



*Deep Change
for
Tomorrow*

About This Report

SK innovation has published this annual sustainability report since 2005, as a key communication channel to transparently disclose the direction, activities, and achievements of the company's sustainable management initiative. We listen to diverse group of stakeholders and reflect their feedback into our management activities, to enhance the effectiveness of our sustainable management activities.

Reporting Standard

This report follows the G4 Guidelines(Core Opinion) and Oil & Gas Sector disclosure of the Global Reporting Initiative(GRI) and reflects key global indexes on social responsibility, such as the Ten Principles of the UN Global Compact and Sustainable Development Goals of the UN. In order to select core issues suitable to the company's industry characteristics, reporting issues were chosen based on the SASB(Sustainability Accounting Standards Board) Standards for Industries.

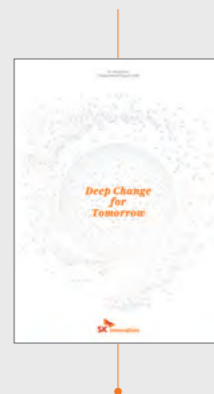
Reporting Period and Scope

This report includes data from January 1 to December 31, 2016. In the case of certain indexes that require performance trends, the company presents data from the past three years. For some items, data from the first half of 2017 was included, in light of the material nature and timeliness of information.

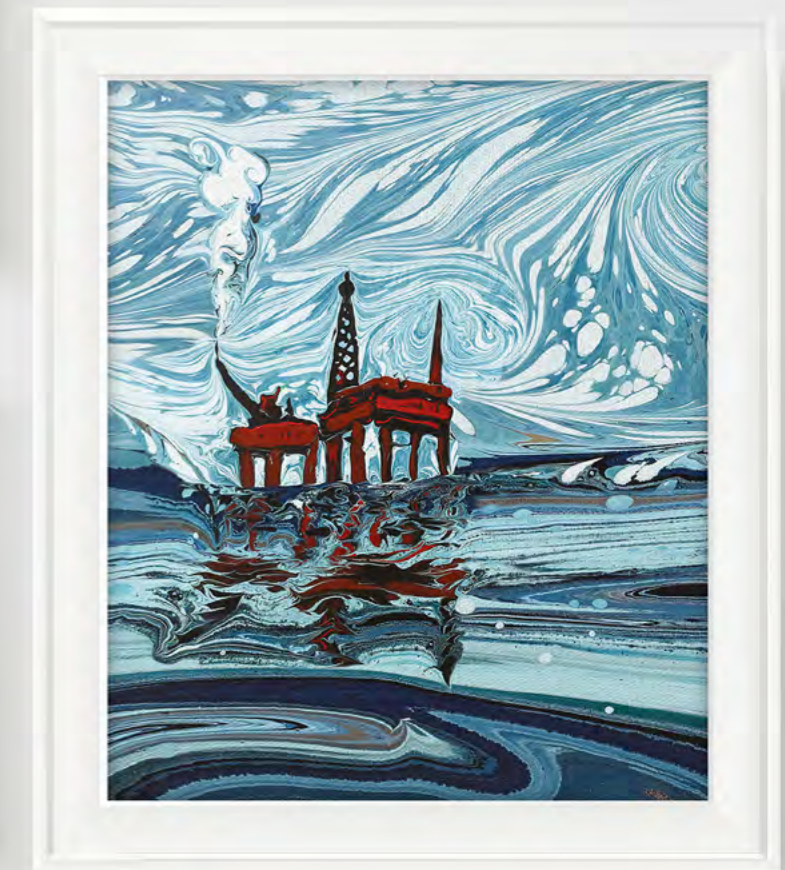
As for the scope of this report, financial data has the same consolidation criteria as K-IFRS(Korea-International Financial Reporting Standards). Non-financial data are limited to SK innovation and major subsidiaries' headquarters in Seoul(SK energy, SK global chemical, SK lubricants, SK incheon petrochem, SK trading international), production plants in Jeungpyeong, Cheongju, Seosan, Ulsan and Incheon, Daejeon Global Technology Institute and major subsidiaries and sub-subsidiaries of overseas corporations. This scope includes 99% of sales by the main body of SK innovation and subsidiaries having 100% of shares(except for SK mobile energy and SK battery systems). Some environmental quantitative performance indicators were based on major domestic operations except for overseas corporations; the detailed scope of such data is indicated separately.

Reporting Reliability

This report has been published upon review by the Board of Directors' CSR Committee to enhance the appropriateness of the content. In addition, DNV GL, a third-party assurance provider, has evaluated the contents and data of this Report according to ISAE3000, limited level of assurance, to ensure objectivity and transparency. Reliability assurance engagement was performed on certain performance information.



The cover of the report is a graphic visualization of SK innovation's activities and achievements to become a global top-tier energy and chemical company by, developing new growth drivers, engaging in continuous structural innovation, and pursuing stakeholder-centered sustainability management, and adopting a selective and focused strategic direction.



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Beyond Korea, further into the world

Leading the
Energy and
Petrochemical
Industry

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Industry

SK innovation

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SK energy

SK global chemical

SK lubricants

SK incheon petrochem

SK trading international

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