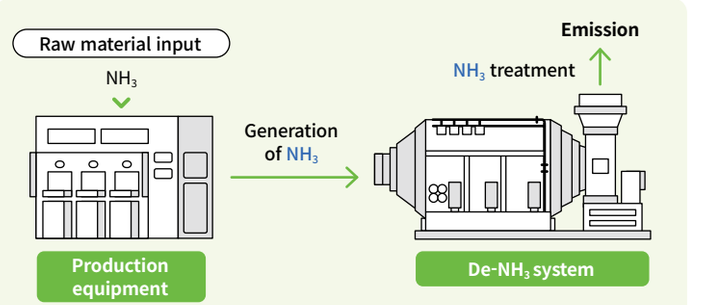
2020	823 tons	2024	270 tons

*Figures from domestic sites

De-NOx Treatment Process



De-NH_3 Treatment Process



Pollution

Hazardous Chemical Management

Chemical Management Policy

SK hynix acknowledges the significant impact that chemicals used in semiconductor manufacturing can have on people and the environment. We strive to substitute substances with lower impacts on employees and the environment while ensuring safe chemical usage through systematic and thorough management. To this end, we established and operate the "SK hynix Regulated Substances for Chemical Management (RSC)." We closely monitor changes in domestic and international chemical management policies and regulations, reflecting major changes in the RSC through policy revisions. The SK hynix RSC is designed to help stakeholders understand chemical management policies and supply procedures for task execution, and it also provides reference materials for identifying substances likely to be regulated in the future and finding safer chemicals as alternatives. We hold annual briefing sessions for suppliers to facilitate their understanding of key items and recommend, through the RSC, that chemical suppliers establish and trace their own chemical management systems to ensure a safe working environment for employees and product quality. The RSC is currently provided in three foreign languages (English, Japanese, Chinese). Meanwhile, SK hynix designates and manages its own list of regulated substances (prohibited/managed substances) restricting internal use. Besides legally prohibited substances and those regulated under international conventions, chemicals which present significant environmental hazards (air, water, etc.) and high human hazards (carcinogenicity, reproductive toxicity, cell mutagenicity, etc.) are also managed to prevent their entry into our facilities. We are eliminating N-methyl-2-pyrrolidone (NMP), which is currently designated as a self-regulated substance with restricted use for new applications, from the production process and replacing it with a safer chemical substance. Furthermore, chemicals subject to requests for regulation by customers are managed by reflecting customer policies and regulatory requirements of the material's country of origin into our own regulated substances list to prevent their introduction and use internally. We also fulfill our corporate social responsibility within the global supply chain by complying with the chemical regulations of the Responsible Business Alliance (RBA).

Enhancing the Management and Reliability of Material Safety Data Sheets

Material safety data sheets (MSDS) serve as the most fundamental resources for the safe use and management of chemical substances, containing hazard information and handling instructions. SK hynix manages MSDS obtained from chemical suppliers through a dedicated system, providing information to ensure that all members are fully aware of the hazards and potential health impacts of chemical substances and can perform safe work. MSDS for all chemical substances handled in the workplace are made available at all times for immediate reference. In addition, SK hynix conducts regular MSDS training once a year for members who directly handle or may be indirectly exposed to chemical substances, thereby continuously raising awareness and fostering a safe work environment.

Low reliability of supplier-provided MSDS can hinder regulatory compliance and safety and health measures. Therefore, SK hynix continuously endeavors to enhance the reliability of MSDS data. First, before chemical substances are received, submitted MSDS are reviewed to ensure they are prepared in compliance with the Industrial Safety and Health Act and Ministry of Employment and Labor notifications. In 2023, SK hynix introduced artificial intelligence (AI) technology to develop a system that more efficiently verifies MSDS compliance. By continuously training the AI system, we have significantly improved operational efficiency by automatically verifying the regulatory compliance of submitted MSDS.

Meanwhile, as the expectations of external stakeholders regarding safety and health measures rise, the requirements of relevant inspection agencies are also becoming stricter. Accordingly, beyond simply reviewing submitted MSDS, we operate regular and ad-hoc revision systems and periodic monitoring. Through these, we request and secure information for safety measures based on material characteristics from suppliers, enhance MSDS reliability, and based on this, provide appropriate safety and health measures to users.

In addition, we periodically conduct training on relevant laws and MSDS preparation methods for chemical manufacturers and suppliers to strengthen their capabilities. Through continuous promotion and guidance, we emphasize the importance of MSDS reliability.

Chemical Lifecycle Management

SK hynix operates a system-based chemical lifecycle management process to ensure the safe and transparent management of chemicals, covering the entire process from pre-assessment to disposal. Notably, before chemicals are received, the "SHE Chemical Hazard Evaluation Management System (SHE CHEMs)" reviews all incoming chemicals for proper MSDS preparation and compliance with internal regulations, fundamentally blocking the entry of non-compliant chemicals into our facilities. Chemicals approved and received are periodically tracked for usage volume and inventory by major usage points and equipment within the site. Information from usage to disposal, along with worker exposure data corresponding to the actual flow of chemicals, is managed and proactively utilized for workplace environment measurements, health checkups based on hazardous factors, and other measures.

Pollution

Chemical Hazard Risk Assessment

Since 2017, SK hynix has conducted chemical hazard risk assessments based on "Chemical HAzard Risk Management (CHARM)," utilizing chemical hazard information and workplace environment measurement results to prevent employee health impairments caused by chemicals. Based on the risk levels identified through assessment, measures such as chemical substitution, engineering improvements, and management enhancements are devised and integrated. Regardless of risk level, strict protective safety gear donning standards are applied to minimize exposure to chemicals. Additionally, alongside training on correct safety gear usage, the Fit Test system for respiratory protective gear has been put in place to motivate employees regarding safety gear use. In 2025, alongside ongoing chemical hazard risk management, we plan to concentrate efforts on preventing employee health impairments and accidents caused by chemicals through diverse activities, including reducing workplace environment measurement detection levels, minimizing exposure during chemical handling, and intensified management of CMR[9] substances.

Hazardous Chemical Substance Reduction Activities

SK hynix proactively identifies potential impacts on the company by monitoring domestic and international chemical substance regulation trends, thereby eliminating risks and striving to reduce hazardous chemical substances.

Ozone-Depleting Substances

In accordance with the regulation of ozone-depleting substances under the Montreal Protocol, SK hynix is in the process of replacing hydrochlorofluorocarbons (HCFCs) used as refrigerants in chillers. The company is sequentially substituting these substances based on equipment life cycles and restricting their use in new facilities, thereby conducting internal reduction activities to ensure regulatory compliance.

Per- and Polyfluoroalkyl Substances (PFAS)

In response to the global strengthening of regulations on per- and polyfluoroalkyl substances (PFAS), SK hynix identifies its use of PFAS and monitors the status of substitution technology. The company continuously monitors regulations and reflects them in internal policies. Substances such as perfluorooctanoic acid (PFOA), perfluorooctane sulfonic acid (PFOS), and perfluorohexane sulfonic acid (PFHxS) are designated as internal restricted substances, and their entry is blocked. For substances expected to be regulated, such as long-chain perfluorocarboxylic acids (LC-PFCA) and perfluorohexanoic acid (PFHxA), SK hynix is assessing their impact and is in the process of reviewing their designation as internal restricted substances.

Social

Material Issues

Supply Chain Management, Occupational Safety and Health, Human Resources Management, Product Stewardship, Community Value Creation, Technology Innovation

Our Members 33
Supply Chain 45
Local Communities 50
Our Customers 53

Our Members

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, operating under the Board of Directors, oversees matters related to workforce management. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda including workforce management. Since 2023, we have operated the Labor & Human Rights Council, a working-level committee involving departments closely related to human rights and labor issues. This council reviews related issues that may arise in internal operations or relationships with suppliers, proactively preventing risks and formulating response measures. The Labor & Human Rights Council convenes regularly every month, and reports on its major activities and key agenda items submitted to the ESG Management Committee and the Sustainability Committee.

In 2024, the Labor & Human Rights Council achieved improvements such as establishing criteria for calculating the living wage, conducting wage status analysis, implementing human rights and labor due diligence for new suppliers, and disclosing the status of grievance handling within the company.

In 2025, the Labor & Human Rights Council plans to focus on diagnosing the current state of human rights management and discussing implementation tasks in line with the company's mid- to long-term strategy.

Strategy and Risk Management

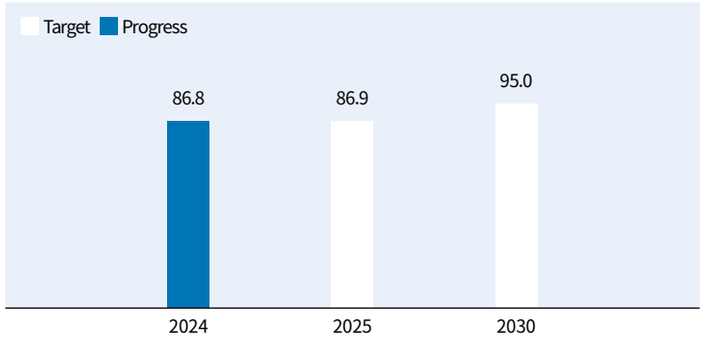
SK hynix believes that employee happiness translates directly into corporate happiness and social value. Based on this conviction, we strive to select outstanding talent aligned with the SK hynix desired talent profile and are committed to their continuous development. Furthermore, alongside employee happiness, we respect the values of human rights, diversity, and inclusion, sparing no effort in providing support to foster a safe and healthy work environment. We also promote various activities to enhance positive impacts on our employees and mitigate potential negative effects.

Targets and Progress

Targets and Performance

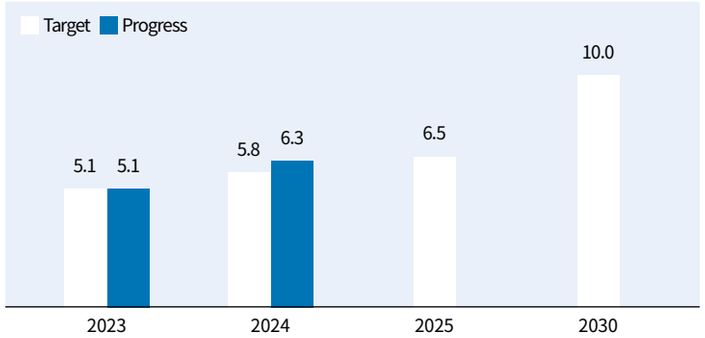
SK hynix has established mid-to-long-term goals related to its employees, including achieving a 95% Digital Competency certification rate and a 10% representation of female team leaders by 2030. We review and implement progress towards these goals annually.

Digital Competency Level 2 certification rate (Unit: %)



*Ability to understand and communicate core terms related to artificial intelligence and digital transformation through internal training programs.
※ A newly established with annual targets set from 2025.

Representation of women in team leader positions (Unit: %)



Talent Acquisition

Talent Acquisition Principles

SK hynix considers talent its most crucial asset and strives to secure outstanding individuals who can realize the world's leading future semiconductor technologies together. We select specialized talent for each job role based on necessary competencies, expertise, and potential, and operate various programs to secure individuals who align with the company's desired traits, such as passion, collaboration, and execution capability. Additionally, we conduct the recruitment process fairly and transparently, ensuring no unfair discrimination based on applicant gender, disability, or other factors is involved in recruitment.

Desired Talent for SK hynix

VWBE	SUPEX	Determination
Voluntary and Willing Brain Engagement	Those who challenge themselves to achieve a super-excellent (SUPEX) level	Those who motivate themselves and strive for growth
Collaborative skills	**Technology skills**	**Thinking and execution skills**
Those who constantly communicate and collaborate across boundaries to achieve excellence in product development	Those who can contribute to the realization of cutting-edge technology at SK hynix, a global semiconductor leader	Those who stay ahead of market trends and proactively pursue technological advancements

Our Members

Collaboration with University

SK hynix selects and nurtures future semiconductor talent through industry-academia agreements with major Korean universities (Seoul National University, KAIST, Korea University, Hanyang University, Sogang University, etc.). Through collaboration with universities, we systematically develop semiconductor technology-related curricula and support the educational infrastructure needed to discover outstanding talent early and foster them into semiconductor experts. Additionally, we invite students from semiconductor-linked university departments to the company for lectures on the semiconductor industry, fab tours, etc., providing diverse educational opportunities for them to grow into leaders of the future semiconductor industry.

Tech Day

SK hynix holds an annual "Tech Day" event at major university campuses in Korea. Through Tech Day, we proactively secure outstanding master's and doctoral talent and create a venue for technology exchange between industry and academia, striving to enhance Korea's semiconductor technology capabilities. Specifically, we invite researchers in master's and doctoral programs majoring in future technology fields to share and discuss SK hynix's future growth direction and technological issues with the company's key core technology executives. Furthermore, following Tech Day, we arrange sessions for job introductions and career counseling with current team leaders to continuously strive to secure outstanding future semiconductor talent.

Global Forum

To secure outstanding global talent, SK hynix holds the "SK Global Forum" annually in Silicon Valley. We invite current employees of major US Big Tech firms and master's and doctoral researchers from overseas to the Forum to interact with the company's key technology executives and exchange diverse opinions related to future semiconductor technology. Notably, key executives introduce the company's vision and semiconductor technology, creating ongoing networks with Forum attendees, endeavoring to ensure such exchanges lead to the recruitment of outstanding global talent.

Talent Development

University Degree Program Operation

SK hynix operates a diverse range of university degree programs through its internal employee development platform, "SK hynix University (SKHU)." The programs are broadly categorized into three types: the "Academic Degree Program (ADP)" offered during off-duty hours; the "Target Department Master's Program," allowing employees to obtain master's degrees from specific Korean universities and departments while working (on-duty); and the "Online Overseas Master's Program." Through these, we enable employees to develop competencies in desired fields such as semiconductor technology, data science, and business administration (MBA). Each year, we select candidates through a rigorous screening process based on voluntary applications and provide the selected individuals with support for a broad range of necessary expenses related to their studies. The degree programs selected and operated as of 2025 are as follows.

University Degree Program

Program	Category	Field	Training Institution	Training Period
ADP	Off	Semiconductor Technology	Leading domestic universities	Master's: 2 years, Doctoral: 4 years
Target Department Master's Program	On	V-KEPSI	KAIST	Master's: 3 years
		DSS	Yonsei University, Korea University	Master's: 2 years
		Converged Semiconductor Engineering	Korea University	Master's: 2 years
	Hybrid	Digital Convergence Engineering	Yonsei University	Master's: 1.5 years (Off 1 year, On 0.5 years)
Online Overseas Master's Program	On	Semiconductor Technology	Engineering programs at global top 30 universities	Master's: 2 years
		Data Science	Data science programs at global top 30 universities	
		MBA	MBA programs at global top 50 universities	

Global Talent Development

Global Business English/Chinese/Japanese Program (GBEP/GBCP/GBJP)
GBEP/GBCP/GBJP is an English/Chinese/Japanese language education program for employees requiring foreign language proficiency for clear communication with overseas subsidiaries, customers, and other stakeholders. Participating employees are provided with support to focus intensively on foreign language learning for a certain period, away from their regular duties, to effectively enhance their language skills.

Global eXperience Program (GXP)
GXP is a program where employees are dispatched to overseas subsidiaries or suppliers' locations abroad, design their own schedule for up to five weeks, and perform tasks on-site. GXP participants maximize collaboration efficiency by simultaneously handling work tasks both in Korea and abroad as an extension of their existing duties, gaining direct experience of global corporate work styles and environments.

Global Insight Program (GIP)
GIP is a short-term overseas training program aimed at fostering technical exchanges with research institutions within prestigious overseas universities or enhancing job-related specialized knowledge. Participants in this program can interact with overseas research institutions or participate in educational courses at universities overseas for up to one year, enhancing their technical capabilities and professional expertise.

Our Members

Enhancing Artificial Intelligence (AI) and Digital Competency

Citizen Data Scientist (CDS) Camp

SK hynix has consistently endeavored to nurture Citizen Data Scientists (CDS), and based on such accumulated capabilities, we have internalized and bolstered external training programs. The CDS Camp is a representative CDS nurturing program where instructors composed of internal experts directly develop and conduct hands-on training sessions. Consequently, unlike external training, there are no constraints due to security concerns regarding educational content, allowing field data to be integrated into the training. In 2025, we expanded the scope of the CDS Camp, previously limited to Python program utilization, by launching new courses based on diverse tools. We enable balanced learning of basic CDS competencies such as statistics, programming, and data management methods, and provide educational courses tailored to competency levels by subdividing difficulty. Additionally, by separating education and certification, we are focusing on the practical competency enhancement of our employees. As of 2024, the cumulative number of CDS Camp participants totals 5,250. In the mid-to-long term, we aim to nurture approximately 10,000 AI integration experts equipped with both semiconductor domain knowledge and AI capabilities by 2030.

Spartan

Spartan is a Project-Based Learning (PBL) program where CDSs, nurtured through various digital competency training programs, directly analyze field issues they have brought up and devise solutions. Under the full support of their respective leaders who select high-priority projects linked to business needs, participants are allocated a six-month immersion period to solve real-world problems. Participants are provided with a computing environment for analysis and 1:1 mentoring from digital experts to aid problem-solving. After the Spartan program concludes, a venue is provided to share results, select and endorse outstanding case studies, thereby promoting case dissemination. In 2025, “Spartan Light” will be newly launched for employee mindset transformation and work style innovation. Spartan Light will operate through the mentoring platform “h:lab”, allowing on-site issues arising during work processes to be registered as Spartan tasks and resolved through mentoring by internal experts (AI/DT mentors).

Dream-On Workshop

SK hynix implemented “Dream-On,” a one-day workshop targeting production staff, to foster company-wide consensus on SK Management System (SKMS), SK’s management philosophy, and the “SKMS Code of Conduct,” SK hynix’s unique work methods, and to strengthen the One Team Spirit. Through a special lecture on SK hynix’s history of growth and challenges, we emphasized that SK hynix has grown through the dedication of all production staff. Group activities, quizzes, games, and other diverse activities allowed participants to learn the core concepts of SKMS and the SKMS Code of Conduct in an engaging manner while taking a break from daily work to recharge. This fostered pride as frontline employees and reaffirmed their commitment to integrate SKMS principles together. As the Dream-On workshop was the program conducted for production staff, various preparatory activities were carried out in advance to ensure more employees could participate while feeling relaxed and ready to learn. First, based on Focus Group Interviews (FGI) with production staff, we designed the program based on their awareness levels of SKMS and educational needs. To enhance understanding and empathy regarding SKMS practice among production staff, we trained over 100 internal SKMS instructors. Subsequently, through briefing sessions for Field Managers (FM) and Line Leaders (LL), seasonal events, and other activities, we encouraged voluntary participation from employees. As a result, a total of 91 sessions were conducted throughout 2024, with participation from over 6,000 employees, achieving an average satisfaction score of 4.9 (out of 5), indicating high satisfaction among most participants. Starting in 2025, we are implementing “Dream-On Express,” offering tailored sessions at various locations like meeting rooms, training centers, and event halls within each site, to better meet organizational circumstances and employee needs. This allows employees to contemplate SKMS implementation methods together with colleagues at a time and place convenient for their particular organization and circumstances.

Our Members

Making the World Happier with Hyper-Technology Concert

SK hynix held the "Making the World Happier with Hyper-Technology Concert" to help employees internalize the "SKMS Code of Conduct," SK hynix's unique way of working. The Concert is a talk-show style program where six employees representing each domain of the New Code of Conduct (Bar Raising, Data Driven, One Team, Innovation, Customer Focus, Perfection)—SK hynix's way of integrating SKMS—share their own SKMS Code of Conduct practices through storytelling, conveying the lessons learned and growth achieved in the process to fellow employees. In 2024, under the theme "The Era of Change: How to Enhance My Value and SK hynix's Value," six employees conducted lectures and panel talks, with participation from over 550 employees both online and offline. By sharing stories that involved fellow colleagues rather than external examples, employees felt pride as members of an organization continuously developing based on the SKMS Code of Conduct and took note of specific ideas on how to practice the SKMS Code of Conduct in their own work. SK hynix plans to continuously promote various programs so that the SKMS Code of Conduct becomes a core part of employees' daily lives and serves as a foundation for further growth.



<2024 Making the World Happier with Hyper-Technology Concert>

Team Leader Leadership Program

SK hynix supports team leaders in generating impactful results and leading by example in pursuing employee happiness through the company-wide "Team Leader Leadership Program." Based on a company-wide team leader survey identifying the four areas of greatest concern regarding leadership execution (motivation, teamship (team fellowship) enhancement, performance feedback, and self-management), modular lectures are provided for each area. Subsequently, through customized learning based on the needs and pain points of teams under each business unit, team leaders select desired modules for operation. This enhances awareness of leadership development needs and expands positive influence on the promotion of both performance and employee happiness. Notably, instead of simply delivering theoretical content on each leadership theme, the program provides real challenges and opportunities to practice overcoming them through role-playing, thereby enhancing leadership competencies. Additionally, networking sessions facilitate joint learning by allowing team leaders to share experiences and know-how, enabling them to self-assess their leadership status and identify improvement directions. Furthermore, "Leadership Insight," a leadership blog based on the SK hynix Leadership Framework featuring over 500 leadership content pieces, is provided to assist team leaders with the wide range of leadership issues they may encounter. SK hynix plans to continuously provide systematic training programs to enable leaders at various levels to help lead the organization effectively.

Nurturing Future Semiconductor Talent

SK hynix has been operating the "Semiconductor hy-School" program since 2023 to nurture future talent. Following the basic video content produced and provided in early 2023, an advanced version was additionally produced at the end of 2024 due to the high level of student interest. This advanced content covers the eight major processes and is structured as a fusion education course where our researchers and in-service science (physics, chemistry) teachers collaborate to explain scientific concepts from textbooks integrated with related semiconductor applications. In addition, the "Outreach Semiconductor Class" continues with expert instructors from within the company visiting schools to deliver special lectures. Additionally, the "Semiconductor Curriculum" program, providing practical, work-oriented online learning content developed based on the technical expertise and know-how of internal experts, is offered to universities. The "Semiconductor Curriculum" is a program launched in 2022 to help university students grow into future semiconductor specialists, thereby contributing to strengthening the semiconductor ecosystem. Developed by SKHU professors and instructors composed of former SK hynix executives and current industry experts, over 100 lectures provide insights into the overall industry along with content tailored to key job roles like device, process, and design. Professors wishing to participate can apply directly to utilize the program. Online learning content is provided to 3rd-4th year undergraduate and graduate students in semiconductor-related departments at major Korean universities. Faculty who can integrate the "Semiconductor Curriculum" into their regular credited courses, using the educational content in lectures or as supplementary learning materials. In 2024, 70% of the academic faculty participating in the program linked the curriculum to academic credits. Approximately 2,000 university students enroll in the "Semiconductor Curriculum" annually. Outstanding students selected based on course completion receive an array of benefits, including tuition assistance scholarships and tours of the Icheon Campus production lines.

SK hynix plans to continuously operate a diverse range of educational programs to nurture future semiconductor talent.



<Semiconductor hy-School Advanced Version>

Our Members

Employee Happiness and Welfare

Operating Family-Friendly Policies for Work-Life Balance

SK hynix has put in place various family-friendly policies to enable employees to balance work and family, thereby maximizing individual happiness and work engagement.

First, through the "All-in-One Care" system, all SK hynix employees receive diverse support throughout their reproductive lives from pregnancy preparation through childbirth and childcare. This includes infertility leave and medical expense support, reduced working hours during pregnancy, and the operation of 41 "Dodamibang" rest areas for employees who have given birth or are rearing children across the Icheon, Cheongju, and Bundang facilities. Additionally, other forms of extensive support are provided, including childcare leave, care leave for parents of children entering elementary school, school entrance celebration grants, children's education funds, education expenses for children with severe disabilities, and family medical expense support. Since 2023, the "Infertility Concierge Service" was newly introduced, providing information and support throughout the infertility treatment process, including assistance with infertility injection administration, related administrative documents, and guidance on local support programs. Infertility treatment and procedure costs are fully subsidized without limits on the number of attempts, and miscarriage/stillbirth leave has been doubled compared to the previous standard, demonstrating efforts to alleviate employee worries and concerns.

Additionally, to contribute to resolving the societal challenge of low birth rates, starting in 2024, special housing loans of up to KRW 200 million are offered to employees with three or more children. Support for 50% of insurance premiums for savings products aimed at childcare and education expenses is also provided to reduce employee burdens who raise multiple children. Pregnant employees receive congratulatory packages with essential items for mothers and newborns, and celebratory childbirth grants have been significantly increased based on the number of children. To minimize the burden of childcare, spousal childbirth leave has been extended to 25 days, exceeding the legal standard, and a separate special childcare leave has been established, available to all employees regardless of gender.

In addition, we host the 'Happy Children's Day' event, where employees and their children can enjoy time together. As part of this event, we provide gifts such as block sets for children on Children's Day (celebrated on May 5th in Korea), supporting employees and their families in spending meaningful time together.

As a result of these continuous efforts, SK hynix was honored as a "Supreme Family-Friendly Company" by the Ministry of Gender Equality and Family in 2023, a first among Korean semiconductor companies. Going forward, SK hynix plans to continue promoting active support to contribute to resolving social challenges like career interruptions for female talent, support for male parental leave, and low birth rates.

Childbirth, Childcare, and Housing Support System

Unpaid Maternity Leave during Pregnancy	· Unpaid leave system for the entire pregnancy period to protect expectant employees (Available from pregnancy registration until the day before childbirth).
Automatic Childcare Leave	· System allowing employees nearing childbirth to automatically use one year of childcare leave connected to the end of maternity leave, without a separate application.
Infertility Support	· Infertility leave to support childbirth and parenting for female employees by reducing the burden of balancing work during infertility treatments like egg retrieval and implantation (Separate paid infertility treatment leave also provided).
Leave for Child Starting School	· Leave to allow employees to focus on childcare when their child enters the first grade of elementary school (Support for up to 3 months of unpaid leave).
Childcare Leave	· Applicable to children aged 12 or under, or in elementary school grade 6 or under, exceeding statutory standards.
Special Childcare Leave	· Employees with children aged 12 or under, or in elementary school grade 6 or under, can use an additional year of special childcare leave (unpaid) after exhausting their statutory childcare leave.
Pregnancy Period Support	· Provision of a congratulatory gift package for pregnancy. · Reduced working hours for expectant employees (1-2 hours per day).
Pregnancy Period Support	· Additional break time for expectant employees (2 hours when working 6 or more days a week on shifts). · Access to rest areas ("Dodamibang") during pregnancy, for up to one year post-childbirth, infertility treatment, or after miscarriage. · Designated parking spaces and priority seating on commuter buses for expectant employees and those with mobility issues. · Provision of necessary iron and folic acid supplements during pregnancy.
Childbirth Period Support	· Provision of 25 days of spousal paternity leave within 120 days following childbirth (starting up to 3 days before). · Provision of childbirth congratulatory payment (KRW 1 million for the first/second child, KRW 5 million for the third child).
Miscarriage Support	· Leave support for the employee and spouse in the event of miscarriage or stillbirth. · Provision of condolence payment to female employees who suffer a miscarriage while employed.
Daycare Center Operation	· Provision of daycare centers at Icheon, Cheongju, and Bundang campus (Total capacity for approx. 300 children).
Housing Support	· Support of up to KRW 200 million for housing lease/purchase (for employees with 3 or more children; KRW 100 million otherwise).

Our Members

Enhancing Quality of Life through Customized Employee Benefits

SK hynix supports quality of life improvement for its members through a diverse range of employee benefits.

To ensure retirement income security and promote financial stability, SK hynix operates both personal pension and retirement pension programs. The personal pension program is designed to secure retirement income for members, with the company covering half of the insurance premiums during the employment period. The retirement pension is offered in both defined benefit (DB) and defined contribution (DC) formats. Under the DB plan, members receive retirement benefits calculated according to a predetermined formula at the time of retirement, while the DC plan allows members to manage their own accounts, with retirement benefits reflecting the investment performance.

In addition, to alleviate the economic burden of healthcare costs for members and their families, SK hynix provides medical expense support up to KRW 100 million per year for members and up to KRW 50 million per year for spouses and children. Starting in 2024, for members who have provided consent, we are operating a system that automatically supports medical expenses based on data from the National Health Insurance Service, without requiring separate applications or submission of supporting documents for medical expense reimbursement.

Furthermore, to reduce the burden of education expenses and provide quality educational opportunities for members' children, SK hynix offers an admission congratulatory grant for children entering educational institutions and tuition support for children attending high school and university.

Fostering a Flexible Work Environment for Employee Happiness, Focus, and Immersion

SK hynix fosters an environment where employees can balance personal and family care with deeper work engagement by providing ample opportunities for leisure and refreshment.

To establish a culture of self-directed work focus and sufficient refreshment, the second Friday of each month is designated as "Happy Friday," a time for recharging, while the fourth Friday of each month and bridge holidays (public holidays separated by one business day) are designated as "Recommended Joint Annual Leave Days." Furthermore, we foster a flexible work culture by implementing a flexible working hour system that allows employees to autonomously adjust their working hours in 1- to 4-week units, with a minimum of one working hour per day.

SK hynix supports employees' flexible use of leave through self-approval of vacation requests. Starting in 2024, an hourly leave system was newly introduced to bolster the environment for employee happiness and work efficiency. Additionally, "Long-Service Leave," offering 10 days off every 5 years and up to 3 weeks every 10 years of long-term service, is provided to promote employee happiness and enhance talent retention. Furthermore, since 2023, the "Annual Leave Usage Reward Program" has been implemented, providing up to 600,000 in welfare points as rewards based on annual leave usage rates. SK hynix operates "The Series," a welfare program reflecting lifestyle diversity, enabling more employees to experience daily happiness while working at the company. "The Series" departs from universal, uniform support methods and targets, instead pursuing cost-effective and emotionally resonant programs designed for specific demographics like families, children, and MZ generation employees.

Various series programs, such as "The Camp" (support for recreational vacations at corporate training centers), "The Educance" (combining English/science camps for children with parent employee vacations), and "The Open" (support for recreational vacations involving family and friends), provide opportunities for employees and their families to create special memories. Furthermore, programs like "The Alliance" (offering external affiliate services inclusive of both hotels and resorts at home and abroad, amusement parks, leisure, travel, dining, and shopping opportunities), "The Campus Begins Again" (in-house performance festival with employees), and "The Concert" (providing experiences of high-quality cultural and art performances) help employees experience a sense of satisfaction in daily life and happiness both inside and outside the company. These diverse welfare programs, including "The Series," are operated through the "Refresh Lounge," an internal welfare support platform, allowing employees to easily learn more about the different programs and apply anytime, anywhere.

In addition, major satellite offices have been opened in Euljiro and near Sogang University in Seoul, and Bundang in Gyeonggi Province, enhancing workspace flexibility to help employees balance work and life while fostering an environment for focus and immersion. Other initiatives, such as care programs for shift workers, commuter buses with more comfortable seating, and the creation of the on-site "Happiness Walking Trail," provide support to ensure employees face no impediments to their work and rest.

Going forward, SK hynix will continue to spare no effort or consideration in providing an optimized work environment that maintains a balance between work immersion and refreshment.

Our Members

Employee Communication and Feedback Channels

Since 2022, SK hynix has held quarterly events dubbed “The Communication” where the CEO and key executives exchange views with employees about management issues. The CEO and executives directly explain and discuss major company issues, performance, and strategic directions with employees, enhancing consensus on management decisions. In 2024, the Q&A session time was significantly expanded to provide opportunities to address questions about a wide range of management issues and environmental changes. In addition to “The Communication,” the CEO also conducts unscheduled “The Meeting” sessions, visiting work sites directly to address employee grievances or support needs and strengthen interaction with employees. Indeed, a total of 10 “The Meeting” sessions were held in 2024. Specifically visiting the Cheongju Campus and the Seoul satellite office, where CEO-employee interaction is typically less frequent compared to the Icheon HQ, the CEO discussed organizational issues and grievances and listened candidly to employee opinions. Additionally, to foster employee participation and empathy, the online channel “CommON” has been in operation since 2022. “CommON” signifies turning “ON communication” with employees. It consists of “Information ON” providing useful information about company life, “Sharing ON” sharing news of diverse corporate culture transformations, “Participation ON” enabling mutual communication by responding to employee suggestions and inquiries, and “New Hy-tong” facilitating open communication among employees. Because trust between the company and employees, and empathy for change, can be enhanced when improvements and transformations are driven by employee opinions, we communicate to employee suggestions and inquiries via confirmation by the responsible department. Numerous examples exist where changes in the work environment, systems, and welfare were made based on employee suggestions via “CommON,” eliciting high levels of engagement. Also, to foster a communication culture of mutual respect, an “Online Etiquette Meter” policy has been rolled out, and the “Compliments” category was newly established to propagate positive feedback like praise and encouragement, thereby promoting a culture of positivity. Going forward, SK hynix plans to continuously promote changes based on employee participation and empathy.

Employee-Led Corporate Culture Transformation

To foster a corporate culture created jointly by employees, SK hynix has continuously operated the “Junior Board,” a representative employee council, since 2010. The 2024 “Junior Board” members were selected from employees wishing to participate voluntarily, considering diversity in organization, gender, age group, and other indicators. In 2024, they contemplated the direction of change for fundamental themes essential for the company’s sustainable growth and development (family-friendliness, flexible welfare, One Team). They built employee consensus on topics requiring ongoing consideration from a mid-to-long-term perspective, such as ways to overcome low birth rates and introduce customized welfare systems in consideration of employee diversity. Indeed, they diagnosed the current level of the “One Team” culture to objectively measure and better manage the abstract “One Team” concept. Furthermore, venues were created for communication with employees to ensure that suggestions originating from the Junior Board lead to continuous follow-through.

SK hynix plans to continue operating the Junior Board, enabling employees to lead the transformation in corporate culture and strengthening relationships between employees, thereby striving to create a sense of happiness that resonates across all stakeholders.

Measuring Employee Happiness

SK hynix conducts an annual “Culture Survey” to continuously develop a strong and outstanding corporate culture together with its employees. Through the “Culture Survey,” SK hynix assesses the current status of SK Management System (SKMS) practices and identifies characteristics of its corporate culture. By deriving insights into SK hynix’s working culture and improvement directions, we promote happiness-based management practices based on SKMS. The employee happiness index derived from the 2024 “Culture Survey” was 79.2 points (out of 100), 1.2 points higher than 2023, confirming the sustained effectiveness of corporate culture activities aimed at employee happiness. Notably, in 2024, positive outlooks on business performance and increased employee consensus on the company’s goals, strategies, and plans significantly raised expectations for achieving “SUPEX Company” status. Additionally, the happiness levels of junior employees improved compared to the previous year. This is viewed as a positive effect stemming from the pride inherent in being part of a company receiving social recognition and external trust through its global leadership of memory semiconductor technology, combined with the expanded “Corporate Culture Value-up Program” aimed at strengthening employee autonomy and engagement. Meanwhile, the representative images of SK hynix’s corporate culture as perceived by employees were ‘Autonomy’, ‘Happiness’, ‘Communication’, ‘Responsibility’, and ‘Collaboration’. Additionally, with the expansion of diverse employee development programs, ‘Growth’ and ‘Improvement’ emerged as new keywords this year. Going forward, SK hynix plans to transparently share the company’s strategic direction with employees and actively reflect employee opinions in policies to build consensus, thereby promoting corporate culture as a core competitive strength.

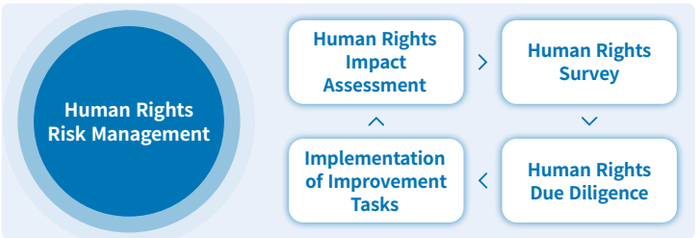
Our Members

Human Rights Management

SK hynix identifies and manages risks related to employee human rights based on its "Human Rights & Labor Policy and detailed human rights policies (Child Labor Prohibition Policy, Workplace Harassment and Discrimination Prohibition Policy, Migrant Worker Policy)". We conduct Human Rights Impact Assessments using a self-assessment checklist approach across our headquarters, subsidiaries, and global facilities to systematically review compliance with human rights policies, response procedures, systems, and related matters. Additionally, we conduct human rights surveys among employees to gather opinions and experiences regarding potential human rights issues within the company, thereby identifying potential problems and creating opportunities for improvement. SK hynix re-verifies human rights risks identified through human rights due diligence on-site. During the due diligence process, we confirm policy compliance through interviews with relevant personnel, review documents related to human rights issue responses and conduct employee interviews to verify issues identified in the human rights surveys.

In 2024, we expanded the scope of human rights risk management by conducting Human Rights Impact Assessments targeting 19 global sales and R&D subsidiaries. Through this, a total of 97 improvement tasks were identified, and short-, mid-, and long-term improvement plans are being implemented considering each subsidiary's priorities. In 2025, we plan to enhance the human rights risk management system by comprehensively reviewing the implementation status through analysis of results from Human Rights Impact Assessments, surveys, and due diligence conducted since 2021, and by establishing systematic monitoring measures.

SK hynix Human Rights Risk Management Process



Respecting Freedom of Association and Collective Bargaining

SK hynix guarantees employees' basic rights, including freedom of association and the right to collective bargaining, in accordance with Korean law. We respect labor unions and all forms of employee representation activities. Furthermore, we ensure that employees are not subject to discrimination, retaliation, harassment, or other disadvantageous outcomes for reasons such as joining a labor union, demanding collective bargaining, or participating in collective actions. Based on mutual trust between labor and management, SK hynix engages in collective bargaining with an open attitude and strives to resolve issues through sincere discussions between labor and management. Currently, three labor unions (Icheon, Cheongju, Technical/Office Workers) operate domestically at SK hynix. Wage and collective agreements are concluded annually through labor-management discussions. Additionally, various communication channels such as Subcommittee Councils, Labor-management Councils, and CommON are made available for effective mutual communication between labor and management.

Living Wage Calculation

The living wage is an essential factor for the basic livelihood guarantee for workers and human rights protection. Failure to meet this standard may increase the risk of workers and their families being exposed to forced labor and child labor. SK hynix has set the ultimate goal of improving living conditions across the entire value chain, and in 2024, SK hynix analyzed the living wage levels and employee salary levels in the regions where its global business sites are located. To that end, we calculated reliable, region-specific living wage levels that reflect local characteristics by utilizing the Anker methodology, which is recognized in the Core Social Indicator (CSI) of the World Benchmarking Alliance (WBA), as well as the database of the Wage Indicator Foundation (WIF), an international non-profit organization. An analysis of the gap between the living wage in each business location and the current wage of employees at 20 domestic and overseas SK hynix' s facilities confirmed that all employees at the analyzed sites receive wages above the living wage. SK hynix plans to expand the scope of analysis to verify living wage compliance across all business sites and will continuously monitor regional wage levels to contribute to the protection of employees' fundamental human rights.

Our Members

Employee Evaluation, Compensation, and Career Development

Employee Evaluation and Compensation

SK hynix believes that enabling employees to generate organizational results, grow through their work, and enhance their happiness based on fair evaluation and compensation is the core value of talent management. Accordingly, we operate a performance management system led by the individual business units to unite individuals and the organization in the One Team Spirit and promote growth and competitiveness.

First, SK hynix operates an evaluation system that supports employees' long-term growth by continuously nurturing them through year-round continuous feedback and establishing fair performance standards. At the beginning of the year, team-level goals and individual annual tasks linked to team goals are established. In June-July, through progress feedback, team leaders and members review first-half performance, provide feedback, and offer mentoring on second-half work plans and growth. In September, through job expertise diagnosis, employees self-assess their job competencies, which are then confirmed through leader feedback. In November-December, through performance feedback, annual task performance is reviewed. During this process, both self-evaluation and peer feedback are conducted. Based on criteria established by each organizational unit, final decisions on evaluation and compensation are made. The SK hynix evaluation system boasts 100% participation from all eligible employees (based on technical/office workers), excluding employees exempt from evaluation.

Regarding promotions, SK hynix employs an expert-focused promotion system that grants higher job competency level roles based on employee performance, job competency, and level of expertise.

Furthermore, SK hynix maintains top-tier salary levels domestically to enhance employee competency levels and motivation. We also operate separate incentive systems linked to business performance, such as Productivity Incentives (PI) and Profit Sharing (PS), to promote contributions to bolster organizational performance.

SK hynix actively utilizes stock compensation plans for employee compensation. Firstly, we operate an employee stock ownership plan where employees can acquire company stock to foster a sense of ownership and company loyalty. In 2007 and 2021, employee stock purchase options were granted to all executives and employees. As of the end of 2024, 20,860 individuals were members of the employee stock ownership association. In addition to the employee stock ownership plan, since 2023, we have implemented a shareholder participation program where employees receive up to 50% of their PS as company stock and, if they hold the received stock for one year, receive 15% of the participation amount in cash. SK hynix plans to continuously expand stock compensation plans to strengthen the sense of unity between the company and its employees, motivate employees, and thereby enhance corporate value.

Employee Career Development

To support employee-led career development, SK hynix has operated the " Career Growth Program (CGP)" and "CGP-Up" programs year-round since 2022. CGP is an internal job posting system where organizations needing new employees publicly recruit individuals with the required competencies and experience through the system. Employees seeking career development can review CGP postings, prepare a career profile, apply, and are eventually selected after undergoing the respective organization's screening process. CGP-Up is a system where employees can proactively register their career profile as a candidate for a desired organization or job role, even if a position is not currently open, receiving priority consideration when the organization needs personnel in the future. Through CGP and CGP-Up, employees can take advantage of opportunities for new career development in their desired organizations and roles.

Additionally, SK hynix developed the "One Resume" system to integrate fragmented employee career data, consolidating pre- and post-employment career information into a single profile provided to employees and leaders, for use in various selection processes. Notably, One Resume leverages artificial intelligence (AI) and machine learning (ML) for data integration. Using Generative AI, the system automatically summarizes career experience, minimizing the time employees spend organizing their career experience, eliminating the need for manual compilation or summarization. Future plans involve an evolving resume beyond career development into a networking channel among employees. SK hynix plans to continuously develop measures to support employee career development.

Our Members

Employee Safety and Health

Implementing Field-Centric Safety and Health Management Systems

Since the implementation of the Serious Accidents Punishment Act in Korea, SK hynix has established a safety and health management system for preventing serious accidents and has continuously endeavored to prevent such incidents through measures like fulfilling safety and health obligations. In 2024, reflecting the unique characteristics of semiconductor facilities, we conducted field-centric and highly sensitive diagnosis projects to identify and improve risks that were previously unrecognized or ignored due to conventional work procedures and methods, as well as risks that were recognized but neglected due to a reluctance to raise issues. Through this, for tasks classified as high-risk, the entire process from start to finish was continuously observed to identify discrepancies between safety-related documentation including risk assessments, work procedures, and safety work permits, and actual field conditions. Additionally, by analyzing whether countermeasures for past accidents lead to fundamental accident prevention, we identified and improved potential hazards and risks in the field. We also enhanced the safety and health management system and functions in the field by updating standards unsuitable for the work environment to reflect reality. We also conducted first-half and second-half inspections of our safety and health management system from an independent third-party perspective, implementing necessary measures. With the expansion of satellite offices, we supplemented the safety and health management system by establishing procedures for identifying and improving hazards and risks not only at the Icheon, Cheongju, and Bundang facilities but also in general office spaces to prevent serious accidents. In 2025, SK hynix plans to refine the safety and health management system while continuously verifying and supplementing on-site implementation.

Fostering a Safety Culture

Establishing a safe workplace requires not only systems and procedures but also active employee participation and effort. Notably, the “Serious Accident Reduction Roadmap” announced by the Ministry of Employment and Labor in December 2022 emphasizes a “Self-Regulatory Prevention System” centered on risk assessment, along with active employee participation as agents of safety and health.

Accordingly, SK hynix established a Safety Culture Team and continues to promote activities that foster its unique safety culture. We have newly established and operate various participatory campaigns and safety competency training programs to enhance employee interest in safety and their safety capabilities. The “SHE Committee,” a suggestion and participation body composed of voluntary SHE/PSM personnel and safety practitioners, serves as the backbone for establishing a safety culture by identifying diverse suggestions and ideas for substantial improvements in on-site safety. Additionally, in 2024, we developed and introduced the “SK hynix Safety Culture Assessment (HSCA)” internally to quantitatively measure safety culture levels and, based on data, identify safety vulnerabilities and points for improvement, thereby fostering a unique and sustainable safety culture.

Work Risk Assessment

SK hynix conducts annual work risk assessments based on the Industrial Safety and Health Act and the Serious Accidents Punishment Act, identifying hazards and risks within the workplace and implementing activities to prevent workplace accidents through risk improvement. Regular risk assessments are conducted for all tasks within the workplace, and ad-hoc risk assessments are performed when serious industrial accidents or near misses occur, or when the workplace undergoes changes. Supervisors and workers participate in all risk assessment processes.

The SK hynix Prevention Safety Team provides guidance such as the “Hazard/Risk Realization Guide” and “Risk Calculation Table” to workers, enabling them to identify and eliminate risks associated with major hazards for each type of work task within the risk assessment documentation, thereby promoting accident prevention. Through the 2024 regular work risk assessment, a total of 39,000 items were assessed. Among all unit tasks, 1,735 hazards/risks were identified, and improvement measures were derived. The average risk level before improvement for these 1,735 items was 5.3 (out of 10), which decreased to an average of 2.5 after improvement, representing a reduction of approximately 53%. For 943 unit tasks among the 1,735 items with a risk level of 8 or higher, or involving gas/chemical substances/three major accident types (falls, caught-in/between machinery or equipment, and collisions), we confirmed on-site implementation status after risk improvement measures were implemented and provided on-site work safety consulting. In the 2025 work risk assessment, we plan to expand the range of hazard/risk items to strengthen accident prevention.

Our Members

Chemical Leak Monitoring

SK hynix installs and operates two types of gas detectors for monitoring chemical leaks at its facilities. First, target-type detectors are installed to detect leaks from specific equipment and facilities, and ambient-type detectors are deployed for area monitoring in hazardous zones. These detectors are monitored 24/7 by the Central Disaster Control Room, the control tower tasked with responding immediately to a wide range of possible disasters. If anomalies are detected, the Emergency Response Team (ERT) is immediately dispatched to ascertain the situation on-site and handle the initial response in case of hazardous situations (leak isolation, spread prevention, concentration measurement, and possible evacuation). Additionally, various chemical leak scenarios are continuously reviewed, and response system drills based on actual situations are conducted through Emergency Control Tower (ECT) simulations. Notably, we are strengthening the capabilities of ERT personnel in collaboration with major specialized institutions such as nearby fire stations and the National Institute of Chemical Safety.

Prevention of Serious Accidents and Civil Disasters

SK hynix recognizes the potential impact on the local community in the event of a chemical leakage accident at its facilities and strives to prevent the occurrence of serious civil disasters resulting from such incidents. Simultaneously, preparing for potential accidents, we identify scenarios, assess their impact scope, and provide the local community with guidance in the form of a booklet that includes evacuation sites and reporting methods. We also conduct regular emergency response drills to enhance accident response capabilities. In addition, we participate in the “Gyeonggi Province Chemical Substance Regional Council” and the “Icheon City Chemical Safety Management Committee” to discuss ways to reduce chemical-related risks with the local community and experts. At the regular meeting of the Gyeonggi Province Chemical Substance Regional Council hosted by SK hynix in August 2024, under the auspices of the Gyeonggi Provincial Government, resident representatives, experts, and related organizations attended to share site chemical safety management status and discuss accident prevention and response systems, fostering stakeholder communication.

Safety Digital Transformation (SDX)

SK hynix promotes SDX, integrating safety with diverse ICT technologies for on-site application. This aims to minimize employee deployment in high-risk processes and replace simple labor tasks like visual inspections. Additionally, by automatically analyzing data collected in the field using AI algorithms and informing workers of risks associated with the task in advance, we are transforming the safety management paradigm from the perspectives of autonomy, intelligence, and automation.

Unmanned Patrol Robots

Since 2023, SK hynix has operated an unmanned patrol system by deploying the quadruped walking robots, Gaon and Daon, to replace human inspections. The robots patrol approximately 30,000 square meters of workspace daily based on autonomous movement, performing roles such as checking abnormal temperatures, detecting gas leaks, and conducting visual inspections. Specifically, they capture thermal images of equipment in the same area to automatically analyze temperature change trends across entire zones, detecting abnormal changes. They also continuously check for leaks around connection points where gas leaks might occur, notifying supervisors in real-time if abnormalities arise. Additionally, by continuously accumulating high-definition image data within patrol zones and generating alarms if changes occur, we developed and now utilize a self-developed algorithm that replaces simple visual inspections. The two algorithms developed by SK hynix (for abnormal temperature detection and visual inspection replacement) were introduced at the “SK AI Summit 2024,” an annual event hosted by SK Group, sharing future visions resulting from the convergence of robotics and AI technology and providing an opportunity for exchanges with industry stakeholders. SK hynix plans to gradually expand the on-site integration of robots while simultaneously enhancing field task performance capabilities to build an even safer work environment.

Safety Vision AI

SK hynix developed Safety Vision AI, an AI video analysis model based on object detection and pose estimation, designed to hypothesize and detect various accident types such as intrusion, falls, collapses, and fires that could occur, particularly in areas with limited human presence. Through Safety Vision AI, we generate training data optimized for the site environment, train it using machine learning, and apply the results to on-site CCTVs for 24-hour monitoring, thereby detecting accidents in real-time.

Establishing an Accident Prediction System Based on SDX Sensors and AI Technology

SK hynix deploys SDX sensors at work facilities for accident prevention through enhanced hazard prediction capabilities. By identifying areas previously inaccessible for human inspection using SDX sensors, we minimize the probability of workers coming into contact with hazardous chemicals and contribute to reducing casualties during heavy equipment and high-elevation work. Concurrently, we have internally developed AI algorithms that integrate and analyze complex safety data. Based on past work data, workers can confirm the risks associated with a specific task before starting, allowing for a double-check of potential accident causes. SK hynix supports a safe work environment by continuously upgrading these systems to predict and prevent potential workplace accidents proactively.

Our Members

Metabolic Syndrome Reduction Program

SK hynix strives to create a healthy workplace for its employees. We contribute to fostering a health-friendly culture by designing and offering health promotion programs at both the individual and organizational levels, enabling employees themselves to recognize the need for chronic disease management and the importance of prevention, and to manage their health and wellness accordingly.

In 2024, to incentivize the management of metabolic syndrome, we spearheaded the creation of a lifestyle improvement environment through the operation of a mobile platform enabling employees to engage in self-directed health promotion activities. We identified high-risk departments for metabolic syndrome and conducted team-specific outreach briefing sessions to foster changes in awareness and necessity regarding organizational health management, encouraging self-driven health promotion activities, thereby inducing positive changes in employee weight or waist circumference reduction. In addition, through a joint labor-management metabolic syndrome campaign, we promoted employee interest in the risks of increased metabolic syndrome prevalence, encouraged participation in health promotion activities, and expanded opportunities for employees to participate in related projects.

In 2025, we plan to promote the management of obesity levels and chronic disease prevention for employees through differentiated health promotion programs. We will focus on qualitative program enhancement by implementing focused monitoring led by health promotion managers, engaging participants in communication channels with dedicated nurses, and conducting a 10-week exercise program concurrently. For high-risk employees whose conditions are difficult to manage solely through lifestyle improvements, SK hynix will operate a “Wellness Clinic,” providing customized pharmaceutical therapy with specialized healthcare professionals, and continuously support employee health improvement efforts through physical activity monitoring analysis via our mobile health app, “Hi health.”

Establishment of Hi health Mobile Application

In 2024, SK hynix developed and launched the mobile health app “Hi health” to promote better health. This initiative aims to enhance the convenience of employee access to health programs, aid in health promotion, and establish digital healthcare initiatives for the future. Hi health provides users with an internally developed health score, allowing employees to recognize their level of health relative to the company average and set personal target scores. Health avatars were developed and embedded within the app to make it more engaging and appealing for employees. Furthermore, features like step counting and customized health information delivery support better health management among employees. Gamification features, such as linking these to challenges, are also planned during future updates. In 2025, leveraging the advantages of the mobile app, we plan to enhance Hi health by linking it to an array of internal and external services to assist with lifestyle management and incorporate the latest mobile healthcare trends, such as integrating AI-based health promotion programs.

Medical Counseling Program for Employees Returning After Cancer Treatment

To help employees returning to work after cancer treatment overcome the fear of recurrence and successfully readjust to work, SK hynix collaborated with the Gyeonggi Regional Cancer Survivor Integrated Support Center (Cancer Center) in 2024 to provide customized medical counseling from specialized healthcare professionals. Participating employees exhibited high levels of satisfaction (100% intention to participate again), confirming the program’s outstanding effectiveness. In 2025, we plan to continue providing customized consultations with specialized medical professionals and conduct activities such as producing and distributing editorial columns to help employees better understand and adapt to the psychosocial stress associated with cancer.

Strong Minds Program

SK hynix has continuously operated the in-house psychological counseling center Mindwalk since 2011. Counselors at Mindwalk, certified by the Korean Psychological Association, offer counselling services related to employee mental health, adhering to the counselor code of ethics throughout all sessions.

In 2024, considering the need for continuous management of employees identified as requiring intervention based on job stress assessment results but not participating in the Mindwalk program, we launched the mental wellness promotion program “Strong Minds.” Employee participation confirmed its effectiveness in preventing negative psychological sentiments.

In 2025, we plan to establish a Strong Minds program for lifecycle-specific mental health promotion targeting all employees, expand program recruitment to increase participation rates among those with identified needs, and offer the same services to our suppliers. Additionally, we plan to conduct face-to-face psychological testing and outcome interpretation counseling programs for post-management subjects (both SK hynix and supplier employees) at the Cheongju Campus to strengthen protective psychological factors and reduce vulnerability factors by leveraging psychological resources.

Supply Chain

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, under the Board of Directors, oversees matters related to supply chain management. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, including supply chain management. Since 2023, we have operated the Labor & Human Rights Council, a working-level committee involving departments closely related to human rights and labor issues. This council reviews related issues that may arise in internal operations or relationships with suppliers, proactively preventing risks and formulating response measures. The Labor & Human Rights Council convenes regularly every month, and reports on its major activities and key agenda items submitted to the ESG Management Committee and the Sustainability Committee.

Strategy and Risk Management

SK hynix recognizes supply chain sustainability risk as a critical management risk and is committed to building a sustainable and responsible supply chain by adhering to international standards and norms.

SK hynix manages supply chain sustainability risk based on the "Supply Chain ESG management Policy and Guideline". Prior to registering new suppliers, SK hynix conducts an evaluation of essential ESG management criteria and a conflict minerals registration review, allowing supplier registration and transactions only for those who pass these assessments. Furthermore, SK hynix has established and regularly operates a supply chain ESG assessment system to identify the ESG management status and areas for improvement among suppliers. The SK hynix supply chain ESG assessment, which follows the procedures of self-assessment, on-site assessment, risk identification, implementation of corrective actions, and monitoring, is structured to comprehensively evaluate suppliers' ESG management status and address deficiencies. This is based on supply chain ESG assessment indicators across five areas—human rights and labor, health and safety, environment, ethics, and management system—developed in accordance with the Code of Conduct of the RBA(Responsible Business Alliance) and internationally required supply chain management items.

SK hynix continuously monitors the implementation of corrective actions for high-risk suppliers and priority suppliers identified as requiring focused management through the supply chain ESG assessment results. In addition, SK hynix provides ESG consulting and ESG training programs to enhance suppliers' ESG management level and support compliance with the ESG management policy. If a supplier engages in activities contrary to the policy or is deemed unwilling to address significant violations within the requested timeframe, SK hynix may impose sanction measures, including suspension of transactions, depending on the severity of the case. Moreover, SK hynix strives to build a sustainable supply chain by offering incentives to suppliers who demonstrate outstanding performance through efforts to disseminate ESG management.

SK hynix Supply Chain ESG Risk Management Procedure

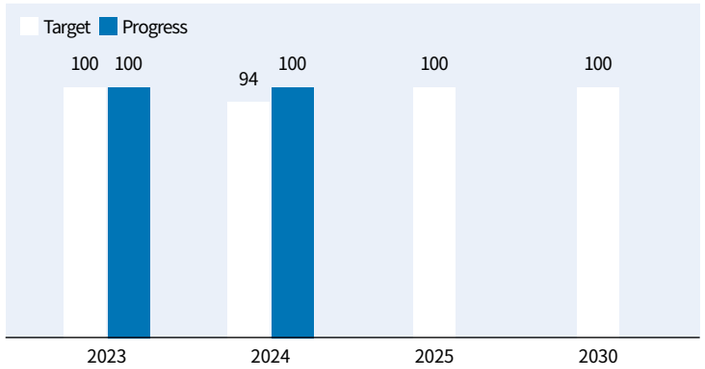
Policy Application	Information Collection	Self-Assessment	On-site Assessment	Utilization of Results
· Formulation/revision of the Code of Conduct · Provision of the Code of Conduct · Code of Conduct compliance commitment (pledge letter, standard contract)	· Collection of supplier information · Selection of selfassessment targets	· Online selfassessment by area · Selection of critical suppliers · Selection of high-risk suppliers	· In-person assessment(based on selfassessment results) · Identification of improvement tasks · Interviews	· Monitoring of improvement tasks · Incentives for suppliers with best practices · Incorporation into procurement policy

Targets and Progress

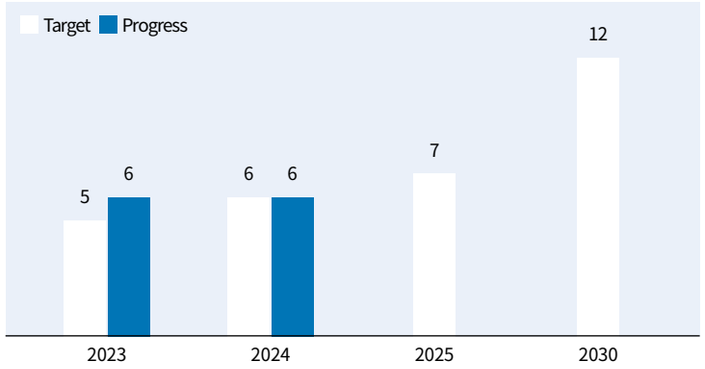
Targets and Performance

SK hynix has established mid-to-long-term goals related to the supply chain, including achieving 100% on-site ESG assessment for high-risk/critical suppliers by 2030 and expanding the scope of responsible mineral sourcing to 12 types. We review and implement progress towards these goals annually.

On-site ESG assessment of high-risk/critical suppliers (Unit: %)



Responsibly sourced minerals (Unit: minerals)



Supply Chain

Supply Chain Assessment and Management

Headquarters Supply Chain ESG Assessment

Since 2021, SK hynix has operated an online supply chain ESG self-assessment, conducted biennially, allowing suppliers to self-assess their ESG management levels. In 2023, we conducted the second self-assessment targeting Tier 1 suppliers with annual transaction volumes exceeding KRW 100 million, confirming changes in supplier ESG management levels since the first implementation and also carried out reassessment of suppliers who did not meet the assessment criteria. In addition, SK hynix selects on-site assessment targets based on the results of online self-assessment, directly visits the business sites of relevant suppliers to conduct worker interviews, and supports actual risk identification and improvement. In 2024, we conducted an online self-assessment for 731 suppliers, excluding certain companies such as large enterprises, SK member companies, and those with a history of Responsible Business Alliance (RBA) or EcoVadis evaluations, among the suppliers accounting for the top 95% of annual purchase volume. In addition, by expanding the target industries to include sectors such as logistics and construction, we selected key suppliers for focused management and, in collaboration with an external professional organization, carried out on-site assessments equivalent to the RBA Validated Audit Process (VAP) for a total of 50 suppliers. As a result, all assessed suppliers were found to be in good management condition with no high-risk cases identified. SK hynix encourages suppliers to establish and implement their own improvement plans for identified non-conformities through on-site assessments and monitors the results of these improvements. Going forward, SK hynix plans to continuously identify and manage ESG risks within the supply chain through supply chain ESG assessments.

Non-conformities During 2024 Supply Chain ESG On-site Assessments



Supply Chain ESG Assessment of Overseas Subsidiaries

Since 2023, SK hynix has expanded ESG assessments to include suppliers of its overseas subsidiaries. Targeting suppliers deemed important from a business perspective and those falling below the standard score in written assessments, on-site assessments were conducted for 12 companies in 2023 and 38 companies in 2024. The on-site assessment, based on our supplier code of conduct which aligns with RBA standards, involves RBA-accredited third-party expert organizations identifying non-conformities through document reviews, employee interviews, and site inspections. Supplier-specific assessment results, including details on non-conformities and relevant regulations, were distributed to encourage improvement. Follow-up verification of necessary improvements in the latter half of 2024 revealed that the suppliers assessed in 2023 had addressed most non-conformities, achieving a compliance rate of 98.7% for assessment items. For suppliers assessed in 2024, due to a relatively shorter improvement period, the compliance rate was confirmed at 79.8% (compared to 61% at the initial audit). SK hynix plans to continue promoting supply chain ESG management activities by combining periodic improvement verification procedures with training, ensuring supplier compliance with our code of conduct.

2024 ESG On-site Assessments of Overseas Subsidiaries

Domain	Key Areas Requiring Improvement
Labor & Human Rights	Voluntary enactment of regulations covering employment guarantees and protection of young workers
Safety & Health	Assessment of physically demanding tasks
Environment	Activities to reduce pollutant emissions, greenhouse gas management
Ethics	Management procedures including protection of internal whistleblowers
Management Systems	ESG checks on major Tier 1 suppliers

Responsible Minerals Management

SK hynix operates the “Minerals Regulation Response Council” to promote systematic responsible minerals management. The council, composed of key organizations directly and indirectly related to responsible minerals including Procurement, ESG, Global Quality & Reliability Assurance (G-QRA), Future Technology Research Institute, Manufacturing/Technology, and AI Infra, identifies requirements of key stakeholders alongside mineral regulation trends to improve responsible minerals management policies and procedures. Based on management policies, it periodically assesses the supply status of conflict minerals and responsible minerals in the supply chain.

SK hynix, as a member of the “Responsible Minerals Initiative (RMI),” designates specific responsible minerals for management and rigorously oversees them from the smelting process to ensure responsible sourcing of minerals used in semiconductor manufacturing. SK hynix has designated tantalum, tin, tungsten, gold, cobalt, and mica as minerals subject to management, and uses only those produced at smelters certified through the Responsible Minerals Assurance Process (RMAP), a responsible minerals certification process.

Furthermore, SK hynix enters into a responsible minerals compliance pledge with all suppliers involved in raw material procurement, committing not to source minerals from conflict-affected and high-risk areas. The company regularly monitors mineral supply chain information, which is managed within its internal mineral management system. To enhance suppliers’ awareness of responsible minerals and improve compliance rates, SK hynix provides consulting, conducts both online and offline training, and distributes a responsible minerals newsletter to share relevant information. If a supplier that has signed the pledge provides false information or fails to implement corrective actions for identified risks, SK hynix considers this a breach of the pledge and discontinues business with the supplier. In addition, SK hynix conducts document reviews and on-site inspections of suppliers to verify mineral origin and transportation in accordance with the OECD due diligence guidance. The company discloses its mineral management status through a mineral management report.

SK hynix will continue to enhance its policies and management programs

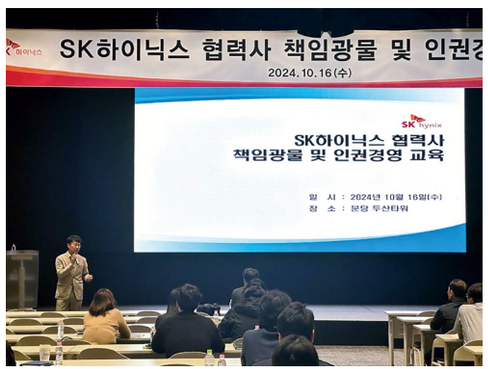
Supply Chain

for responsible minerals, and plans to sequentially expand the number of managed responsible minerals to 12 by 2030, thereby contributing to the resolution of human rights and environmental issues in conflict-affected and high-risk areas.

2024 2nd-half Responsible Minerals Survey Results

Category	Number of Suppliers	Number of Smelters and Refiners
Tin	56	66
Tungsten	36	31
Tantalum	28	33
Gold	46	89
Cobalt	35	60
Total	83	279

*There are suppliers that overlap for different minerals.



<2024 SK hynix Offline Training for Suppliers of Responsible Minerals>

Supply Chain Capacity Building

Supply Chain ESG Training and Consulting

SK hynix identifies suppliers subject to ESG risk management through an online self-assessment of the supply chain ESG conducted every two years. SK hynix provides complimentary training and consulting to enhance ESG capability and implement risk improvement, supporting early risk remediation to ensure that suppliers do not face disadvantages in future transactions. In 2024, SK hynix offered free improvement consulting to a total of 16 suppliers. In addition, SK hynix annually selects key risks across the entire supply chain and provides strategic consulting to suppliers related to those risks, supporting the establishment of a risk management system and enhancement of capabilities. In 2024, SK hynix conducted strategic consulting for 35 key suppliers, including the establishment of a greenhouse gas management system and third-party verification.
SK hynix will continue to expand customized training and consulting programs that consider the business environment and ESG management level of suppliers, in order to build a sustainable supply chain.

Supply Chain ESG Consulting Program

Program	Implementation Timing	Details
Improvement Consulting	After Online Self-Assessment	· ESG management awareness enhancement training · Support for implementing improvements centered on short-term goals (Provides improvement guidelines and reference templates per indicator)
Strategic Consulting	Ongoing	· Annually select key supply chain ESG issues, identify relevant suppliers, and provide in-depth consulting

Shared Growth Council

SK hynix established the Shared Growth Council to strengthen win-win cooperation with suppliers and holds annual general meetings. Through the "Joint Declaration to Practice ESG Management" adopted at the 2023 general meeting, the council committed to enhancing ESG management capabilities across environment, social, and governance domains. Subsequently, in 2024, SK hynix shared its ESG Strategy Framework and encouraged active participation in GHG reduction activities. Based on this, the Shared Growth Council continued to promote a diverse range of activities, including sharing GHG reduction efforts by member companies through subcommittee meetings and benchmarking progress by organizing on-site visits to the leading companies within each subcommittee. Furthermore, consulting support was provided to member companies facing difficulties in setting GHG reduction targets, enabling them to establish GHG management systems and undergo third-party verification. SK hynix will continue to closely collaborate with council member companies to build a sustainable semiconductor ecosystem.



<2024 SK hynix Shared Growth Council Regular General Meeting>

Supply Chain

Innovative Tech Companies Program

SK hynix operates the "Innovative Tech Companies" program to select and promote the intensive growth of suppliers with high potential for localizing semiconductor materials, components, and equipment. Companies selected for the program, which started in 2017 and has continued for seven rounds, receive benefits including joint technology development with SK hynix, interest-free loans for technology development funds, and management consulting for up to three years. In 2023, SK hynix selected four companies for the 7th round: materials company YCCHEM, components company SoulbrainSLD, and equipment companies ISTE and Kovis Technology, specifying joint development tasks to increase the localization levels of materials, components, and equipment with a high dependency on imports. Meanwhile, SK hynix generated approximately KRW 95 billion in social value in 2024 through the Innovative Tech Companies program. Notably, among the 18 companies participating from the 1st to 7th rounds, four have become listed companies. The continuous increase in the revenues of the selected companies confirms the program's contribution to the growth of the Korean semiconductor industry. SK hynix will continue to provide unwavering support for the growth and development of domestic suppliers, aiming to create a virtuous cycle facilitating sustainable performance.

ESG Financial Support

Under the auspices of SK Group, SK hynix operates an ESG interest support program as an incentive for ESG promotion amongst suppliers. The Group's Shared Growth Subcommittee regularly discloses the fund depletion rate transparently. This interest support program provides loan interest reductions to suppliers participating in our supply chain ESG assessment when they apply for loans related to ESG management improvements and investments. In 2024, SK hynix provided support in the form of interest reductions to a total of 7 suppliers.

Supplier Social Value (SV) Measurement Consulting Program Operation

SK hynix has been implementing the double bottom line management philosophy by creating both social value (SV) and economic value (EV) together with its suppliers. From 2022 to 2024, SK hynix shared its social value measurement system with a total of 22 suppliers—including 7 equipment suppliers, 6 component suppliers, 6 raw material suppliers, and 3 infrastructure suppliers—to enable these suppliers to generate their own social value and to facilitate the spread of social value throughout the broader supply chain. To this end, SK hynix provided social value measurement consulting to its suppliers. SK hynix analyzed the environmental and greenhouse gas reduction initiatives, as well as various community engagement activities, undertaken by the participating suppliers. By monetizing these activities in terms of costs (input) and effects (outcome), SK hynix supported management decision-making, including resource allocation. Furthermore, for suppliers facing challenges in responding to ever-evolving regulations—such as implementing wastewater reduction devices, high-efficiency boilers, low-nitrogen oxides (NOx) equipment, and various safety equipment—SK hynix assisted in evaluating the effectiveness of existing facilities and provided exemplary external case studies to inform decisions on new facility investments.

SV measurement involves monetizing not only the value created for key stakeholders such as employees, government, and shareholders through employment, tax payments, and dividends, but also the impact on local communities and business partners through labor and human rights, fair trade, and social contribution, with a detailed breakdown. Based on the results of SV measurement, suppliers are able to establish mid- to long-term ESG (environmental, social, and governance) goals and develop action plans to achieve these objectives.

SK hynix aims to further advance its SV measurement consulting program to foster a sustainable semiconductor ecosystem.

Supplier Employment Support Program Operation

Since 2018, SK hynix has operated "Youth Hy-Five," a program connecting outstanding suppliers with young talent. Marking its 12th cohort in February 2025, Youth Hy-Five is an employment support program connecting young job seekers aspiring to work in the semiconductor industry with exceptional suppliers facing difficulties in securing young talent. In this program, SK hynix utilizes its talent selection and development know-how to provide trainees with systematic job training. The training consists of a one-week face-to-face residential camp and three weeks of online training, covering common job courses and specialized courses. General skills courses focus on understanding business and problem-solving skills, while specialized courses teach core semiconductor processes and equipment technology. Notably, the specialized course curriculum includes practical training using virtual reality (VR), allowing trainees to experience tasks related to semiconductor processes in an environment similar to actual sites. After completing the training, trainees undergo a three-month internship at a partner supplier, with outstanding performers given the opportunity for conversion to full-time regular employment. Launched in 2018 as "Youth Hope Sharing," the Youth Hy-Five program has provided internship opportunities to 1,206 young participants across 11 cohorts, with 788 of them successfully transitioning to full-time positions. SK hynix will continue to advance the youth Hy-Five program by reflecting the needs of excellent partner companies and young job seekers.



<2025 Youth Hy-Five 12th Cohort Entrance Ceremony>

Supply Chain

Supplier SHE Consulting Program Operation

Since 2018, SK hynix has operated the SHE Consulting Program as part of its commitment to shared growth with suppliers. This program provides customized solutions in the safety, health, and environment (SHE) fields to suppliers at no cost, providing support for the prevention of industrial accidents, occupational diseases, and environmental accidents, and enhancing their self-management capabilities. Through consulting, we assess the SHE management status of each supplier, devise improvement measures, and support implementation, thereby promoting compliance with legal obligations and the establishment of a safety culture.

In 2024, consulting was conducted for 200 suppliers, identifying over 2,800 non-conformities. By proactively identifying potential fines and penalties and providing technical guidance for improvement, we contributed to reducing suppliers' real-world legal risks and enhancing SHE management levels. According to a survey of participating suppliers, the primary motivation for participation was "enhancing workplace SHE management capabilities (68.2%)," and the most satisfactory aspects were "organizing statutory required documents and management systems/documents (1st priority)" and "explanation of laws/management standards and guidance on management direction (2nd priority)," indicating expectations for improving practical SHE management capabilities along with legal compliance. Effectiveness measurements also confirmed high levels of both effectiveness and satisfaction, with 93.9% of participating suppliers responding that the program was "very helpful" or "helpful."

Furthermore, the Occupational Health Program and Work Environment Improvement Support continued to be actively operated. Among 200 participating suppliers, the Occupational Health Program was offered 365 times to over 5,900 workers across 106 companies, providing diverse health management support including education on preventing musculoskeletal disorders and consultations on occupational diseases. The Work Environment Improvement Support project assisted 21 suppliers by subsidizing environmental improvement costs, helping small and medium-sized enterprises facing difficulties investing in facilities and equipment to improve high-risk work environments, thereby reducing SHE risks such as accidents and occupational diseases.

In 2025, we plan to continue offering the consulting program to a similar number of suppliers as the previous year, supporting the establishment of self-regulatory management systems to enhance suppliers' SHE standards and prevent legal risks. Notably, we plan to implement targeted technical guidance focusing on specific areas where similar non-conformities are repeatedly discovered across multiple suppliers. We also plan to move beyond the conventional uniform consulting approach, allowing suppliers to select areas they need assistance in, thereby providing more effective and suitable services. Additionally, to ensure continuous follow-up post-consulting, we plan to expand diverse support programs linked with KOSHA and government support projects. Through this, we aim to develop the consulting program beyond straightforward checks into a comprehensive support program linked to actual SHE improvements for suppliers, thereby building a safe and sustainable business environment together with our suppliers.

Participation in the Win-Win Safety and Health Cooperation Project for Large, Medium, and Small Enterprises

As part of efforts to strengthen the win-win safety and health cooperation system with suppliers, SK hynix participates in the Safety and Health Cooperation Project for Large, Medium, and Small Enterprises, led by the Ministry of Employment and Labor and the Korea Occupational Safety & Health Agency (KOSHA). The cooperation project aims to establish self-regulatory prevention systems for suppliers and improve their safety and health management levels through technical and matching support services based on activity plans established jointly by large enterprises (parent companies) and suppliers. Its purpose is to bridge the gap in safety and health management levels between parent companies and suppliers and spread a culture of autonomous win-win cooperation. This project consists of three main areas: operating a win-win consultative body where parent companies transfer safety and health management knowledge, technology, and experience to suppliers; technical support from KOSHA to facilitate autonomous cooperative activities smoothly; and matching support where parent companies and the government share the costs required for win-win cooperation activities aimed at enhancing safety and health levels among suppliers.

In 2024, SK hynix participated in the cooperation project with 116 key internal and external suppliers (58 in Icheon and 58 in Cheongju) to establish self-regulatory prevention systems for suppliers, conducting diverse safety and health win-win cooperation activities. The Ministry of Employment and Labor and KOSHA evaluate the win-win cooperation support efforts and performance achievements of participating companies on an annual basis, selecting outstanding participants. SK hynix's Cheongju Campus was selected as an "Outstanding Business Site," the highest possible rating, in 2024.

SK hynix will continue to strive to support suppliers in various ways through diverse win-win safety and health cooperation activities linked with the cooperation project, aiming to elevate suppliers' safety and health management capabilities to the same level as SK hynix.

Local Communities

Our Approach

Governance Structure

At SK hynix, the Sustainability Committee, under the Board of Directors, oversees matters related to community coexistence and social contribution. Additionally, the ESG Management Committee, chaired by the CEO, along with heads of relevant divisions, reviews and makes decisions on major ESG agenda, including community coexistence and social contribution.

Strategy and Risk Management

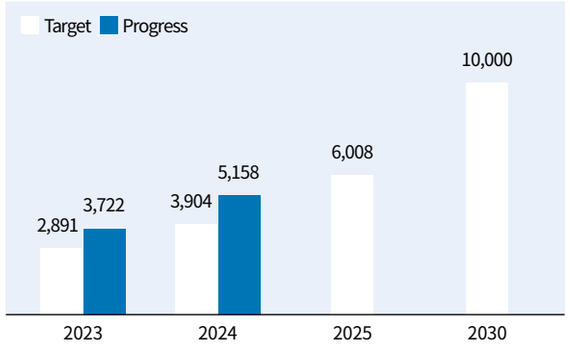
SK hynix carries out corporate social responsibility activities based on the mission of "Creating Happiness by Connecting People and Technology." Specifically, we have established three detailed activity directions—building a social safety net using AI, nurturing future talent, and engaging in employee participation-based volunteering and donations—to promote various activities enabling coexistence with the local community.

Targets and Progress

Targets and Performance

SK hynix has established mid-to-long-term goals related to local communities and social contribution, such as creating social value contribution outcomes by 2030, and reviews and implements progress towards these goals annually.

Value created from SV social contribution activities (Cumulative since 2020) (Unit: KRW 100 million)



SK hynix Social Contribution Framework

Mission	Creating Happiness by Connecting People and Technology
Slogan	"Connect with Technology, Grow with Happiness"
Focus Target	6 Local Communities (Icheon, Cheongju, Yongin, Anseong, Yeoju, Gwangju)

Key Activity Directions

- Building a Social Safety Net using AI
- Nurturing Future Talent
- Employee Volunteering & Donation Activities

Building a Social Safety Net using AI

Happy GPS

"Happy GPS" is a program providing support for dementia patients and individuals with developmental disabilities by providing GPS tracking devices and covering communication costs to prevent them from becoming lost and facilitate early detection of missing individuals. Since its inception in 2016, the Happy GPS program has delivered over 36,500 GPS tracking devices cumulatively. In 2024, support was provided for 4,650 new devices and extensions for 4,131 existing devices. A total of 277 missing individuals were safely returned to their families in 2024 using Happy GPS. In July 2024, SK hynix renewed the "Memorandum of Understanding for the Free Distribution of Tracking Devices (Happy GPS) for Dementia Patients and Individuals with Developmental Disabilities" with the Ministry of Health and Welfare and the Korea National Police Agency. SK hynix plans to continue its efforts through the Happy GPS program to ensure the safety and healt of dementia patients and individuals with developmental disabilities.

Silver Friend

"Silver Friend" is a program supporting elderly individuals living alone by providing AI speakers equipped with features like interactive conversation, voice control, and caregiving assistance through pattern analysis, aiming to alleviate loneliness and aid health management. In 2024, SK hynix distributed AI speakers to 1,000 beneficiaries and plans to introduce new tablet PC-type devices starting in March 2025.

Support for Vulnerable Elderly During Periods of Extreme Heat/Cold

SK hynix conducted biannual employee volunteer activities providing heating and cooling supplies to vulnerable elderly individuals in local communities during extreme heat and cold periods caused by climate change. Employee volunteers personally packed and delivered heating/cooling supplies and daily necessities to approximately 3,200 vulnerable elderly individuals during these periods.

Hi-Safety

Since 2022, SK hynix has operated the "Hi-Safety" program to minimize damage from disasters within Korea caused by extreme weather and provide relief to victims. In 2024, support in the form of relief kits and shelters was provided to approximately 600 victims affected by nationwide monsoon floods in July and damp heavy snowfall in December. SK hynix implements this program under MOUs signed with the Korea Disaster Relief Association and the Ministry of the Interior and Safety, and plans to continue carrying out the program to ensure swift support (within 48 hours) to victims in the event of disasters.

Local Communities

Nurturing Future Talent

Heinstein

SK hynix operates “Heinstein,” a creative convergence science education program targeting children and adolescents to nurture future talent. Heinstein (a portmanteau of “hynix” and “Einstein”) consists of “Science Talent Fostering Education” programs for elementary, middle, and high school students; “Hy-Dreaming,” an ICT club active in solving problems within the local community; and the “Olympiad,” a festival where participants from both programs share achievements and foster unity. SK hynix provides support for approximately 5,000 students annually through Heinstein. Additionally, SK hynix newly launched the “Homecoming Day” program, showcasing the successes of past Olympiad winners, and the “Global Vision View” program, offering overseas science excursions to outstanding students. SK hynix plans to continue offering the Heinstein program to provide a learning environment where future talent can dream even bigger dreams.

Happy ICT STUDY LAB

SK hynix operates the “Happy ICT STUDY LAB” to help bridge the ICT education gap in small and medium-sized cities, enhancing access to ICT creative convergence education for children and adolescents. Following the opening of the first lab in the Icheon City Library in February 2023, a second lab was additionally established at the Icheon Bubal Youth Cultural Center in February 2024. In 2024, 1,690 local children and adolescents visited the second lab, nurturing their dreams. Happy ICT STUDY LAB develops curricula and content tailored to its main users, upper elementary and middle school students, offering 18 offline courses such as generative AI and ChatGPT, and 9 online courses like Entry AI and drone coding. Furthermore, in partnership with the Icheon Women’s Resources Development Center, we are also supporting the development of local community instructors. SK hynix plans to establish a third lab in 2025, as part of ongoing efforts to contribute to bridging the educational gap in small and medium-sized cities.

Hy-classic Chamber Ensemble

In 2024, SK hynix launched the “Hy-classic Chamber Ensemble,” a social contribution project linking AI with culture and arts. Hiclassic is a classical music talent nurturing program for adolescents with outstanding musical talent who lack opportunities to pursue their dreams due to a diverse range of circumstances. Through this program, SK hynix provides educational scholarships as well as mentoring from world-class current musicians. Notably, the program offers diverse and differentiated courses to foster adolescents’ creativity through music education that leverages AI and chamber music concerts. SK hynix selected 6 classical music talents, awarded them scholarships, provided convergent education programs utilizing AI, and held a New Year’s concert for internal employees in January 2025. SK hynix plans to continue promoting social contribution activities for nurturing talent in the youth culture and arts space.



<2024 Heinstein Olympiad>


<2024 Happy ICT STUDY LAB Outcomes Sharing Event>



<2024 Hy-classic Chamber Ensemble New Year Concert>

Local Communities

Employee Volunteering and Donation Activities

Happiness Sharing Fund

SK hynix helps neighbors in need within the local community through the "Happiness Sharing Fund," created through voluntary employee donations. The Happiness Sharing Fund operates on a matching grant basis, where the company matches the amount donated by employees, thereby doubling the impact of sharing. Established in 2011, the cumulative amount donated reached approximately KRW 34.6 billion as of 2024, with about KRW 2.3 billion raised in 2024 alone. The funds raised through the Happiness Sharing Fund are used in various ways to assist those needing help in the local community through SK hynix's diverse social contribution projects.

Happy Lunchbox

Since 2012, SK hynix has operated the "Happy Lunchbox" program, providing lunchboxes filled with side dishes to children at risk of skipping meals in the local community, ensuring they grow into healthy adults through balanced nutritional intake. Focusing on the Icheon, Cheongju, and Gwangju regions, the side dish lunchboxes are delivered once a week to households home to legally defined low-income children, adolescents, and elderly individuals (recipients recommended by local governments and institutions, including basic income recipients, low-income households, and the near-poor). In 2024, such lunchboxes were provided to 810 children at risk of skipping meals.

Happiness Sharing Volunteer Corps

SK hynix operates the "Happiness Sharing Volunteer Corps," composed of participating employees organized by department or higher-level organization, to interact with the local community and provide support for residents experiencing difficulties. As of 2024, the Happiness Sharing Volunteer Corps has been organized into 119 regular and special volunteer teams since 2009 to promote diverse volunteer activities targeting the local community, fostering communication and promoting happiness. Volunteer teams tailored to organizational characteristics operate autonomously, engaging in activities like visiting welfare facilities for children, the elderly, and persons with disabilities, providing educational talent donations, and assisting with environmental cleanups. To encourage voluntary happiness sharing activities in the local community, support is provided for attendance tracking, activity expenses, transportation, and other costs related to volunteer activities. In 2024, a total of 3,629 individuals participated in the Happiness Sharing Volunteer Corps, logging a total participation time of 15,769 hours.

Friends Volunteer Corps

Launched in 2023, the "Friends Volunteer Corps" is a specialized volunteer group dedicated to improving awareness of persons with disabilities and creating social value in the local community by assisting in the fostering of standardized workplaces for persons with disabilities. They provide physical assistance to SK hynix's standardized workplace for persons with disabilities, "Happy More," and "Purme Social Farm," and promote affective exchange activities targeting young adults with developmental disabilities. In 2024, the Friends Volunteer Corps engaged in 18 separate activities, with 88 members volunteering 628 hours of their time.

Hands-On Volunteer Activities

"Hands-On Volunteer Activities" provide opportunities for employees who wish to volunteer but face difficulties participating due to time and space constraints to engage in volunteering in their personal spaces and homes. Hands-On activities involve employees personally assembling kits needed by children with disabilities (or from vulnerable groups), such as braille storybooks and cochlear implant headbands, which are then distributed to households through relevant facilitating agencies. In 2024, approximately 1,200 kits were produced and distributed.

Youth Journey

Commemorating the Senior Citizens' Day in 2024, SK hynix conducted the "SK hynix Youth Journey with Vulnerable Elderly" program, offering cultural activities for vulnerable elderly individuals. Prepared in collaboration with the Comprehensive Support Center for the Elderly Living Alone, this program was designed to enhance the quality of life for vulnerable elderly individuals by alleviating loneliness and isolation. SK hynix employees participated as volunteers to assist the elderly during a comfortable and safe tour of Seoul, exploring the past and present of Seoul through visits to Cheong Wa Dae (the former presidential office and residence), Changgyeonggung Palace, and the Hangang River. In 2024, 60 elderly persons living alone and caregivers participated in the program, with 12 employees participating as volunteers.



<2024 Youth Journey>

Our Customers

Product Stewardship

Governance Structure

SK hynix operates the Quality Innovation Council to enhance product responsibility, including quality competitiveness and customer value. The Quality Innovation Council is a bi-monthly council chaired by the CEO, with participation from key executives in product development, mass production, sales, and quality organizations. Its purpose is to eliminate potential quality risks and ensure SK hynix remains the "Best-in-Class (BIC) Customer Brand" based on customer trust.

Each year, SK hynix sets the quality goal of "Zero Quality Events" to enhance customer trust and strives to achieve this goal through the materialization and execution of a diverse range of innovative ideas derived from the Quality Innovation Council.

Strategy and Risk Management

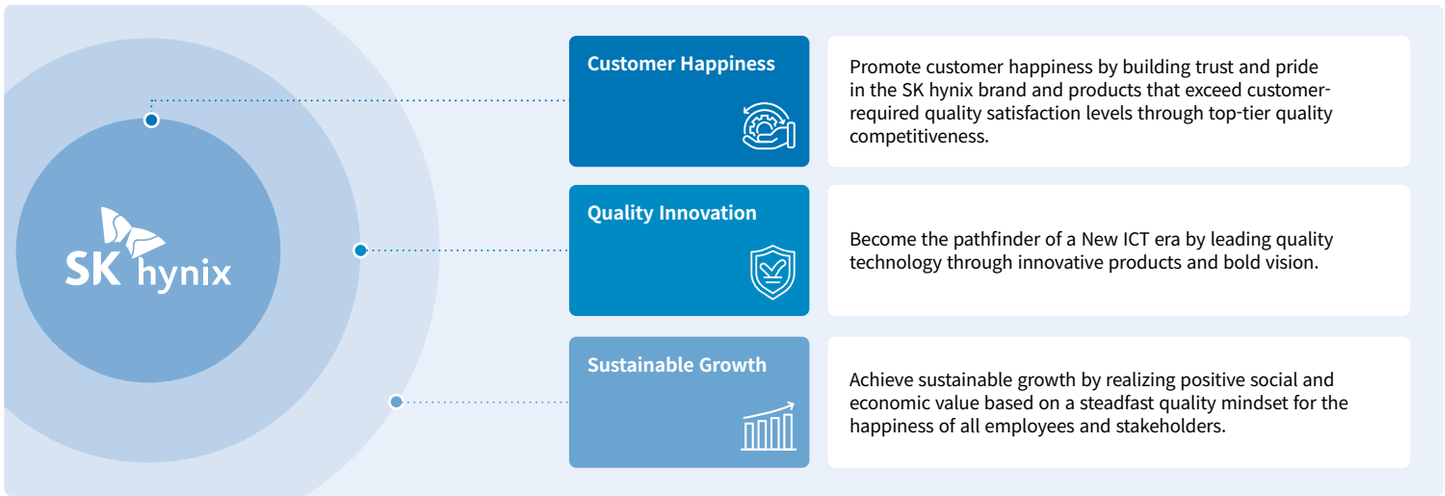
SK hynix prioritizes customer happiness based on top product quality and leading innovation, contributing to greater happiness for our customers and stakeholders and sustainable development through the implementation of the company's quality policy

SK hynix establishes quality strategies annually tailored to market changes. In 2024, our efforts focused on securing the quality of conventional products. For 2025, considering the rapid shift towards the AI market and geopolitical uncertainties, a quality strategy incorporating Operational Improvements (OI) was put in place. The established quality strategy aims to meet customer needs through an "Optimized certification system for customized products," a "One Quality mass production system across multiple facilities and products," and a "Customer collaboration system for creating quality value." SK hynix manages quality by establishing systematic quality processes covering all stages from product planning, development, mass production, to sales.

Development	Ensures product quality and reliability by setting quality assurance goals and verification processes at each detailed stage. Lessons learned are aggregated and reflected in new products.
Mass Production	Operates a data-driven process quality management system ensuring reliability by establishing and operating an automated process environment to reduce unnecessary losses (manpower, errors, etc.) and securing the capability to comply with international requirements like the MSA Core Tool[1] for measurement systems. Also operates councils composed of specialized personnel for process changes and non-conforming product management to manage product quality.
Customers	Communicates major changes to customers through Product Change Notifications (PCN) and responds swiftly to quality defects originating from customers through the Return Material Analysis (RMA) process.

In addition, quality engineers are assigned to global facilities across the Americas, Europe, and Asia to ensure proactive product quality assurance through swift technical responses to quality issues and improved collaboration with customers.

SK hynix Quality Policy



Our Customers

Green Product Policy

SK hynix has established and continues to manage "Green Product Policy" to produce safe products that minimize environmental and human health impacts while meeting international standards and customer demands. All hazardous substances contained within products produced and delivered by SK hynix comply with international standards such as the "EU Restriction of Hazardous Substances (RoHS)" directive. In accordance with its Green Product Policy, SK hynix considers factors to minimize environmental impact from the development stage and designs and verifies products based on the fundamental principle of avoiding the use of harmful substances. Additionally, verification procedures are established for materials from their point of receipt until their eventual use to ensure the utilization of materials free from hazardous substances, and regular assessments are conducted alongside ongoing inspections to ensure suppliers provide environmentally friendly raw materials. During manufacturing and shipping, hazardous substances used in processes are strictly managed to prevent product contamination.

SK hynix continuously monitors trends in environmental regulations for electronic products, such as the RoHS and "Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)" frameworks, and in the scope of regulated substances, ensuring these management systems align with international standards and regulations. Furthermore, for newly regulated substances, we implement stringent measures including exhaustive screening of all raw materials and components and the proactive procurement of viable alternatives to categorically prevent their introduction. SK hynix will ensure the provision of safe products to its customers through meticulous management of materials used in processes and by proactively responding to the latest regulations.

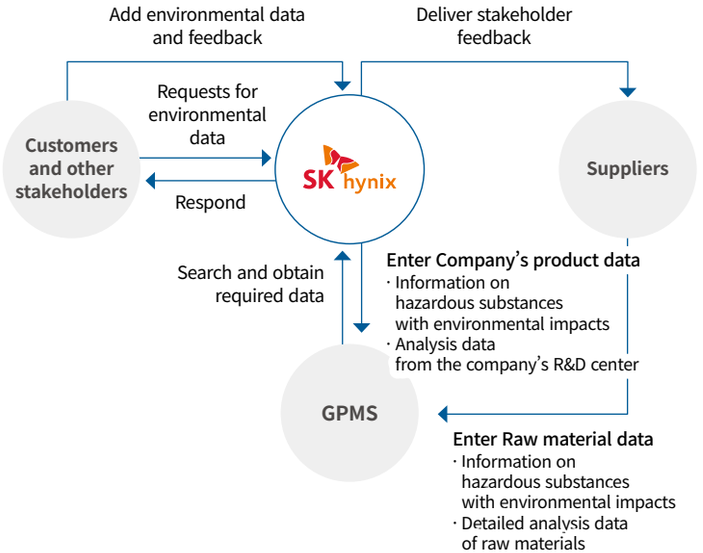
Integrated Management of Hazardous Substances Information in Products

SK hynix strictly manages hazardous substances within its products to comply with international regulations and meet customer requirements. To this end, it operates the "Green Product Management System (GPMS)." GPMS is an integrated management system for hazardous substances in products, encompassing eco-friendly approval for raw materials and products, response to customer requests, and management of regulated substance databases. This system enables a swift response to changes in international regulations and the requirements of stakeholders, including customers, based on GPMS information. Utilizing GPMS, SK hynix conducts thorough pre-verification and post-management from the raw material stage of products, thereby making concerted efforts to provide safe products that do not adversely affect the environment or human health.

Operation and Verification of In-house Hazardous Substances Analytical Laboratory

SK hynix possesses analytical infrastructure and procedures capable of analyzing substances regulated under RoHS and other international conventions, as well as "REACH Substances of Very High Concern (SVHC)", conducting hazardous substance verification for raw materials and products. This system enables urgent in-house analysis if issues related to hazardous substances arise in raw materials and products, through which we regularly conduct hazardous substance analysis to verify compliance with international regulations. In addition, we continuously update our analytical methods to enable the analysis of newly regulated substances added each year.

Integrated Green Product Management System Operation Process



Our Customers

Technological Competitiveness

Digital Transformation

Enhancing R&D Measurement Efficiency through Intelligent Production Systems

Before a semiconductor memory product is completed, the raw material, silicon wafers, undergoes hundreds of production process steps. Measurement processes, such as measuring the thickness or spacing of patterns within circuits, precede and follow each production process. While measurement processes do not directly contribute to production, they consume significant costs and time, similar to any other process. Therefore, reducing unnecessary measurements is crucial for enhancing productivity. However, excessively reducing measurements can hinder productivity by creating a lack of data needed to analyze causes of defects.

SK hynix has internally developed and operates "Adaptive Metrology Sampling (AMS)," an intelligent production system that autonomously judges the necessity of measurement and skips the process if a particular measurement is deemed unnecessary. The AMS system's algorithm is based on the assumption that materials processed under identical conditions in close proximity will have similar characteristics. It looks up the history of production processes closely related to the measurement process being considered for omission. If a past reference wafer similar to the current material (which has not yet undergone measurement) exists, the system's core logic determines that the current material does not require measurement.

SK hynix has actively implemented the AMS system at the Future Technology Research Institute for experimental materials since September 2024, and plans to expand the application of AMS to all equipment lots[1] in the future. If the AMS system is extended to all equipment, it is expected to significantly improve operational efficiency, as engineers would otherwise need to make more than 3,000 monthly determinations—an amount equivalent to the workload of approximately 5.5 FTE (Full Time Equivalent) personnel.

Detecting Semiconductor Production Equipment Anomalies through AI Technology

For efficient management and the rapid resumption of semiconductor production equipment operation, SK hynix successfully established the "Trace Auto Qualification (TAQ)" system in mass production fabs in 2024. This system analyzes data in real-time from production equipment requiring periodic or non-periodic Preventive Maintenance (PM). AI automatically performs the conformity determination previously done manually by engineers, enabling quantitative and objective determination instead of relying on qualitative assessments. Through the implementation of the TAQ system, SK hynix can now detect abnormal conditions that may occur during equipment preventive maintenance at an early stage and respond promptly. This has reduced the decision-making time per case by 30 minutes compared to the previous method and improved work productivity by 75%, thereby increasing equipment utilization and overall productivity. SK hynix plans to establish the Yongin Fab, which will begin full-scale operation in 2027, as a world-class automated fab. By applying advanced systems such as TAQ and expanding the adoption of smart manufacturing solutions based on AI technology, SK hynix will further strengthen its technological competitiveness.

Engineering Task Automation

Semiconductor manufacturing processes prioritize precision and efficiency, with productivity maximization and quality stability determining corporate competitiveness. Enhancing engineering task efficiency and maximizing equipment productivity are core elements of process operation, and successfully improving these significantly impacts manufacturing competitiveness. To achieve these goals, SK hynix is realizing innovation by building systems that automate engineering tasks from end-to-end—analyzing process data in real-time, making determinations, and executing follow-up actions—thereby streamlining the intervention of human engineers and optimizing equipment operation.

Decision Service Platform (DSP)

We have built a platform that provides automated services for various individual determination and judgment tasks that arise at semiconductor manufacturing facilities. The platform encompasses all on-site tasks involving judgment elements, such as equipment anomaly detection, failure and parts replacement, and process change point verification. It makes judgments based on structured and unstructured data generated from production and measurement equipment, applying a range of algorithms, including rule-based approaches and comprehensive determinations incorporating results from specialized AI solutions. Additionally, by patterning various reasons for non-judgment, it minimizes the time engineers spend analyzing "fail" judgments.

Engineer Work Service (eWORKS)

Engineers repeatedly manage a wide range of automation functions to execute a single task from start to finish. To eliminate this repetitive intervention, we built a complete integrated control service that organically connects all unit functions from a workflow perspective, ensuring the entire task operates as a single flow. Based on comprehensive judgment results, follow-up tasks performed by engineers are automatically executed and managed in an integrated manner. As actions are automated, task progress and results are monitored via dashboards, eliminating inefficiencies for on-site personnel.

Since 2023, we have automated repetitive daily tasks occurring over 920,000 times annually by integrating DSP and eWORKS into equipment PM and Breakdown Maintenance (BM) workflow, which constitute a significant portion of major manual tasks for manufacturing technology engineers. By reducing the time engineers spend checking various measurement results and making determinations, and by connecting and integrating follow-up actions based on judgment results, the time needed for human engineer

Our Customers

intervention (12 minutes per case) was eliminated, and the time required for actions to restart equipment (19 minutes per case) was shortened. The time saved allows engineers to move beyond simple judgment tasks and focus on high-value activities like process improvement, creating an environment for enhanced productivity. Furthermore, by internalizing engineer knowledge and experience in the form of solutions, we established a system that efficiently and effectively transforms work methods and responds rapidly to diverse changes. SK hynix plans to continuously strengthen the company's technological competitiveness by fostering an environment for automated fab construction and enhancing engineer work efficiency.

Academic Conference

The SK hynix Academic Conference has been held annually since 2013 to further encourage employee technology development and create a venue for idea sharing. The conference serves not only to categorize outstanding research outcomes and secure our proprietary assets but also provides employees with motivation for exploring advanced technologies and R&D. Over the past 12 years, based on a high acceptance rate comparable to papers submitted to major global semiconductor conferences, it has generated cutting-edge technologies and patents shaping the future, playing a significant role in SK hynix's journey towards becoming a global top-tier technology company. Approximately 800-1,000 papers are submitted annually, with about 30% selected as outstanding papers presented during the conference period. From the 1st conference in 2013 to the 12th in 2024, over 8,700 papers have been submitted over a dozen years, with a cumulative total of over 3,100 accepted. Submitted papers become our intellectual property. Over 12 years, more than 290 of the accepted papers have led to patents registrations, 37% of which were selected as strategic patents. Considering that strategic patents constitute around 10% of patents filed annually by SK hynix, this figure demonstrates that the academic conference generates technologically outstanding papers. Meanwhile, papers presented at the conference are not discarded after presentation but are actively used for R&D. Conference papers contain our proprietary data and research findings not disclosed externally for security reasons, making them exceedingly useful as reference materials for employee research and work. Indeed, the cumulative views for submitted papers totals 148,110, averaging 16.9 views per paper, utilized as references during product R&D. As embodied in the conference slogan, "We Do Technology, We Talk Technology," the conference has established itself as a venue for technical discussions among employees—sharing information on technologies that would otherwise be difficult to present on externally, fostering a culture of data-based debate and problem-solving, and sharing outcomes of new and long-term trials and experiments. SK hynix plans not only ensure the continuous operation of the academic conference, but also to pursue continuous improvement so that employees can gain intellectual stimulation, grow, and make the conference a platform for mutual exchange and cooperation to drive innovation in the semiconductor ecosystem.

Industry-Academia Cooperation

As a leader in the semiconductor industry, SK hynix actively participates in industry-academia cooperation to promote sustainable management and innovative technology development. SK hynix internalizes elemental technologies through technology roadmaps that forecast future technology trends and supports innovative R&D based on this. Additionally, by sharing the direction of the industry, we guide universities to proactively conduct research aligned with industry needs. This enables universities to conduct more impactful research while simultaneously providing researchers with opportunities to explore new research areas, ultimately expected to generate outcomes beneficial to both industry and academia.

SK hynix is currently conducting research projects in collaboration with various universities at home and abroad. We provide opportunities not only for university researchers but also for students to participate in research, contributing to the nurturing of creative and innovative talent. This plays a crucial role in strengthening the talent base of the semiconductor industry over the long term. In addition, we operate an on-site collaborative advisory program where academic experts can spend time working at the company, conducting intensive research on specific challenges over short periods by leveraging their academic knowledge and research activities. This program offers experts from outside the company opportunities to better understand industry challenges, while the company secures solutions for current issues and looks forward to the enhancement of employee competencies simultaneously.

SK hynix aims to contribute to building a sustainable future by not only maintaining technological leadership through ongoing collaboration with academia for advanced technology development, but also by fulfilling its social responsibility to nurture future talent.

Our Customers

Intellectual Property Protection

Intellectual Property Rights Management

SK hynix focuses on enhancing its intellectual property (IP) competitiveness by securing IP rights early and systematically managing related risks, centered around a dedicated organization responsible for IP development, application, registration, and dispute response.

Securing Intellectual Property Rights

SK hynix is building a robust patent portfolio to secure future growth drivers by developing advanced technologies at an early stage and to strengthen global competitiveness. Notably, SK hynix conducts a wide range of patent-related training sessions to strengthen employee capabilities and lay the foundation for internal patent creation. We also operate several patent development programs in each technology field, such as patent development councils, promoting early patent discovery. Diverse forms of compensation and rewards are provided for patents discovered through these efforts to encourage employee inventions and patent applications. Concurrently, we expand our patent portfolio by acquiring high-quality external patents and securing patents through industry-academia cooperation with multiple universities. As of the end of 2024, SK hynix holds approximately 19,000 registered patents worldwide. Going forward, SK hynix plans to focus on securing patents proactively by continuously monitoring market and technology trends and focusing on developing outstanding patents with high levels of applicability and next-generation technology patents.

Response to Intellectual Property Disputes

SK hynix also responds to various disputes related to intellectual property. We proactively respond to global patent infringement lawsuits to minimize risks. When facing a likely potential resource outflow and in situations where we can reliably estimate losses, we recognize and manage the corresponding amount as a liability. Additionally, we have concluded numerous patent license agreements related to the production and sale of our products.

Receiving Government Awards on Invention Day

Each year on Invention Day (May 19), the Korean Intellectual Property Office presents government awards for individuals who have contributed to Korea's industrial development, such as the Order of Industrial Service Merit, Industrial Service Medal, Presidential Citation, and Prime Minister's Commendation based on related achievements. SK hynix nominates executives and employees with robust internal patent creation track records and those who have made significant contributions to establishing a foundation for patent creation as candidates for the Invention Day awards. At the "59th Invention Day Ceremony" in 2024, Vice President Jong-Hwan Kim received the Iron Tower Order of Industrial Service Merit, and Team Leader Woong-Rae Kim received the Prime Minister's Commendation. Vice President Jong-Hwan Kim, overseeing the company's DRAM development since 2021, succeeded in mass-producing 4th generation AI memory High Bandwidth Memory (HBM), HBM3, in June 2022, and developed the 5th generation product, HBM3E, in August 2023. He also contributed to developing next-generation intelligent memory Processing-In-Memory (PIM), which adds computational functions to memory, and Compute eXpress Link (CXL) memory, which enhances product performance and efficiency simultaneously by integrating the interface between memory and other devices. Team Leader Woong-Rae Kim, recipient of the Prime Minister's Commendation, was recognized for his contribution to developing circuit-related design technology introduced in 10nm-class DRAM micro-processes, achieving product performance improvement and cost reduction. Furthermore, his development of ultra-high-speed/low-power technology for mobile low-power DRAMs LPDDR4 and LPDDR5 and filing of core patents, contributing to securing intellectual property rights, were evaluated highly.



<2024 Invention Day Government Award (Vice President Jong-Hwan Kim and Team Leader Woong-Rae Kim)>

Governance

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Business Conduct

Ethical Management

Code of Ethics

SK hynix has established and publicly disclosed its "Code of Ethics," which define proper conduct and value judgment criteria for employees based on SK Management System (SKMS), SK Group's management framework, along with implementation guidelines detailing specific behavioral principles. Key stakeholders, including the SK hynix Board of Directors, employees, and suppliers, are expected to understand and adhere to these Code of Ethics and implementation guidelines, using them as a framework for decision-making and conduct in all business processes, thereby practicing ethical management. Considering our employee demographics (approximately 45% of employees are 35 years old or younger), we undertook a full revision of the Code of Ethics in January 2025 to enhance employee understanding and strengthen their commitment to ethical practices. This involved refining expressions, such as those using Chinese characters, that were difficult to understand intuitively and providing more concrete examples of recent unethical conduct.

Ethical Management Operating Framework

SK hynix enhances its execution of ethical management through an operating framework comprised of three stages: ① Prevent, ② Detect, and ③ Respond. A comprehensive annual assessment of ethical management systems, capabilities, and effectiveness is conducted at the SK Group level. In the 2024 assessment, SK hynix achieved the highest rating in the assessment. Furthermore, specific ethical practice implementation tasks to prevent corruption, including internal audit plans, are periodically reported to and approved by the CEO and the Audit Committee each year. To strengthen the independence of the internal audit organization, its reporting line was changed from the CEO to the Audit Committee in October 2024.

Promoting Ethical Management Among Subsidiaries

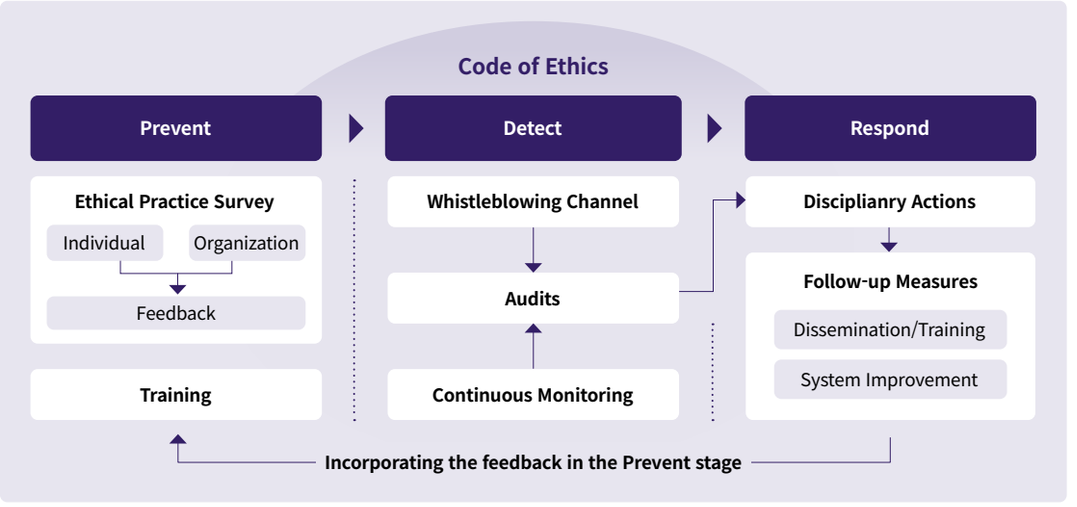
To expand ethical management to its subsidiaries, SK hynix launched the "Ethical Management Council," in which all subsidiaries participate. Since then, it has annually shared best practices for operating implementation systems such as the Ethical Practice Pledge, training, and surveys, and has distributed guidelines and know-how for handling reports. Additionally, starting in 2024, the SK Group-level comprehensive assessment of ethical management systems, capabilities, and effectiveness was expanded to include subsidiaries, thereby endeavoring to elevate the level of ethical management at these entities.

Corporate Ethics Mission and Directions

Through unethical conduct prevention and audit and diagnostic activities, we make a tangible contribution to strengthening the fundamental competitiveness of the semiconductor business.

	Consensus	Compliance	Cost Effectiveness/ Efficiency
Direction	To enhance stakeholder ethical practice capability, we are continuously advancing the overall implementation infrastructure and related systems.	For the detection and eradication of unethical conduct, we conduct regular risk assessments and periodic inspections of high-risk areas.	By evaluating the effectiveness and efficiency of expenditures relative to their intended purposes, we identify and eliminate sources of waste and discover opportunities for cost savings.
2025 Key Tasks	Establishing an ethical management implementation system for partner companies, and selectively focusing on meaningful certification systems for key customers and investors.	Advancing audit support infrastructure by developing risk analysis and detection systems, as well as audit methodology, utilizing AI and digital transformation technologies.	Strengthening operational substance and fundamental competitiveness from an operation improvement perspective.

Ethical Management Framework



Business Conduct

Prevent

Ethical Practice Pledge and Survey

All domestic and international employees of SK hynix, along with supplier employees, are required to participate annually in the "Ethical Practice Pledge" to help them better understand the importance and necessity of ethical management and affirm their commitment to ethical practice. In addition, SK hynix conducts the "Ethical Practice Survey" targeting all employees to identify changes in their ethical practice levels and derive effective improvement measures for the ethical practice system.

Promoting Ethical Management Among Suppliers

Since 2023, SK hynix has been directly visiting suppliers to conduct the "BP Counseling" program, which includes preventive education focused on unethical case studies, guidance on ethical practice systems such as leniency programs and whistleblowing reward systems, and provides a forum for airing grievances. In 2024, 43 companies were selected and visited based on comprehensive considerations including transaction volume and revenue dependency on SK hynix.

Additionally, to ascertain the overall level of supplier awareness regarding SK hynix's ethical management standards and practice systems, a supplier survey ("BP Survey") was launched for the first time in 2024. Approximately 1,900 individuals, including CEOs and sales directors from over 1,100 suppliers, participated. The results of the analysis will be gradually reflected in initiatives to expand ethical management to suppliers.

Ethics Training

SK hynix conducts "Basic Ethics Training" for all employees at domestic and international facilities (including regular, contract, and dispatched workers), covering topics such as negligence, dual employment/concurrent positions, and non-compliance with work procedures. This is complemented by case-based "Discussion-based Advanced Training" led by each organizational leader. In addition, customized training was conducted in 2024 for new team leaders and newly dispatched expatriate employees to impart the necessity of ethical leadership by example and methods for handling ethical conflicts. Intensive training, combining lectures and discussion-based training sessions, was conducted in March 2024 for all expatriate employees and specific local employees at Chinese production subsidiaries, led by the ethical management department at headquarters.Beyond these, a variety of employee communication programs related to ethical management are operated, including the "Useful Ethical Management Knowledge Dictionary", which reviews a wide range of situations involving ethical conflicts frequently brought up by employees through company regulations and actual case studies.

Ethics Practice Pledge and Training Participation Rate (Unit: %)

Category		2021	2022	2023	2024
Ethics Practice Pledge		97.1	98.4	98.4	98.9
Ethics Training	Basic (Online)	99.0	99.4	99.5	99.6
	Advanced Discussion-based (Offline)	100	100	100	100

*A total of 1048 suppliers participated in the 2024 Ethical Practice Pledge

Detect

Whistleblowing & Counseling

SK hynix operates reporting and counseling channels via its website, phone lines, and email, enabling all stakeholders, including employees, suppliers, and customers, to seek guidance or report ethical concerns related to the company at any time. Whistleblowers can choose to report anonymously or disclose their identity, with the assurance that their identity and the details of their report will be kept confidential in accordance with whistleblower protection regulations.

SK hynix operates a post-reporting monitoring system to prevent any adverse consequences from whistleblowing. The monitoring period for reported cases has been extended from one year to three years from the date of receipt, and the scope of eligibility has been expanded to include overseas subsidiaries and affiliates. Furthermore, all SK hynix employees can receive counseling on various topics, including unethical behavior, sexual harassment, and workplace bullying, through dedicated internal channels.

Whistleblowing and Counseling (Unit: Cases)

Category		2021	2022	2023	2024
Whistleblowing	Total Reports	368	308	283	361
	Valid Reports	85	51	49	77
Counseling	Ethics Counseling Center	207	90	61	70

*Report count for subsidiaries in 2024: 57 reports (15 valid reports).
*A total of 6 reports from suppliers in 2024 (1 valid report).
*The received reports were 100% processed in accordance with the report processing procedure.
*Scope of data collection: All subsidiaries and facilities in Korea and abroad

Business Conduct

Self-Assessment System

SK hynix conducts annual self-assessments of key business risks related to major operational areas such as procurement, HR, expenses, and investment management. The ethical management department categorizes necessary assessment items by operational area and prepares checklists to support operational departments in conducting self-assessments. Based on data from each operational system, the ethical management department makes a final judgment on the adequacy of the self-assessment results. Meanwhile, areas identified through diagnostic and audit activities as requiring ongoing management are added to the scope of the self-assessment system, ensuring management targets are updated annually. In 2024, by designating dedicated personnel for each subsidiary, we provided a high level of support and strengthened cross-checks on assessment results, thereby supporting the effective operation of self-assessment systems among our subsidiaries.

Audit & Assessment

SK hynix conducts audits and assessments of all domestic and international facilities and subsidiaries on a three-year cycle, verifying compliance with all relevant regulations and procedures, reviewing the adequacy and efficiency of operational processes, and identifying unethical conduct. Company-wide operations are categorized into seven domains and 23 fields. The scope of diagnosis is determined based on risk analysis for each field, focusing on high-risk areas. Audit results are regularly reported to the CEO and the Audit Committee as part of a Dual Reporting framework. In 2024, a total of six regular operational reports were completed. In 2025, assessments are currently underway for major subsidiaries, including overseas sales subsidiaries, in accordance with the mid-to-long-term audit plan.

Audits and Assessments by Year

Areas	2021	2022	2023	2024
R&D		○	○	
Manufacturing	○	○	○	○
Quality Assurance	○	○		
Sales/Marketing			○	○
Management Support	○	○	○	○
Overseas Business Sites			○	○
Subsidiaries		○	○	○

*Quality Assurance: Joint assessment conducted in 2022 by the autonomous management responsibility support group of SK Group and SK hynix.

Respond

SK hynix takes immediate corrective actions for matters identified during the monitoring and detection phases that require improvement, such as unethical or inefficient practices, and collaborates with relevant departments to formulate improvement tasks and diligently monitors implementation status to prevent recurrence. Notably, for serious unethical conduct such as false reporting, bribery, sexual misconduct, and harassment, a zero-tolerance principle is applied, and strict measures are taken regardless of position. Additionally, to reinforce the managerial accountability of leaders (executives) who should lead by example, SK hynix has implemented a “Penalty Points” system, deducting points from Key Performance Indicators (KPIs) for unethical conduct by leaders themselves or their subordinates. In 2024, a total of 25 leaders received penalty point deductions. Also, if a supplier is implicated in unethical conduct, sanctions such as transaction restrictions or suspensions and restricted site access are imposed through a review by the “BP Sanctions Review Committee.”

Disciplinary Actions for Employees and Sanctions for Suppliers (Unit: Cases)

Category		2021	2022	2023	2024
Employees	Light Disciplinary Action	25	27	33	111
	Severe Disciplinary Action	65	72	84	88
Suppliers	Restricted Access/ Supplies	0	1	1	1
	Contract Suspension/ Termination	12	1	5	7

*In 2024, out of the total number of disciplinary actions taken against employees, 18 cases involved instances of discrimination and harassment.
*Severe disciplinary actions: Wage cut, suspension, demotion, dismissal
*Scope of data collection: All subsidiaries and facilities in Korea and abroad

Business Conduct

Selected as one of the World's Most Ethical Companies

SK hynix has established and operates an effective and robust ethical management system based on the SK Management System (SKMS), the bedrock of SK's corporate management, and transparently discloses these practices and achievements to stakeholders. In recognition of these efforts, SK hynix was selected for the "World's Most Ethical Companies" in 2025, an award conferred by Ethisphere, marking a first for Korean semiconductor company. The "World's Most Ethical Companies" designation evaluates a company's ethical capabilities across five domains (management, governance, environmental and social impact, ethical corporate culture, and ethics and compliance programs) using over 240 quantitative and qualitative questions. This selection demonstrates that SK hynix's ethical management operations and implementation systems are recognized at an international level.



<Awarded as one of the World's Most Ethical Companies in 2025>

Business Conduct

Compliance Management

Global Compliance System

SK hynix aims to establish an internal global compliance program to identify and comply with relevant laws in all global countries where it conducts business and to meet the requirement levels of each regulatory agency. To this end, SK hynix continuously improves its global compliance program annually. Notably, at the SK Group CEO Strategy Meeting, including SK hynix, in June 2024, there was a strong emphasis on thoroughly adhering to fundamentals and principles such as compliance. This underscores the growing expectation and focus on compliance. In line with this, SK hynix conducts proactive inspections, preventive measures, and post-inspection activities to effectively mitigate compliance violation risks across key areas based on the relevant laws, international agreements, and customer requirements of the countries where it operates. These areas include: ① strategic materials and export control systems, ② counterparty risk management, ③ antitrust and unfair trade practices, ④ anti-corruption, and ⑤ personal data protection. Specifically, we have concentrated on responding to increasingly stringent global export regulations since 2022, focusing further on minimizing the company's legal risks and protecting both the company and its employees in our global compliance activities.

Operation of the Global Compliance Management System (GCMS)

SK hynix clearly recognizes that compliance with international laws and regulations cannot be achieved solely through the activities of a single department. To ensure active participation from all employees and establish a company-wide response system, we have established and operate the Global Compliance Management System (GCMS). GCMS is a system that enables the management of strategic goods and export control. It determines whether all items purchased, sold, or disposed of by the company are classified as strategic goods, identifies potentially high-risk counter-parties in accordance with regulations, and allows for real-time monitoring of counterpart risk. When necessary, the system can also restrict transactions to ensure compliance. SK hynix helps to propagate GCMS among its overseas subsidiaries to achieve global compliance goals and fosters the internalization of a compliance culture within relevant organizations.

Securing and Maintaining External Compliance-Related Certifications

SK hynix is committed to establishing a reliable compliance management system and processes through continuous investment. In 2023, we became the first domestic semiconductor company to simultaneously obtain international standard certifications for its compliance management system and anti-bribery management system, specifically ISO 37301 (Compliance Management Systems) and ISO 37001 (Anti-bribery Management Systems), thereby receiving recognition for these efforts. In the same year, SK hynix was acknowledged for the credibility of its strategic goods voluntary compliance program and system, achieving the highest grade (AAA) in the compliance program (CP) for authorized economic operators from the Ministry of Trade, Industry and Energy in July 2023, and has maintained this grade through regular audit. Through these ongoing compliance activities, SK hynix aims to improve internal processes, prevent legal violations in advance, and ultimately enhance stakeholder trust and the company's external credibility.

Compliance System Enhancement

As part of efforts to further strengthen its company-wide compliance management system for ethical business operations, SK hynix conducted a diagnostic assessment of its pre-emptive control levels and an evaluation of its compliance system's effectiveness in 2024, as a foundational task for building a proactive risk management system. Pre-emptive control refers to the proactive review and management of potential compliance risks that may arise during task execution. The diagnosis of pre-emptive control levels was conducted jointly with relevant departments in key business areas that individually perform compliance management activities, thereby enhancing accuracy and effectiveness. For evaluating the effectiveness of the compliance system, objectivity was secured by adopting evaluation criteria developed by external specialist firms. SK hynix plans to continue its efforts to create a sustainable management environment by establishing a compliance management system based on an organic collaborative framework centered on the compliance council, and by enhancing the compliance risk prevention and management capabilities across all business areas through the improvement of effectiveness evaluation criteria.

Fair Trade with Suppliers

SK hynix aims to enhance customer and supplier trust and secure global competitiveness by establishing fair and ethical business practices. Following the publication of the "Subcontracting Transaction Manual" in 2021 and the "Affiliate Transaction Manual" in 2023, we published the "Supplier Transaction Manual" in 2024 to support employees in conducting lawful and fair business operations in a wide array of transactions with suppliers. The Supplier Transaction Manual is structured using Do's & Don'ts, Q&As, and other formats concerning unfair trade practices regulated by Korean fair-trade laws, enabling employees responsible for related tasks to more concretely determine whether specific actions violate regulations during actual work. SK hynix has conducted two training sessions in 2024 for the procurement department, which is primarily responsible for transactions with suppliers, focusing on fair trade regulation and enforcement trends. Through these sessions, SK hynix has enhanced understanding of the importance of compliance and practical measures for compliance in actual business operations. Going forward, SK hynix plans to provide diverse guidance and training for employees using the Supplier Transaction Manual to ensure continuous compliance with legal obligations and maintain a culture that promotes fair trade in supplier transactions.

Risk Management

Information Protection & Industrial Security

Governance Structure

SK hynix, centered around the Chief Information Security Officer (CISO), who is the executive in charge of industrial security, aims to manage and control security risks based on top-tier security infrastructure and management systems, thereby preventing any impact on business operations and creating a security culture through effective security prevention activities. To this end, we continuously put in place integrated security monitoring measures including at overseas subsidiaries, conduct security vulnerability assessments and improvements, build and operate security infrastructure, enhance security awareness, and operate an industrial security council.

Strategy and Risk Management

SK hynix, as a company possessing national core technologies and national advanced strategic technologies under the Act on Industrial Technology Protection and the Act on National Advanced Strategic Industry, implements protective measures in accordance with relevant laws to ensure business continuity. Furthermore, we proactively establish various security infrastructure to respond to both internal and external environmental changes related to security. In addition, SK hynix annually reviews and revises internal security regulations to ensure legal compliance. The company designates a National Core Technology Security Manager and regularly convenes the Security Review Committee, chaired by the head of Digital Transformation, to report on plans and progress regarding security enhancement activities. SK hynix also conducts security inspections of critical information assets, including national core technology, confidential documents, and Fab production equipment, and continuously assesses security vulnerabilities, implementing corrective actions as needed. The status of SK hynix's information security personnel, investments, and activities is disclosed annually in accordance with the information security industry promotion act. Moreover, SK hynix's security system is externally recognized through ISO/IEC 27001 (international standard for information security management systems) certification. To ensure thorough industrial security, it is also essential for subsidiaries and partners to establish appropriate security systems. Accordingly, SK hynix supports security inspections for subsidiaries and partners, identifies areas for improvement, and implements enhancement activities.

Cyber Threat Response

SK hynix has established and operates security solutions tailored to cyber threat vectors, including the detection and analysis of malware infection signs, prevention of malware ingress, and isolation and remediation of infected systems.

Both domestically and for overseas subsidiaries, we operate 24/7 proactive prevention and response measures against external cyber threats and solidify our cyber threat response framework through simulated hacking exercises. Various security solutions are deployed for anticipated information leakage paths, and anomalies are checked and remediated based on scenarios.

Raising Security Awareness

To prevent security incidents such as information leakage, it is paramount not only to establish systems but also for employees themselves to recognize the importance of security. SK hynix employs various methods to enhance employees' security awareness.First, to facilitate employee-led security management, SK hynix designates a monthly Security Day and conducts leader-led security training within each department. Furthermore, biannual online security training is conducted on topics such as company security policies for protecting trade secrets, including National Core Technologies and National Advanced Strategic Technologies, and security incident case study analysis. In 2024, 100% of all employees completed online industrial security training, enhancing their security awareness, including the necessity of protecting company information assets. In addition, participatory security promotional events, such as "Expectations for Industrial Security" and "Information Protection Day Quiz" are conducted to create a security culture together with employees. Furthermore, the importance of security is constantly highlighted to employees by broadcasting security content through internal channels such as "High Security TOON."

Privacy Protection

SK hynix recognizes the importance of privacy protection and endeavors to safeguard the personal information of all stakeholders in its business operations. To comprehensively manage privacy-related risks across the company, the executive in charge of industrial security has been appointed as the Chief Privacy Officer (CPO). We have established and put in place an internal personal information management plan to protect the personal information of stakeholders, including customers, employees, and suppliers. In accordance with the Personal Information Protection Act and standards for ensuring the safety of personal information, we conduct management status checks on personal information processing systems and personal information consignees at least once a year. We have also established and now operate a personal information security management system for regular security checks and management of improvements to enhance personal information protection levels. In addition, to raise personal information protection awareness, we conduct personal information protection training for all employees at least once a year.

SK hynix has established response procedures for information leakage incidents in accordance with the Personal Information Protection Act to ensure swift response in case of an incident. We have also developed and introduced an anomaly detection system to prevent the leakage, exposure, and misuse of personal information. We make proactive efforts, such as subscribing to liability insurance, to fulfill compensation responsibilities in case data subjects claim damages due to personal information leakage incidents.

SK hynix strengthens its country-specific personal information response systems by reflecting key national laws and systems such as the General Data Protection Regulation (GDPR) of Europe, the California Consumer Privacy Act (CCPA) of the United States, and the Personal Information Protection Law of the People's Republic of China (PIPL) concerning personal information protection for global facilities. We are establishing a global top-tier personal information protection management system by applying an integrated global personal information protection framework.

Risk Management

Business Continuity Management

Governance Structure

The “Business Continuity Plan (BCP)” highlighted by SK hynix signifies an essential response system to maintain business continuity even in unforeseen crisis situations. This system is becoming increasingly crucial for preparing against complex and multifaceted risks such as extreme weather, pandemics, geopolitical issues, and global economic crises. SK hynix operates its BCP centered around the future strategy department and conducts annual BCP drills attended by the CEO.

Strategy and Risk Management

SK hynix has established and maintained its BCP since 2015 through the following methods. SK hynix’s BCP consists of five stages and is operated as a series of procedures designed to understand and prioritize the impact of business operation threats, and to prevent, reduce the likelihood of, prepare for, respond to, and recover from situations that may disrupt business operations.

These efforts contribute to SK hynix maintaining customer trust by providing products and services on a stable basis even under unpredictable circumstances. SK hynix receives annual international recognition for these crisis management capabilities through ISO 22301 certification and plans to further solidify business continuity through diverse BCP-based activities.

BCP Operation Plan

1	Risk Factor Identification and Assessment	Continuously identify and assess various risk factors that could halt the company’s production lines and focus on managing them.
2	Recovery and Response Strategy Formulation	Define key recovery tasks based on identified risks and establish specific response strategies.
3	Regular Drills and Improvements	Conduct regular drills to enhance the effectiveness of BCP strategies and continuously advance the BCP framework by reflecting points for improvement derived from the process.
4	Employee Training	Provide regular BCP training to employees, striving to spread awareness of business continuity plans and establish a BCP culture.
5	Emergency Response Committee Operation	In the event of a crisis, the existing organization transitions into a BCP organization, entering an emergency work mode. To achieve rapid normalization to predefined operational levels, activities related to disaster recovery and response, and business normalization are actively pursued.

Identified Key Risks

Geopolitical Risk	Changes in the global trade environment, issues related to the operation of global production facilities
Transition Risk	GHG emission regulations, failure to develop high-efficiency products, decline in corporate reputation, decline in corporate value, failure to enter new businesses, declining profitability
Physical Risk	Rise in average temperature, rise in sea levels
Economic Risk	Economic recession/crisis

Board of Directors

Responsible Board Management

Enhancing Board Functions

In July 2024, SK hynix revised the regulations of the Board of Directors and the Future Strategy Committee, and enacted the Board of Directors' operating rules, thereby strengthening the Board's management and oversight functions for investment activities. Since the revision of Board regulations concerning investment and borrowing in 2012, the company's operational scale has significantly expanded. With increased large-scale investments, the variety of financial and strategic investment items has grown, highlighting the need to refine the criteria for agenda submission to the Board and the Future Strategy Committee to enhance their deliberation functions. Accordingly, matters involving "1.0% or more of equity capital" were designated for Board approval, matters involving "KRW 100 billion or more but less than 1.0% of equity capital" for Future Strategy Committee approval, and matters "under KRW 100 billion" for delegation to the CEO. Re-approval criteria were also clarified, thereby defining the authority of the Board, Committees, and the CEO, and strengthening the basis for procedural legitimacy.

Through such amendments to regulations and the establishment of detailed rules, we believe that clarifying the standards will strengthen the deliberation and resolution functions of the Board and the Future Strategy Committee. We will continue to enhance the oversight function of the Board on an ongoing basis.

Enhancing Board Expertise

Board Field Management

To enhance the professional expertise of its directors, SK hynix actively implements field management Management by Wandering Around (MBWA), including participation in renowned global exhibitions, visits to Global ICT companies, and tours of its domestic and international facilities. By attending "Mobile World Congress (MWC)" in February 2024 and "The International Consumer Electronics Show (CES)" in January 2025, the company's independent directors had the opportunity to quickly grasp the latest technology and industry trends, thereby cultivating insights into industry transformations. Additionally, an independent directors' meeting was held at the Cheongju Campus in July 2024, including a tour of the M15X construction site to review operational status. In addition, they regularly visit semiconductor sites to monitor industry trends and technology development status. SK hynix plans to continue creating opportunities for independent directors to enhance the professional expertise required for corporate management in a rapidly changing industry and market through diverse programs.

Board Skills Matrix Results

Internal Transaction Management & Oversight

The SK hynix Audit Committee, composed entirely of independent directors to ensure independence, strengthens internal transaction management and oversight through regular and close communication with management and external auditors to enhance management transparency. Recognizing the importance of internal transaction management oversight, in April 2024, newly appointed Audit Committee members were educated on regulations concerning sanctions for providing unfair support and seeking private gain, based on relevant case law. They also received training on the status of affiliate transactions and internal transaction volumes, as well as internal transaction review processes and criteria for large-scale internal transaction approvals. To proactively ensure oversight of unfair or improper internal transaction activities, the SK hynix Audit Committee held a total of 13 meetings in 2024 to meticulously deliberate and resolve internal transaction agenda items. It plans to continue strengthening management and oversight by reviewing potential substantive conflicts of interest in the future.

Enhancing Board Communication

SK hynix held three interactive communication events to strengthen mutual trust between the Board and employees and to enhance the Board's understanding of on-site management operations. In May 2024, a small-scale discussion session was held between independent directors and the Junior Board, providing an opportunity for directors to hear firsthand the concerns of Junior Board members acting as middle managers. Additionally, in July 2024, a meeting was held between female independent directors and female managers (team leaders) to discuss leadership development strategies and the creation of a desirable organizational culture, establishing a forum for communication aimed at making the company a better place for women to work. Lastly, in October 2024, a meeting was arranged between a senior independent director, who is a former SK hynix researcher, and executives in charge of research and development, to reflect on the company's development process and share perspectives on the future direction of next-generation memory.

The SK hynix Board of Directors plans to continue diversifying communication channels in 2025, creating ongoing opportunities for communication between the Board, management, and employees.



<2024 Meeting between Female Independent Directors and Team Leaders>

Board of Directors

Board Evaluation and Compensation

Director Compensation Policy

The compensation for SK hynix directors primarily consists of a base salary (annual), performance bonus (incentive), and other income. The maximum compensation a director can receive is determined within the limit approved at the general shareholders' meeting. The compensation limit is based on the company's compensation policy, comprehensively considering factors such as directors' salaries and performance bonuses from the previous year, and the number of registered directors. It also reflects the projected maximum compensation amount for the next 3-5 years. Due to the inherent volatility of the semiconductor industry, performance can fluctuate sharply. Performance bonuses paid to internal directors based on performance can also vary significantly compared to other industries. Therefore, a stable mid-term compensation limit is set.

Enhancement of HR & Compensation Committee Functions

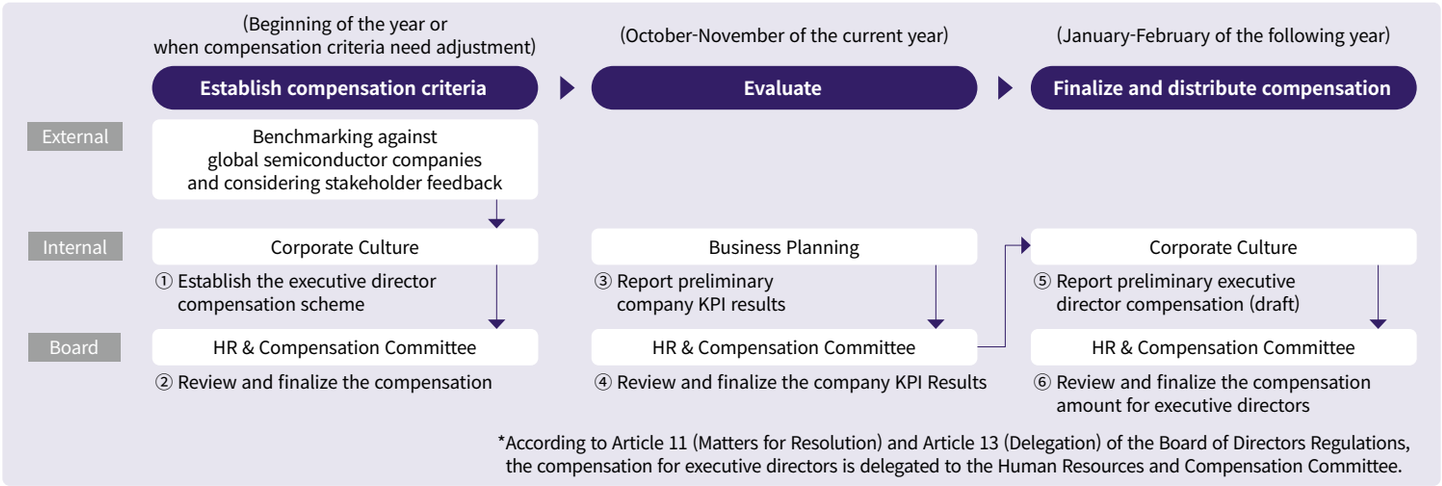
At SK hynix, the HR & Compensation Committee, under the Board of Directors, not only deliberates and resolves on CEO Key Performance Indicator (KPI) setting and evaluation, and corresponding compensation, but also reviews and deliberates on policies related to top management succession.
In October 2024, the "CEO Succession Plan" was reported to the HR & Compensation Committee, and through this, the succession program for the CEO candidate pool is systematically maintained. In 2025, plans include holding HR & Compensation Committee forums for CEO candidates, proactively securing and maintaining CEO succession plans and a pool of top management candidates. SK hynix will continue to enhance the role of the HR & Compensation Committee to improve governance transparency and independence.

Director Compensation Structure and Payment Criteria

Category		Details	Limits
Base salary (annual salalry)		Determined annually based on the previous year's performance, the role performed by the director, and the internal and external compensation competitiveness.	Adjusted within 0-10% of the previous year's salary.
Performance-based bonuses	Short-term (1 year)	Target Incentive(TI) - Paid based on the achievement of individual KPIs, with final amounts adjusted considering the overall achievement of the company's KPIs.	0-50% of the annual salary
		Value Incentive(VI) - Paid according to financial performance (e.g., operating profit) linked to the company's performance and corporate value	0-110% of the annual salary
	Long-term (3 year)	Stock-based compensation schemes such as stock options, stock grants, stock appreciation rights (SARs), and performance share units (PSUs) PSUs have been in operation since 2023 and are awarded based on the company's stock price and KOSPI 200 growth rate over three years.	PSU: Stock equivalent to 0% to 300% of the initial grant size

*In cases where exceptional management performance has made a significant contribution to the company's sustainable growth and enhancement of shareholder value, additional compensation may be granted with the approval of the HR & Compensation Committee.

Director Compensation Determination Process



*According to Article 11 (Matters for Resolution) and Article 13 (Delegation) of the Board of Directors Regulations, the compensation for executive directors is delegated to the Human Resources and Compensation Committee.

ESG Management

Responsible ESG Management

ESG Management Committee

The ESG Management Committee, launched in 2021 to establish a system for managing and making decisions on ESG issues at the executive level, has become a core decision-making body for SK hynix's ESG management. Chaired by the CEO, and involving key executives from relevant domains, the committee addresses over 20 agenda items annually on average. In 2024, the ESG Management Committee discussed a wide range of themes, including reviewing the implementation status of the mid-to-long-term goals of the ESG strategy framework "PRISM" and establishing annual targets, as well as climate change response, supply chains, and human rights. SK hynix reflects some of the PRISM goals in the CEO's KPIs. Key matters discussed by the ESG Management Committee are reported to the Sustainability Committee under the Board of Directors to ensure responsible management and oversight at the Board level, thereby adding weight to the company's ESG management initiatives.

2024 Key Agenda Items of the ESG Management Committee

- PRISM 2030 Goal Management Status
- Progress of Solar Power Purchase Agreement (PPA) Implementation*
- Plan to Implement Life Cycle Assessment (LCA) for Measuring Product Carbon Emissions
- Status of Conflict/Responsible Minerals Management and Future Plans*
- Supplier ESG Assessment Results and Future Plans
- Analysis of Global ESG Investor Trends
- Establishment of Subsidiary Grievance Handling System and Future Plans
- Progress of Global ESG Disclosure Response Task Force Operations, etc.*

*Agenda items reported to the Sustainability Committee or the Board of Directors

Reflecting ESG performance in CEO KPIs

SK hynix establishes CEO key performance indicators (KPIs) through the HR & Compensation Committee under the Board, and sets and evaluates ESG related tasks within the CEO KPIs, reflecting the results in CEO compensation. In 2025, SK hynix will structure the CEO KPIs around ESG key indicators, enabling the CEO to proactively manage non-financial factors that are critical to corporate growth and to implement ESG management in a more comprehensive manner.

Sustainability-related objectives and performance in the 2024 CEO KPIs

Category	Weight	Performance
Sustainability - GHG emissions, PRISM goals, employee happiness, ethical management, etc.	3.6%	Achieved

Sustainability-related objectives in the 2025 CEO KPIs

Category	Weight
Sustainability - PRISM goals, employee happiness, SHE management, etc.	5%

ESG Checklist

As the importance of ESG management grows, external organizations are increasingly demanding that ESG factors be reviewed in significant investment or transaction decisions related to company management. Additionally, forthcoming global ESG disclosure standards also require the disclosure of these same items. While SK hynix already reviewed environmental and compliance factors in significant investment decisions, we established an ESG checklist in 2024 that broadens the scope of such reviews to cover the entire ESG domain to meet heightened stakeholder expectations, introducing an enhanced review process for major investment decisions. This is aimed at proactively reviewing potential ESG issues for key investment agenda items with significant business impact. These include investment agenda items of a scale requiring Board approval among new external business investments (M&A, venture capital). The ESG checklist consists of 23 items reviewing investment risk and opportunity factors across environmental, social, and governance domains, considering SK hynix's industry characteristics. During investment deliberations, the department proposing the investment is required to submit the results of the ESG checklist review for the investment target and the review opinions of the ESG team (the dedicated ESG organization). After the investment is executed, the company-wide investment review department conducts a post-implementation evaluation based on the previously submitted checklist to discuss response measures for ESG risks arising during project implementation, thereby establishing procedures to minimize potential ESG risks and maximize growth opportunities. SK hynix plans to review the gradual expansion of the ESG checklist application scope in the future and will continue to strive to strengthen ESG practices across all management activities, including investment projects.

ESG Data

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Financial Highlights

Key financial performance

(Unit: KRW billion)

Category	2021	2022	2023	2024
Sales	42,998	44,622	32,766	66,193
Gross profit	18,952	15,628	(533)	31,828
Operating profit	12,410	6,809	(7,730)	23,467
Profit before corporate tax	13,416	4,003	(11,658)	23,885
Corporate tax	3,800	1,761	(2,520)	4,088
Cash taxes paid [1]	1,015	3,979	1,384	552
Net profit	9,616	2,242	(9,138)	19,797
Total assets	96,347	103,872	100,330	119,855
Total borrowings	17,624	22,995	29,469	22,684

1) Cash taxes paid are based on the corporate tax expense determined in the previous year.

Shareholding by executives and special affiliated investors

(As of the end of 2024)

Category	Name	No. of stocks
Executive directors	Kwak Noh-Jung	4,820
	Ahn Hyun	2,833
Independent directors	Ha Yung-Ku	2,053
	Han Ae-Ra	1,358
	Jeong Deog-Kyoon	708
	Kim Zeong-Won	708
	Yang Dong-Hoon	292
	Sohn Hyun-Chul	292

*Excluding two other non-executive directors who do not hold shares (Park Sung-Ha, Jang Yong-Ho)

Shareholders' status

(As of the end of 2024, common stocks)

Category	No. of stocks	Shareholding (%)
SK square [1] and others [2]	146,113,064	20.07
National Pension Service [3]	53,477,083	7.35
Others	489,448,584	67.23
Treasury Shares [4]	38,963,634	5.35
Total	728,002,365	100

1) SK Inc. is the largest shareholder of SK Square, with members of the founding family representing the majority shareholders.
2) Executives and related parties hold 13,064 shares.
3) SK hynix does not issue any golden shares for government institutions. The number of stocks owned and the shareholding ratio of the National Pension Service are based on the "Report on the Status of Large-Scale Shareholdings" of the National Pension Service as of September 23, 2024.
4) As of the end of 2024, this includes 19,048,003 treasury shares and 19,915,631 treasury shares subject to exchangeable bonds. The treasury shares subject to exchange are currently deposited with the Korea Securities Depository.

Stock types and voting rights

(As of the end of 2024)

Category	Issued stocks	Ratio (%)	Remarks
Preferred stocks	0	0	No voting right
Common stocks with voting right	689,038,731	94.65	Voting right
Common stocks - Treasury stocks	38,963,634	5.35	No voting right
Total	728,002,365	100	

Financial Highlights

Key financial performance by international region in 2024

(Unit: KRW 100 million)

Company name	Type of business	No. of employees (persons)	Sales	Profit before tax	Corporate tax (accural basis)
SK hynix Semiconductor (China) Ltd.	Semiconductor production	4,154	56,171	1,693	328
SK hynix Semiconductor (Chongqing) Ltd.		2,729	10,932	1,361	205
SK hynix (Wuxi) Semiconductor Sales Ltd.	Semiconductor sales	232	130,104	2,006	594
SK hynix America Inc.		407	334,542	1,312	263
SK hynix Deutschland GmbH		28	3,332	68	30
SK hynix UK Ltd.		12	10,997	20	0
SK hynix Japan Inc.		55	6,867	61	35
SK hynix Asia Pte. Ltd.		26	22,931	61	(2)
SK hynix Semiconductor Hong Kong Ltd.		17	21,282	49	(5)
SK hynix Semiconductor Taiwan Inc.		63	23,151	71	14
SK hynix Semiconductor India Pvt. Ltd. [1]		6	1,376	15	2
SK hynix memory solutions America Inc.	Semiconductor R&D	252	2,145	190	(17)
SK hynix memory solutions Taiwan Ltd.		39	104	12	2

1) Business year of India subsidiary: From April 1st 2024 to March 31st 2025.
*Data scope: Key semiconductor manufacturing, sales, and R&D subsidiaries among our consolidated entities.
*Due to varying accounting audit schedules for each country, some subsidiaries' financial figures are before the audit, and there may some changes after the audit.
Corporate income tax (on a cash basis) has been excluded from the disclosure scope starting in 2024 due to high estimation uncertainty.

Ratio of CEO compensation in 2024

Category	Unit	CEO [2]	Employees	
			Mean	Median
Compensation [1]	KRW million	1,400	80	71
CEO compensation divided by the employee compensation	times	-	17.5	19.7

1) Compensation is calculated based on contractual annual salaries.
2) The CEO's compensation is based on CEO Kwak Noh-Jung

BOD compensation in 2024

(Unit: KRW million)

Category	No. of directors (persons)	Total compensation	Average compensation per person [1]
Executive directors [2]	2	3,390	1,695
Independent directors (excluding members of the Audit Committee)	2	326	163
Members of the Audit Committee	4	630	158

1) The average compensation per person is calculated by dividing the total compensation by the average number of individuals over the period.
2) Excluding non-executive directors

Environmental

Greenhouse gas emissions

Category		Unit	2021	2022	2023	2024
Scope 1	CO_2	tCO2eq	111,567	197,807	1,165,172	2,569,211
	CH_4		496	10,150	10,434	8,908
	N_2O		72,920	71,954	45,438	28,198
	HFCs		253,753	252,547	42,789	54,642
	PFCs		961,220	1,020,389	184,136	171,793
	SF_6		248,419	228,907	41,874	48,098
	NF_3		980,546	1,161,003	848,248	881,732
	Total		**2,628,921**	**2,942,757**	**2,338,090**	**3,762,584**
Scope 2 [1]	CO_2		5,193,396	6,116,917	4,969,392	3,801,880
	CH_4		1,001	1,106	864	518
	N_2O		19,611	21,854	16,634	9,722
	Total		**5,214,008**	**6,139,877**	**4,986,890**	**3,812,119**
Scope 3	Purchased raw materials and services [2]		3,092,433	2,616,779	1,604,881	2,577,393
	Fuel- and energy-related activities [3]		-	557,269	878,254	712,532
	Upstream transportation and distribution		55,269	70,096	153,694	92,595
	Downstream transportation and distribution		26,832	2,934	1,087	201
	Waste generated in operations		228,419	261,498	286,402	315,027
	Business travel		144	1,944	1,993	2,858
	Employee commuting		29,680	26,869	24,717	31,495
	Total		**3,432,777**	**3,537,388**	**2,951,027**	**3,732,101**
Emissions intensity by sales [4]	Scope 1&2	tCO2eq/ KRW 100 million	18.24	20.35	22.36	11.44

1) Location-based method emissions. Market-based method Scope 1&2 emissions managed under PRISM goals: 7,638,465 tCO_2eq in 2021, 7,173,550 tCO_2eq in 2022, 5,415,283 tCO_2eq in 2023, 5,502,136 tCO_2eq in 2024.
2) Scope 3 greenhouse gas emissions related to purchased services have been newly disclosed since 2022, and emissions from the Chongqing site that were double-counted with the headquarters' emissions in purchased raw materials have been excluded.
3) Newly disclosed figures starting from 2022.
4) Market-based method emissions intensity by sales: 17.79 in 2021, 16.08 in 2022, 16.53 in 2023, 8.31 in 2024 (unit: tCO_2eq/KRW 100 million)

*Global warming potential (GWP) values from The Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC) are applied.
*Based on the criteria of the US Electronic Product Environmental Assessment Tool (EPEAT), the F-GHG process emissions in 2024: 1,287,398 tCO_2eq (Using IPCC Tier 2a methodology, IPCC AR5, Measured DREs by IPCC)
*Data scope: Icheon, Cheongju, Bundang, Seoul (satellite offices), Wuxi, Chongqing.

Environmental

Energy consumption

Category		Unit	2021	2022	2023	2024
Energy consumption by source	Electricity [1]	GJ	95,498,700	99,215,693	76,540,811	50,238,443
	LNG		2,199,591	3,450,666	22,973,048	50,832,690
	Steam		5,801,655	6,176,572	5,927,267	5,825,056
	Others		59,725	40,017	37,505	37,971
	Total		**103,559,671**	**108,882,947**	**105,478,631**	**106,934,161**
Energy consumption intensity by sales [2]	Electricity	GJ/ KRW 100 million	222.10	222.35	233.60	75.90
	LNG		5.12	7.73	70.11	76.79
	Steam		13.49	13.84	18.09	8.80
	Others		0.14	0.09	0.11	0.06
	Total		**240.85**	**244.01**	**321.92**	**161.55**

1) According to the Enforcement Rules of the Energy Act in the Republic of Korea, 1MWh of domestic electricity consumption equals 9600MJ, while 1MWh of overseas electricity consumption equals 3600MJ. Self-generation through the Smart Energy Center (SEC) was excluded to avoid double counting of electricity usage and included in LNG usage.
2) Based on sales in the Annual Report's consolidated accounting standards.
*Data scope: Icheon, Cheongju, Bundang, Seoul (satellite offices), Wuxi, Chongqing.

Electricity consumption

Category		Unit	2021	2022	2023	2024
Total electricity	Consumption [1]	GWh	10,921	12,083	12,011	12,620
	Consumption by sales [2]	GWh/KRW billion	0.25	0.27	0.37	0.19
Renewable electricity	Consumption	GWh	440	3,572	3,606	3,779
	Rate	%	4.0	29.6	30.0	29.9

1) Total electricity consumption including self-generation through SEC.
2) Based on sales in the Annual Report's consolidated accounting standards.
*Data scope: Icheon, Cheongju, Bundang, Seoul (satellite offices), Wuxi, Chongqing.

Energy savings

Category	Unit	2021	2022	2023	2024
Target	GWh	177	155	285	295
Achievement		186	207	585	350

*Reduction in GHG emissions based on energy savings in 2024: 160,600 tCO2eq
(An emission reflecting the national grid emission factor, applied the GWP of the AR5)
*Data scope for 2021~2022 was based on domestic sites, and was expanded to overseas manufacturing sites from 2023

Air pollutant emissions

Category		Unit	2021	2022	2023	2024
Icheon	SOx	Ton	7.7	22.6	10.6	22.1
	NH_3		20.6	11.1	21.7	3.6
	NOx		241.3	158.2	142.1	156.9
	HF		3.0	3.6	0.6	0.1
	HCl		2.7	7.4	2.9	2.4
	VOC		-	-	-	-
	Dust		0.0	0.4	0.0	0.4
Cheongju	SOx		7.9	5.2	1.4	2.3
	NH_3		26.7	22.3	8.3	1.2
	NOx		248.8	82.7	79.2	78.1
	HF		3.5	2.6	0.7	0.1
	HCl		10.1	3.6	4.6	1.2
	VOC		-	-	-	-
	Dust		37.8	24.9	4.9	1.6
Wuxi	SOx		2.6	0.7	4.7	6.0
	NH_3		6.6	0.1	1.3	18.8
	NOx		0.0	0.0	2.9	2.3
	HF		0.2	0.0	0.0	0.0
	HCl		28.6	23.7	23.9	29.6
	VOC		0.6	0.3	13.0	16.3
	Dust		-	-	-	-
Chongqing	SOx		0.0	0.5	0.1	0.0
	NH_3		-	-	-	-
	NOx		6.8	2.8	2.9	2.0
	HF		-	-	-	-
	HCl		0.4	0.0	0.0	0.0
	VOC		0.1	0.0	0.4	0.1
	Dust		8.5	2.1	9.2	8.7

*Data for substances that are not process materials or whose emission concentrations are negligible and therefore do not affect pollutant emissions are indicated with a "-" to denote exclusion from the list of regulated substances.

Environmental

Water management

Category			Unit	2021	2022	2023	2024
Domestic sites	Withdrawals	Municipal water	1,000m³	39,355	43,488	40,237	43,406
		Surface water		32,343	34,697	31,534	31,414
		Reclaimed water		-	-	2,375	4,581
		Total		**71,698**	**78,185**	**74,146**	**79,401**
	Consumption			13,714	17,327	15,925	16,569
	Wastewater discharge			57,984	60,858	58,221	62,832
	Ultra pure water consumption			29,254	29,475	27,313	28,943
Overseas sites	Withdrawals	Municipal water		24,771	26,154	24,550	25,071
		Surface water		-	-	-	-
		Reclaimed water		7,300	7,300	7,852	8,509
		Total		**32,071**	**33,454**	**32,402**	**33,580**
	Consumption			4,268	3,523	3,273	3,054
	Wastewater discharge			27,803	29,931	29,129	30,526
	Ultra pure water consumption			10,925	10,040	8,950	9,696
Total	Withdrawals	Municipal water		64,126	69,642	64,787	68,477
		Surface water		32,343	34,697	31,534	31,414
		Reclaimed water		7,300	7,300	10,227	13,090
		Total		**103,769**	**111,639**	**106,548**	**112,981**
	Consumption			17,982	20,851	19,198	19,623
	Wastewater discharge			85,787	90,789	87,350	93,358
	Ultra pure water consumption			40,179	39,515	36,262	38,639

Water reuse and reuse rate

Category		Unit	2021	2022	2023	2024
Water reuse	Domestic sties	1,000m³	34,464	36,075	46,462	52,033
	Overseas sites		13,124	11,802	11,623	12,660
	Total		**47,587**	**47,877**	**58,085**	**64,693**
Water reuse rate	Domestic sties	%	37	37	44	45
	Overseas sites		32	28	29	29
	Total		**36**	**35**	**40**	**41**

Wastewater discharge quality

Category		Unit	2021	2022	2023	2024
Domestic sites	COD	Ton	203.9	-	-	-
	TOC[1)]		-	194.5	115.0	94.6
	BOD		116.6	110.7	90.6	90.9
	T-P		1.0	2.0	1.0	0.7
	SS		97.0	96.9	67.2	42.8
Overseas sites	COD		430.1	453.1	369.1	554.7
	F		23.9	36.5	87.4	30.4
	NH_3-N		65.4	137.0	80.0	127.2

1) Starting from 2022, among the management items for organic matter in the discharged wastewater of domestic wastewater treatment facilities, COD has been changed to TOC. Accordingly, COD data is replaced with TOC data.

Water stressed areas

Category		Unit	2021	2022	2023	2024
Withdrawals	Amount	1,000m³	39,708	42,115	35,919	40,892
	Rate	%	38	38	34	36
Consumption	Amount	1,000m³	10,153	11,274	5,074	6,741
	Rate	%	56	54	26	34

*As new water stress areas (above High) were identified based on the updated WRI Aqueduct 4.0 framework as of August 2023, data for 2021-2022 was disclosed based on Icheon, while data for 2023~2024 was disclosed based on Cheongju.

Environmental

Total waste

Category			Unit	2021	2022	2023	2024
Domestic sites	Total waste generated		Ton	300,694	368,711	326,090	356,910
	Waste disposal	Recycled		291,992	359,188	318,784	350,445
		Self-reuse [1]		-	-	-	-
		Incineration [2]		8,338	9,057	5,517	5,469
		Others [3]		364	465	1,789	996
Overseas sites	Total waste generated			204,165	221,767	176,182	201,658
	Waste disposal	Recycled		184,971	206,018	161,208	184,416
		Self-reuse [1]		14,117	11,533	12,145	14,359
		Incineration [2]		2,937	3,183	2,740	2,760
		Others [3]		2,139	1,033	89	123
Total	Total waste generated			504,859	590,478	502,272	558,568
	Waste disposal	Recycled		476,963	565,206	479,992	534,861
		Self-reuse [1]		14,117	11,533	12,145	14,359
		Incineration [2]		11,275	12,240	8,257	8,229
		Others [3]		2,503	1,498	1,878	1,119

1) Self-reuse of waste within the facility, separate from recycling through external waste treatment facilities.
2) Recycling through heat energy recovery, such as generating steam and electricity using heat generated from waste incineration.
3) Solidification, landfilling, neutralization, incineration without energy recovery, etc.
*Data scope: Korea (Icheon, Cheongju), overseas (Wuxi, Chongqing) *Data for 2023 was updated due to simple numerical errors.

Hazardous waste

Category			Unit	2021	2022	2023	2024
Domestic sites	Total waste generated		Ton	214,432	254,961	223,037	237,398
	Waste disposal	Recycled		210,182	250,107	219,621	234,867
		Self-reuse [1]		-	-	-	-
		Incineration [2]		3,886	4,389	1,627	1,535
		Others [3]		364	465	1,789	996
Overseas sites	Total waste generated			139,760	149,824	115,953	133,644
	Waste disposal	Recycled		125,419	137,959	103,548	118,953
		Self-reuse [1]		14,117	11,533	12,145	14,359
		Incineration [2]		48	131	260	332
		Others [3]		174	200	0	0
Total	Total waste generated			354,191	404,784	338,990	371,042
	Waste disposal	Recycled		335,601	388,066	323,169	353,820
		Self-reuse [1]		14,117	11,533	12,145	14,359
		Incineration [2]		3,934	4,520	1,887	1,867
		Others [3]		538	665	1,789	996

*Footnote description is the same as total waste
*Data for 2023 was updated due to simple numerical errors.

ZWTL Waste Diversion Rate (Certification)

Category		Unit	2021	2022	2023	2024
Domestic sites	Icheon	Rate (Certification)	98% (Gold)	100% (Platinum)	100% (Platinum)	100% (Platinum)
	Cheongju		98% (Gold)	100% (Platinum)	100% (Platinum)	100% (Platinum)
Overseas sites	Wuxi		99% (Gold)	98% (Gold)	100% (Platinum)	100% (Platinum)
	Chongqing		91% (-)	94% (-)	99% (-)	99% (Gold)

Breach of environmental laws

Category	Unit	2021	2022	2023	2024
Breach of law	Cases	0	0	0	0

*Cases of non-compliance with a value exceeding $10,000.

SHE investment result

Category	Unit	2021	2022	2023	2024
Invested Capital	KRW million	74,354	62,227	70,721	68,390

Environmental training (Korea)

Category	Unit	2024
Training hours	Hours	113,177

Social

Employee status

Category		Unit	2021	2022	2023	2024
Number of employees		Persons	38,352	40,153	39,810	40,100
Type	Regular		36,243	35,437	35,939	38,593
	Temporary		2,109	4,716	3,871	1,507
Gender	Male		24,255	25,616	25,481	25,815
	Female		14,097	14,537	14,329	14,285
Age group	~29		11,934	11,889	9,833	8,357
	30~49		24,603	25,713	27,056	28,400
	50+		1,815	2,551	2,921	3,343
Nationality	Korea		30,484	31,892	32,018	32,437
	China		6,909	7,263	6,876	6,719
	U.S.		38	121	34	548
	Others		921	877	882	396
Location	Korea		29,473	31,217	31,439	31,777
	China		7,766	7,744	7,304	7,163
	Americas		541	618	662	660
	Others		572	574	405	500

*For locally hired employees at the U.S. subsidiaries, nationality cannot be verified due to the personal information protection act, and therefore they are regarded as U.S. nationals.

Employee status by type and gender in 2024 (Korea)

Category		Unit	Type		
			Regular	Temporary	Total
Gender	Male	Persons	20,858	49	20,907
	Female		10,847	23	10,870
	Total		31,705	72	31,777

*There are no part-time contract workers among our employees, and the number of dispatched or non-affiliated workers is 14,473.

Hires

Category		Unit	2021	2022	2023	2024
New hires		Persons	3,549	3,901	739	942
Gender	Male		2,483	2,892	568	779
	Female		1,066	1,009	171	163
Age group	~29		2,550	2,927	228	379
	30~49		936	932	497	545
	50+		63	42	14	18
Average hiring costs (Korea)		KRW	952,538	1,164,986	1,353,895	1,038,919
Average length of service (Korea)		Years	11.7	11.8	12.7	13.4

*Average hiring cost = Current year's hiring cost / Number of hires in the current year

Social

Turnover (Korea)

Category			Unit	2021	2022	2023	2024
Voluntary turnover rate	Gender	Male	%	4.1	2.4	1.8	1.1
		Female		2.5	1.5	1.1	0.6
	Age group	~29		5.7	3.1	2.4	1.6
		30~49		2.7	1.6	1.2	0.7
		50+		2.8	2.1	1.5	1.3
	Total			**3.5**	**2.0**	**1.5**	**0.9**
Non-voluntary turnover rate	Gender	Male		0.4	0.5	0.4	0.4
		Female		0.1	0.2	0.1	0.2
	Age group	~29		0.1	0.1	0.1	0.1
		30~49		0.1	0.3	0.1	0.2
		50+		4.2	2.9	2.6	2.7
	Total			**0.3**	**0.3**	**0.3**	**0.3**
Total turnover rate	Gender	Male		4.5	2.8	2.2	1.6
		Female		2.5	1.6	1.1	0.8
	Age group	~29		5.8	3.2	2.5	1.7
		30~49		2.8	1.9	1.3	0.9
		50+		7.1	5.0	4.1	4.0
	Total			**3.8**	**2.4**	**1.8**	**1.3**

Diversity (Korea)

Category			Unit	2021	2022	2023	2024
Representation of female	Total		%	35.2	33.9	34.4	33.6
	Leadership[1]	Senior managers		1.9	2.1	2.5	3.1
		Middle managers		28.4	29.6	29.6	30.0
	Revenue-generation functions[2]	Management level		29.0	29.6	32.1	32.6
		Non-management level		37.3	35.5	35.5	35.1
Others	Employees with disabilities	Own operation	Persons	189	188	184	183
		Subsidiaries[3]		800	889	852	875
	National veterans			320	328	324	319

1) Leadership criteria
Senior managers: Executives (registered and non-registered)
Middle managers: Team leaders, independent part leaders, field managers, line leaders.
2) Revenue-generating functions: Departments directly contributing to sales or product manufacturing (excluding support departments)
3) Happymore
*Figures for employees with disabilities are calculated based on Article 22 (3) of the Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities.

Social

Parental leave (Korea)

Category			Unit	2021	2022	2023	2024
No. of employees who used a maternity leave				646	431	431	354
Childcare leave	No. of valid employees for childcare leave	Male	Persons	7,306	7,691	7,769	7,889
		Female		4,808	4,051	4,995	3,589
		Total		**12,114**	**11,742**	**12,764**	**11,478**
	No. of employees on childcare leave	Male		117	145	217	162
		Female		724	775	827	594
		Total		**841**	**920**	**1,044**	**756**
	No. of employees who returned to work after childcare leave	Male		107	130	167	196
		Female		779	777	799	693
		Total		**886**	**907**	**966**	**889**
	Return to work rate after childcare leave	Male	%	99.1	91.6	94.4	95.6
		Female		99.5	98.1	99.3	99.7
		Total		**99.4**	**97.1**	**98.4**	**98.8**
	No. of employees who worked for at least 12 months after returning to work (%)	Male	Persons(%)	65(87.8)	98(91.6)	124(95.4)	160(95.8)
		Female		772(93.9)	743(95.4)	765(98.5)	739(92.5)
		Total		**837(93.4)**	**841(94.9)**	**889(98.0)**	**899(93.1)**

Labor (Korea)

Category		Unit	2021	2022	2023	2024
Working hours	Annual working hours per person	Hours	2,180	2,116	2,126	2,085
	Average weekly working hours		41.9	40.7	40.9	40.1
	No. of employees on flexible working	Persons	16,551	18,612	18,966	19,423
Share of labor union membership [1]	Icheon	%	96.3	95.2	99.0	99.0
	Cheongju		98.7	99.3	99.6	99.6

1) The contents of the collective agreement between labor and management apply equally to all employees (100%) of SK hynix.
* Due to a change in the unit used to indicate the labor union membership rate, the data for 2021–2023 has been updated.

Compensation (Korea)

Category		Unit	2024
Equal pay ratio [1]	Executive level	%	100
	Team leader level		100
	Non-management level		99
New hires starting salary [2]	Monthly salary	KRW	4,457,000
	Percentage of monthly starting salary to legally required minimum	%	216

1) The equal pay ratio (female salary/male salary) is calculated as a simple arithmetic average without considering factors such as years of service, performance evaluation, or job type, and there is no wage discrimination based on gender.
*Based on the annual contract salary for domestic technical and administrative positions.
2) The starting salary for new employees is based on technical and administrative positions for bachelor's degree holders who joined in 2024, and the starting salary for new employees with a bachelor's degree in 2023 was KRW 4,417,000.

Social

Employee training (Korea)

Category		Unit	2021	2022	2023	2024
Expenses	Total	KRW 1,000	51,349,240	60,673,330	54,516,012	57,539,253
	Per person		3,381	3,764	3,244	3,261
Time	Total	Hours	1,708,234	1,798,881	1,831,753	1,650,511
	Per person		112	112	109	94

*As of 2024, the training hours by gender are 95 hours for male employees and 89 hours for female employees.
*Based on domestic technical and administrative positions.

Employee engagement (Korea)

Category		Unit	2021	2022	2023	2024
Total		%	70	66	71	70
Gender	Male		72	67	72	71
	Female		58	55	63	62
Job positions	Senior managers		93	84	93	93
	Middle mangers		91	80	86	86
	Non-management level		68	63	69	68

Occupational safety management

Category	Unit	2021	2022	2023	2024
Accident rate [1) 2)]	%	0.08	0.07	0.10	0.10
Lost time injuries frequency rate [1)]	Per 200,000 working hours	0.05	0.04	0.02	0.02
Fatalities [3)]	Persons	1	0	0	1

1) In accordance with the disclosure standard of KOSHA(Korea Occupational Safety and Health Agency), the figures have been adjusted to two decimal places.
2) The 2022–2023 data have been revised based on the finalized submission data to KOSHA.
3) The data for 2021–2022 has been revised in accordance with the industrial accident non-approval and re-verification of the date of death. Additionally, following the approval of an industrial accident for a former employee in 2023, the relevant data has been reflected in the corresponding year (2024).

International standard certification

Category	Icheon	Cheongju	Wuxi	Chongqing	Rate
ISO 45001	~2027.01.06	~2027.01.06	~2027.08.02	~2028.01.18	100%
ISO 14001	~2026.01.30	~2026.01.30	~2027.08.14	~2028.01.18	100%
ISO 50001	~2026.10.03	~2026.10.03	~2026.12.21	-	75%
ISO 9001	~2027.07.21	~2027.07.21	~2027.08.16	~2027.08.31	100%

Social

Supplier status

Category	Unit	2021	2022	2023	2024
Total suppliers (first-tier) [1]	Companies	1,789	1,822	1,717	1,806
Critical suppliers (first-tier) [2]		59	59	59	50
High risk suppliers (first-tier) [2]		46	45	45	0
New suppliers [3]		185	145	70	145
Total purchase amount	KRW 100 million	246,956	273,308	186,045	268,835

1) Our first-tier suppliers are divided into equipment, raw materials, infrastructure, and parts categories.
2) From 2021 to 2023, the figures include cases where a single supplier is counted as both a key and high-risk supplier.
3) All new suppliers passed our SHE adequacy assessments (human rights and labor, environment, safety).
*Based on domestic transactions.

Supplier management

Category	Unit	2021	2022	2023	2024
New suppliers that agreed with the Supplier Code of Conduct	%	100	100	100	100

*Based on domestic transactions.

Supply chain ESG assessment

Category	Unit	2024
Suppliers ESG online self-assessment [1]	Companies	-
Critical and high-risk suppliers ESG on-site assessment [2]		50
RMAP certification	%	100

1) Starting in 2021, assessments have been conducted every two years, targeting Korean suppliers excluding SK affiliates, large corporations, and transactions below KRW 100 million.
2) Based on the high-risk priority suppliers selected from the results of the first-tier supplier ESG online self-assessment conducted in 2023.
*Based on domestic transactions.

Shared growth

Category	Unit	2021	2022	2023	2024
Total amount of support	KRW 100 million	2,800	2,914	2,815	2,935
No. of companies on Shared Growth Agreement	Companies	123	122	129	116
No. of companies that joined Shared Growth Committee		82	91	94	93

Ethical training status in 2024

Category		Unit	2024
SK hynix		%	100
Subsidiaries	SK hynix system IC		100
	SK hystec		100
	SK hyeng		100
	Key Foundry		100
	Happy More		100
	Happy Narae		100

Social

Product quality

Category	Unit	2021	2022	2023	2024
No. of recalled products	Cases	0	0	0	0
No. of complaints from customers		0	0	0	0

Community support (Korea)

Category			Unit	2021	2022	2023	2024
Expenditure	Investment	Social contribution	KRW 100 million	710	748	559	807
	Donations	Cash		600	576	474	683
		In kind		0.1	2.0	0.3	35.6
		Total		**600**	**578**	**474**	**719**
	Employees fund raising	Amount raised		22	22	23	23
		Employee participation	Persons	11,070	11,117	11,090	11,112
Employees volunteering	Employee participants			400	3,256	3,275	3,629
	Participation rate		%	1.3	10.2	10.4	11.4
	Total time spent		Hours	7,127	12,129	15,019	15,769
	Time spent per person			0.24	0.38	0.48	0.50

R&D and Patents

Category	Unit	2021	2022	2023	2024
R&D expenses	KRW 100 million	40,448	49,053	41,884	49,544
Revenue-to-investment ratio	%	9.4	11.0	12.8	7.5
Research personnel	Persons	8,742	8,977	8,765	9,104
Total number of registered patents	Cases	16,535	18,446	19,656	19,733
Number of new registered patents		1,716	2,147	2,703	2,505

*The total number of registered patents refers to the company's entire portfolio of patents that have been fully registered by the end of each year, following the application and examination process.

Contributions to relevant associations

Category	Unit	2021	2022	2023	2024
Total amount	KRW 100 million	23.6	29.8	30.9	50.9

Contributions to relevant associations in 2024

Category	Unit	Amount
The Federation of Korean Industries	KRW million	2,014
Korea Semiconductor Industry Association		729
Korea Enterprises Federation		317
Semiconductor Industry Association		218
Silicon Integration Initiative		202

*Apart from the aforementioned relevant associations, there were no contributions related to lobbying, interest groups, or political funds.

Appendix

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SASB Standards Alignment

Topic	Metrics	Code	SK hynix Disclosure						Page
GHG Emissions	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	TC-SC-110a.1	Category		Unit	2021	2022	2023	2024	72
			Scope 1 emissions		tCO_2eq	2,628,921	2,942,757	2,338,090	3,762,584	
			PFCs emissions			961,220	1,020,389	184,136	171,793	
			*Data scope: Icheon, Cheongju, Bundang, Seoul (satellite offices), Wuxi, Chongqing							
	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	TC-SC-110a.2	SK hynix, together with other SK Group affiliates, became the first in Korea to join the RE100 initiative in 2020 and declared its 2050 Net Zero target in 2021. SK hynix has established and is managing a mid-term goal to maintain greenhouse gas scope 1 and 2 emissions at the 2020 level by 2030. The baseline 2020 greenhouse gas emissions do not include emissions from the Dalian production facility acquired from Intel in December 2021, Key Foundry whose acquisition was completed in 2022, or emissions from the Yongin cluster and the new Indiana fab, both scheduled to begin operations after 2027. Despite the operation of these new fabs and the anticipated long-term increase in production volume, SK hynix plans to achieve its targets through continued efforts to reduce greenhouse gas emissions.						19-21, 2023 TCFD Report
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SC-130a.1	Category		Unit	2021	2022	2023	2024	73
			Total energy consumed		GJ	103,559,671	108,882,947	105,478,631	106,934,161	
			Total grid electricity consumed			89,652,551	99,208,556	76,526,802	50,216,885	
			Total renewable electricity consumed			2,597,398	18,883,026	19,991,873	21,056,227	
			Percentage of grid electricity		%	87	91	73	47	
			Percentage of renewable electricity			3	17	19	20	
			*Data scope: Icheon, Cheongju, Bundang, Seoul (satellite offices), Wuxi, Chongqing *In general, 1kWh is converted into 3.6MJ, but for facilities in Korea, 1kWh is considered equivalent to 9.6MJ under local energy law. *The denominators for the proportion of grid electricity and renewable electricity are based on energy consumption, which includes all energy sources such as electricity and steam.							
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SC-140a.1	Category		Unit	2021	2022	2023	2024	74
			Total water withdrawn		$1000m^3$	103,769	111,639	106,548	112,981	
			Total water consumed			17,982	20,851	19,198	19,623	
			Withdrawals with “High” or above water stress area ratio		%	38	38	34	36	
			Consumption with “High” or above water stress area ratio			56	54	26	34	
			*Data scope: Icheon, Cheongju, Wuxi, Chongqing *As new water stress areas (above High) were identified based on the updated WRI Aqueduct 4.0 framework, data for 2021-2022 was disclosed based on Icheon, while data for 2023~2024 was disclosed based on Cheongju							
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	TC-SC-150a.1	Category		Unit	2021	2022	2023	2024	75
			Amount of hazardous waste from manufacturing	Domestic sites	Ton	214,432	254,961	223,037	237,398	
				Overseas sites		139,760	149,824	115,953	133,644	
			Hazardous waste recycling rate	Domestic sites	%	98.0	98.1	98.5	98.9	
				Overseas sites		99.8	99.8	99.8	99.8	
			*Data scope: Icheon, Cheongju, Wuxi, Chongqing *The scope of hazardous waste calculation varies depending on the waste laws of the country where each facility is located.							

SASB Standards Alignment

Topic	Metrics	Code	SK hynix Disclosure	Page
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	Guided by the principle of "Safety First," SK hynix strives to create a workplace where all employees can work happily. To ensure the safety and health of our employees and those of our suppliers, we have integrated the safety and health management system (ISO 45001), the environmental management system (ISO 14001), and the process safety management system into our Safety, Health, and Environment (SHE) management system. Furthermore, we conduct annual risk assessments to identify and continuously improve potential risk factors in the workplace.	42-44
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	In accordance with Section 3, "Matters Related to Sanctions, etc." of Chapter XI, "Other Matters Necessary for Investor Protection," in the 2024 Annual Report (p.385).	2024 Annual Report p.385
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	TC-SC-330a.1	Category / Unit / 2021 / 2022 / 2023 / 2024 Percentage of foreign employees / % / 0.2 / 0.2 / 0.1 / 0.1 Percentage of employees located offshore / % / 23 / 22 / 21 / 21 *Foreign employees are based on the Korean workplace workers.	76
Product Life-cycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	SK hynix does not use substances in the IEC 62474 Declarable Substance List (DSL), and all substances we use comply with international standards.	-
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	N/A	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	SK hynix recognizes that human rights violations, such as labor exploitation, ecosystem damage, and environmental pollution that occur in the mining process of conflict-affected and high-risk areas, are serious problems, and makes every effort to eradicate them. Since we do not directly purchase and procure any minerals used for semiconductor manufacturing from mines but source them through suppliers, we transparently track and manage the entire supply chain under our policy based on the OECD Due Diligence Guidance for responsible minerals sourcing. Additionally we operate the Supply Chain Risk Management System (SCRM) to monitor and respond to major risks that may arise within the supply chain. SK hynix requires raw material suppliers to sign a Responsible Mineral Use Compliance Pledge, committing not to purchase minerals from conflict-affected and high-risk areas. To ensure compliance, we use the Conflict Minerals Reporting Template (CMRT) provided by the Responsible Minerals Initiative (RMI) to regularly verify information about our mineral supply chain. If a supplier provides false information or fails to take corrective measures for identified risks, SK hynix considers it non-compliant with the pledge and suspends transactions. SK hynix also provides consulting and training to suppliers to raise awareness of responsible minerals sourcing. As of December 2024, there were a total of 279 3TG, cobalt and mica smelters and refiners, and the RMAP conformance rate was 100%.	47-48, Minerals Management Report
IP Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SC-520a.1	N/A	-
Total production		TC-SC-000.A	In accordance with Section II. Business Overview, 3. Raw Materials and Production Facilities (pp. 18-21) of the 2024 Annual Report, the production percentage from owned facilities is 100%.	2024 Annual Report p. 18-21
Percentage of production from owned facilities		TC-SC-000.B		

Membership in Associations

The American Chamber of Commerce in Korea
Compute eXpress Link
Global Semiconductor Alliance
IOWN Global Forum
Information Technology Industry Council
Joint Electron Device Engineering Council
Mobile Industry Processor Interface
Responsible Business Alliance
Semiconductor Climate Consortium
Stanford Center for Image System Engineering
Semiconductor Equipment and Materials Institute
Silicon Integration Initiative Compact Model Coalition
Silicon Integration Initiative Open Access Coalition
Semiconductor Industry Association
The Climate Group
Universal Chiplet Interconnect Express
Association for Supporting the Sustainable Development Goals for the United Nations
UN Global Compact Network Korea
University of New Hampshire Interoperability Laboratory
Unified Acceleration Foundation
Voluntary Control Council for Interference
World Semiconductor Trade Statistics
Gyeonggi Enterprises Federation
Process Safety Council in Southern Gyeonggi Province
Consultative Group of Manufacturing Safety Managers in Eastern Gyeonggi Province
Korean National Quality Award-winning Enterprise Council
Corporate Renewable Electricity Foundation
Korea Mech. Const. Contractors Association
Korea Industrial Safety Association Seongnam Branch
Korea Industrial Safety Association Chungbuk Branch
The Korea Chamber of Commerce & Industry Carbon Neutral Research Association
The Institute of Electronics and Information Engineers
The Korean Society of Occupational and Environmental Medicine
Korea Handball Federation Industrial Athlete Committee
Korean Society of Environmental Engineers
Carbon Free Association
Ministry of Trade, Industry and Energy Emergency Planning Council
Metropolitan Area Chemical Safety Community Council
Icheon Chamber of Commerce
Icheon Chamber of Commece Council of Environmental Safety Department Heads
Korea Business Council for Sustainable Development
Cheongju Chamber of Commerce
Chungbuk Enterprises Federation
Chungbuk Process Safety Council
Chungbuk Environmental Engineers Association
Chungchung Green Company Council
Chungchung Chemical Safety Community Council
Korea Authorized Economic Operator
Korea Forum of Chief Information Offices
Korea Investor Relations Service
Korea RE100 Alliance
Korean Chief Privacy Officers Council
Korea Enterprises Federation
The Federation of Korean Industries
Korea Fair Competition Federation
The National Academy of Engineering of Korea
Korea Customs Logistics Association
Korea Financial Law Association
The Korean Society of Climate Change Research
Nano Technology Research Association
The Korean Microelectronic and Packaging Society
Korea International Trade Association
Korean Society on Water Environment
Korea Semiconductor Industry Association
Consortium of Semiconductor Advanced Research
The Institute of Semiconductor Test of Korea
The Korean Association for Industrial Technology Security
Korea Industrial Technology Association
Korea Occupational Hygiene Association
Korean Industrial Hygiene Association
Korea Listed Companies Association
The Korean Society for Biotechnology and Bioengineering
Korea Fire Safety Institute (Icheon)
Korea Fire Safety Institute (Cheongju)
Korea Smart Safety and Health Technology Association
Korean Academy of Organization and Management
The Korean Society for Life Cycle Assessment
Korea Power Exchange
Korea Electric Engineers Association (Icheon)
Korea Electric Engineers Association (Cheongju)
Korea Intellectual Property Association
Korea Integrated Logistics Association
Korean Standards Association (Icheon)
Korean Standards Association (Cheongju)
The Korean Society for Quality Management
The Korean Quality Master Association
Korea Chemicals Management Association
Korea Environmental Preservation Association Chungbuk Branch

Independent Assurance Statement

Independent Practitioner's Limited Assurance Report on the Sustainability Report of SK hynix Inc.

To the Management of SK hynix Inc.

Deloitte.

We have undertaken a limited assurance engagement on the Sustainability Report (the "Report") of SK hynix Inc. (the "Company") for the year ended December 31, 2024.

Identified Sustainability Information

The following Sustainability Information in the Report except for greenhouse gas emissions and related information is subject to our assurance engagement:

· 'Sustainability Accounting Standards Board (SASB) Standard Index' stated on pages 83-84

Our assurance engagement is for the fiscal year ended December 31, 2024, and we have not performed assurance procedures on prior periods or on other information included in the Report, and accordingly, we do not express any conclusion on such information.

Criteria Used by the Company

The criteria used by the Company to prepare the Sustainability Information (the "Criteria") are the SASB (Semiconductors) Standards. The absence of a commonly used by generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Assurance Conclusion – Limited Assurance

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Information in the Report for the year ended December 31, 2024, has not been prepared, in all material respects, in accordance with the Criteria.

Inherent Limitations in Preparing Sustainability Information

The Sustainability Information includes inherent uncertainties based on climate-related scenarios and forward-looking statements. These uncertainties arise from the incomplete nature of scientific and economic knowledge regarding the potential physical and transitional impacts of climate change, their likelihood, timing, and effects.

Responsibilities of the Company

The Company is responsible for selecting and establishing appropriate Criteria for preparing the Sustainability Information, considering relevant laws and regulations, and for the preparation of the Sustainability Information in accordance with these Criteria. This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.

Our Responsibility

We plan and perform our work to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error, and to form an independent conclusion based on the evidence obtained, which we then report to the Company's management. As our role involves forming an independent conclusion on the Sustainability Information prepared by management, our involvement in the preparation of the Sustainability Information would impair our independence and is not permitted.

Standards for Performing Assurance Engagements

We performed our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information," issued by the International Auditing and Assurance Standards Board (IAASB).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by Korea Institute of Certified Public Accountants (KICPA). This code is based on principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. We apply International Standard on Quality Control 1, which includes documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements, to maintain a comprehensive quality control system.

Summary of Procedures Performed as the Basis for Our Conclusion

To identify areas where material misstatements in the Sustainability Information might arise, we planned and performed our work based on professional judgment. Our procedures for the limited assurance engagement included:

· Performing limited verification of the assured Sustainability Information through inquiries and analytical reviews
· Interviewing personnel responsible for aggregating and preparing the Sustainability Information at the corporate level
· Inquiring about the Company's materiality assessment procedures considering key stakeholders
· Visiting the Company to understand the processes and systems used to manage and report the Sustainability Information

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those for a reasonable assurance engagement. Therefore, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained if a reasonable assurance engagement had been performed.

Restricted Use

This report is prepared solely for the management of the Company to assist in understanding the Company's sustainability performance and activities. Accordingly, we do not accept or assume any responsibility to any other party.

Deloitte Anjin LLC

18 June 2025

This assurance report is valid as of the date of the report (June 18, 2025). Therefore, events or circumstances occurring between the date of this report and the time it is read could significantly impact the information presented and may require revisions to this report.

Greenhouse Gas Verification Statement

SK HYNIX INC

Scope

· SK hynix Co., Ltd. Domestic Business Sites Greenhouse Gas Emissions in 2024
(Scope 3 category 1 emissions from purchased products and services include Wuxi and Chongqing campuses in China)
· GHG emissions for Scope 1(Direct-emissions), Scope 2(Indirect-energy related) and Scope 3(Indirect-emissions from logistic, commuting etc.) as defined in WBCSD/WRI GHG protocol Chapter 4 “Setting Operational Boundaries”
· GWP (The 100-year time horizon global warming potential) applies the IPCC Fifth Assessment Report, 2014 (AR5)

Data Verified

Scope 1 and Scope 2 GHG emissions of domestic sites in 2024 with GWP of AR5 are as follows. (Unit: tCO_2e/yr)

Scopes \ Sites	Icheon Campus	Cheongju Campus	Boondang Campus	Seoul Shared Office	Sub Total
Direct Emissions(Scope 1)	1,515,830	1,190,629	534	88	2,707,081
In-direct Emissions(Scope 2)	1,439,806	691,152	4,116	1,456	2,136,530
Optional Information (Used the NF_3)	503,433	370,360	-	-	873,793
Total	**3,459,068**	**2,252,141**	**4,650**	**1,543**	**5,717,404**

Emissions of each greenhouse gas in 2024 with GWP of AR5 are as follows. (Unit: tCO_2e/yr)

GHG	CO_2	CH_4	N_2O	PFC	HFC	SF_6	NF_3	Total
Emissions	4,681,166	1,865	19,897	93,669	18,064	28,950	873,793	**5,717,404**

The Scope 3 GHG other indirect emissions in 2024 were applied with the GWP of AR5, and the calculation boundaries, assumptions, and calculation methods for each Scope 3 category are described in the verification report. (Unit: tCO_2e/yr)

Scope 3 Category	Emissions in 2024
1. Purchased goods and services	2,577,393
3. Fuel-and energy-related activities (not included in scope1 or scope2)	499,337
4. Upstream transportation and distribution	59,824
5. Waste generated in operations (waste transportation included)	291,983
6. Business travel	2,380
7. Employee commuting	29,302
9. Downstream transportation and distribution	201
Scope 3 Total emissions	**3,460,420**

GHG Criteria & Protocols used for Verification

The verification was performed at the request of SK HYNIX INC. using the followings
· Guideline for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme (Ministry of Environment Notice No. 2024-155)
· WBCSD/WRI Technical Guidance for Calculating Scope 3 Emissions (version 1.0)
· 2006 IPCC Guidelines _Volume 2_chapter 3 Mobile Combustion
· IPCC Climate Change 2013_chapter 08_Anthropogenic and natural Radiative forcing (AR5)
· ISO14064-1:20218 & ISO 14064-3:2019
· Environmental Product Declaration Assessment Emission Factor - Korea Environmental Industry & Technology Institute, 2021
· EPA Center for Corporate Climate Leadership, Emission Factors for GHG inventories (EPA, 2024)
· BSI GHGEV Manual

Verification Opinion

BSI Group Korea’s verification opinions on the result of carrying out verification in accordance with the GHG criteria and protocols mentioned above are as follows.
· This verification of the sites in Korea were conducted to provide a reasonable level of assurance in accordance with the ‘Guideline for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme’.
· Scope 3 emissions have been verified with a limited assurance level.
· Data quality was considered acceptable in meeting the key international principles for greenhouse gas emissions verification.
· During the verification process, no material errors or misstatement were found in the calculation of greenhouse gas emissions. Therefore, the BSI Group Korea Verification Team provides a verification opinion that is “appropriate”.

For and on behalf of BSI:
Issue: 02/06/2025



Managing Director Korea, SeongHwan Lim

Greenhouse Gas Verification Statement

Wuxi site



Statement of Conformity CN25/00002861

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in 01 Jan. 2024 to 31 Dec. 2024 of

SK Hynix Semiconductor (China) Co., Ltd.

Business address: Plot K7, Comprehensive Bonded Zone, Wuxi High-tech Zone, Jiangsu Province, P.R. China
Organization boundary: Plot K6-3 & Plot K7 & Xinda Road 22 (Dormitory), Comprehensive Bonded Zone, Wuxi High-tech Zone, Jiangsu Province, P.R. China

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions [Category 1]
175,142.29 tonnes of CO_2e
Indirect Emissions from Imported Energy [Category 2]
1,586,105.61 tonnes of CO_2e
Indirect Emissions from Transportation [Category 3]
33,017.22 tonnes of CO_2e
Indirect Emissions from Products Used by An Organization [Category 4]
222,346.53 tonnes of CO_2e
Indirect Emissions Associated with The Use of Products from The Organization [Category 5]
[be determined as non-significant indirect emissions and not quantified]
Indirect Emissions from Other Sources [Category 6]
[be determined as non-significant indirect emissions and not quantified]
Total Emissions Quantified
2,016,611.65 tonnes of CO_2e

Authorised by
David Xin
Sr. Director - Business Assurance
DATE: 25 Apr. 2025

SGS-CSTC Standards Technical Services Co., Ltd.
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Chongqing site



Statement of Conformity CN25/00002735

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in
01 Jan. 2024 to 31 Dec. 2024 of

SK Hynix Semiconductor (Chongqing) Co., Ltd.

Business address: V2-4 / 02, Zone V, Xiyong group, Shapingba District, Chongqing P.R. China
Organization boundary: V2-4 / 02, Zone V, Xiyong group, Shapingba District, Chongqing P.R. China

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions
6,567.33 tonnes of CO_2e
Indirect Emissions
16,317.49 (Market-based) 105,801.10 (Location-based) tonnes of CO_2e
Total Emissions Quantified
22,884.82 (Market-based) 112,368.43 (Location-based) tonnes of CO_2e

The specific categories of indirect greenhouse gas emissions are detailed in the appendix of this statement, which is an integral part of this statement

Authorised by
David Xin
Sr. Director - Business Assurance
DATE: 03 Apr. 2025

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SK hynix