

# GRI G3.1 Application

● Fully reported    ◐ Partially Reported    ○ Not Reported

No.	Description	Page	Reported	Explanation
<b>Strategy and Analysis</b>				
1.1	Statement from the most senior decision-maker of the organization.	4-5	●	
1.2	Description of key impacts, risks, and opportunities.	4-5	●	
<b>Organizational Profile</b>				
2.1	Name of the organization.	8	●	
2.2	Primary brands, products, and/or services.	8	●	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	8	●	
2.4	Location of organization's headquarters.	8	●	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	6-7, 8	●	
2.6	Nature of ownership and legal form.	42	●	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	6-7	●	
2.8	Scale of the reporting organization.	41, 46	●	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	2, 21	●	By spinning off SK trading international and SK incheon petrochemical in July 2013.
2.10	Awards received in the reporting period.	74	●	
<b>Report Parameters</b>				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2	●	
3.2	Date of most recent previous report (if any).	2	●	
3.3	Reporting cycle (annual, biennial, etc.)	2	●	
3.4	Contact point for questions regarding the report or its contents.	2	●	
3.5	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	13-14	●	
3.6	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	2	●	
3.7	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	2	●	
3.8	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	2	●	
3.9	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	2	●	
3.10	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	2	●	
3.11	Table identifying the location of the Standard Disclosures in the report.	2	●	
3.12	Policy and current practice with regard to seeking external assurance for the report.	70-75	●	Included in the G3.1 Application Sector Guidance.
3.13	Reporting period (e.g., fiscal/calendar year) for information provided.	68-69	●	
<b>Governance, Commitments, and Engagement</b>				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	18-20	●	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	20	●	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	20	●	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	18-19	●	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	19, 20	●	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	19	●	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	19	●	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	10-11	●	

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4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	18-19	●	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	18-19	◐	SK innovation evaluates the highest governance body's performance, but there is not regular process yet.
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	42-43	●	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Index	●	SK innovation has been participated in UNGC since 2007.
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	74	●	
4.14	List of stakeholder groups engaged by the organization.	12	●	
4.15	Basis for identification and selection of stakeholders with whom to engage.	12	●	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	12	●	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	12	●	
<b>Disclosure on Management Approach (DMA)</b>				
EC_DMA	Disclosure on Management Approach EC	16-17	●	
PR_DMA	Disclosure on Management Approach PR	54-55	●	
LA_DMA	Disclosure on Management Approach LA	16-17	●	
HR_DMA	Disclosure on Management Approach HR	16-17	●	
SO_DMA	Disclosure on Management Approach SO	16-17	●	
EN_DMA	Disclosure on Management Approach EN	16-17	●	
<b>Economic</b>				
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	31-33 41	◐	SK innovation has distributed compensation, donations and other community investment in headquarters and three subsidiaries each, but does not monitoring yet so the total amount is not available yet.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	56	●	
EC3	Coverage of the organization's defined benefit plan obligations.	49	●	
EC4	Significant financial assistance received from government.	41	●	The government isn't present in the shareholding structure.
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	48, 49	◐	SK innovation complies with the laws regarding minimum wage. No percentage rates are available yet.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	30	◐	SK innovation has common practices for preferring locally based suppliers but does not monitor them integrally so the percentage of the procurement budget is not available yet.
EC7	Procedures for local hiring and proportion of senior management hired from the community at significant locations of operation.	48	◐	SK innovation hires senior management from the local community but does not separate it from general employment. So percentage rates are not available.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	31-33	●	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	31-33 50-53	●	
<b>Environmental</b>				
EN1	Materials used by weight or volume.	63	●	
EN2	Percentage of materials used that are recycled input materials.	Index	●	SK innovation does not use any recycled resources.
EN3	Direct energy consumption by primary energy source.	62	◐	The data about energy intensity of oil and gas, refineries and petrochemical operations (in GJ/t throughput) has not been monitored yet.

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No.	Description	Page	Reported	Explanation
EN4	Indirect energy consumption by primary source.	62	◐	The data about the corresponding primary energy consumed in the production of the indirect energy used has not been monitored yet.
EN5	Energy saved due to conservation and efficiency improvements.	62	●	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	62	●	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	62	●	
EN8	Total water withdrawal by source.	63	●	
EN9	Water sources significantly affected by withdrawal of water.	63	●	
EN10	Percentage and total volume of water recycled and reused.	59	◐	SK innovation reuses sour water but does not monitor the total volume so reporting the total volume is not available yet.
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	57	●	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	57	●	
EN13	Habitats protected or restored.	57	●	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	57	●	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	57	●	To SK innovation's knowledge, there are no areas with high levels of biodiversity that are affected by its production activities.
EN16	Total direct and indirect greenhouse gas emissions by weight.	57	●	
EN17	Other relevant indirect greenhouse gas emissions by weight.	Index	○	SK innovation does not have a system for calculating other indirect greenhouse gas emissions resulting from commuting or business travels. Because it is not material to our business.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	56	●	
EN19	Emissions of ozone-depleting substances by weight.	58	●	
EN20	NOx, SOx, and other significant air emissions by type and weight.	58	●	
EN21	Total water discharge by quality and destination.	59	●	
EN22	Total weight of waste by type and disposal method.	60-61	●	
EN23	Total number and volume of significant spills.	Index	●	No discharge of any significant hazardous substances during the reporting period.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	60	●	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	57	●	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	64	●	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Index	○	The percentage of products that require packing materials among those made by SK innovation is not high and insignificant impact to our business.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	57	●	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Index	○	SK innovation does not have a management system for tracking the environmental impacts of product and material transportation and employee movements but we will be able to report this information in 2016.
EN30	Total environmental protection expenditures and investments by type.	61	●	
<b>Social: Labor Practices and Decent Work</b>				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	46-47	◐	SK innovation does not monitor a gender break down for each reported category of total workforce, but we will provide this in 2015.

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No.	Description	Page	Reported	Explanation
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	47	◐	SK innovation does not measure the number and rate of new employee hires in a way to the measurement that is requested by the GRI disclosure item.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	49	●	
LA4	Percentage of employees covered by collective bargaining agreements.	48	●	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	48	●	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	48	●	Total workforce is represented.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	66	●	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	66	●	
LA9	Health and safety topics covered in formal agreements with trade unions.	49, 66	●	
LA10	Average hours of training per year per employee by gender, and by employee category.	48	●	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	48	◐	SK innovation does not have a regular program regarding to this topic, but we will set up the regular program in 2015
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	49	●	Total workforce.
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	48	●	All of board members are male as of 2013.
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	49	●	
LA15	Return to work and retention rates after parental leave, by gender.	48	●	
<b>Social: Human Rights</b>				
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Index	●	None of the important investment agreements to which SK innovation is a party has additional provisions on human rights, and the company does not have a particular human rights review process when entering into an agreement.
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	11	●	SK innovation does not have such form of screening.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	11	◐	It is not available to separate the hours by this topic because employees training regarding to this topic is included in the ethics training for employees.
HR4	Total number of incidents of discrimination and corrective actions taken.	11	◐	It is not available to separate total number by this topic because incidents regarding to this topic is included in the no. of cases whistle-blowing/ consulting/grievances received.
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	48	●	
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	48	●	
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor.	48	●	
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	11	◐	SK innovation has policies on human rights and apply it to third party organization partially but does not have regular training procedures yet, so the percentage of security personnel is not available yet.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Index	●	There is no incidents regarding this topic in domestic operations in the reporting period.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	11, 48	●	All domestic business premises are applicable.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	11	◐	It is not available to separate total number by this topic because it is included in the no. of cases whistle-blowing/consulting/grievances received.

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No.	Description	Page	Reported	Explanation
<b>Social: Society</b>				
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	31-33 50-53	●	
SO2	Percentage and total number of business units analyzed for risks related to corruption.	11	◐	SK innovation has a process for preventing and handling incidents of corruption in place, but does not conduct an analysis of risks related to corruption in any of its current business units.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	11	◐	It is Included in the ethics training for employees but No percentage rates are available yet.
SO4	Actions taken in response to incidents of corruption.	11	●	
SO5	Public policy positions and participation in public policy development and lobbying.	11	●	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Index	●	SK innovation does not give financial and in-kind contributions.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	30	●	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Index	●	SK innovation was not received significant fines and sanctions during the reporting period.
SO9	Operations with significant potential or actual negative impacts on local communities.	31-33 50-53	●	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	31-33 50-53	●	
<b>Product Responsibility</b>				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	64	◐	SK innovation conducts a risk assessment of products but no percentage rates are available yet.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	54-55	●	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	54-55	●	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	55	●	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	54-55	●	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	55	●	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	55	●	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	55	●	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	55	●	

\* Partially : Not available    EC1, EC5, EC6, EC7 will be reported in 2015 / EN3, EN4, EN10 will be reported in 2016  
 LA1, LA11 will be reported in 2015/ HR3, HR4, HR8, HR11 will be reported in 2015  
 SO2, SO3 will be reported in 2016/ PR1 will be reported in 2016  
 Not applicable    LA2  
 Does not exist    4.10  
 \* Not : Not available    EN29 will be reported in 2016

# GRI G3.1 Application

## Oil and Gas Sector Supplement

● Fully reported ● Partially Reported ○ Not Reported

	Indicator	Page	Reported	Direct Answer and Supplementary Explanation	
EC	OG1	Volume and type of estimated proved reserves and production	63	●	Volume and type of estimated proved reserves and production are reported in the table of crude oil import.
EN	OG2	Total amount invested in renewable energy.	44	●	R&D Expenses.
	OG3	Total amount of renewable energy generated by source.	Index	●	SK lubricants has in place the solar power generation facilities, which generated 60,659KW of electricity in 2013. No other operations have any such kind of facilities.
	OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	57	●	The number is included in our environmental impact assessment.
	OG5	Volume of formation or produced water	Index	●	There is no formation or produced water.
	OG6	Volume of flared and vented hydrocarbon.	Index	●	The surplus gas generated from our production process is reused as fuel sources and our normal operation does not generate any flared hydrocarbon.
	OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	2	●	Overseas drilling projects do not fall on the reporting scope.
	OG8	Benzene, lead and sulfur content in fuels	64	●	
HR	OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place.	Index	●	There is no operations regarding this topic in domestic operations in the reporting period.
SO	OG10	Number and description of significant disputes with local communities and indigenous peoples.	Index	●	There is no case regarding this topic in domestic operations in the reporting period.
	OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned	Index	●	There is no case regarding this topic in domestic operations in the reporting scope.
	OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.	Index	●	Not applicable as most of our operations are located within industrial complexes.
	OG13	Number of process safety events, by business activity.	66	○	SK innovation has process safety events but does not monitor them integrally so the number is not available yet.
PR	OG14	Volume of biofuels produced and purchased meeting sustainability criteria.	44	●	Technology development is under way as in 2013.

\*Partially : Not available – OG13 will be reported in 2016

## Awards & Associations

### Awards and Recognitions

- Recipient of the Grand Prize of the Environmental Award at the MTN Broadcasting/Advertisement Festival
- Recipient of a Presidential Commendation at the 2013 Mutual Growth Awards
- Recipient of the Prime Ministerial Commendation at the Korea Electrical Safety Awards
- Recipient of the Grand Prize at the 2013 Money Today IR Awards
- Named the 9th-week winner of the Industrial Research 52 Jangyoungsil Awards

### Associations

- Korea Chamber of Commerce and Industry (Seoul/Ulsan/Incheon)
- Korea Petroleum Association
- International Petroleum Conference's Korea Commission
- The Federation of Korean Industries (FKI)
- Korea Business Council for Sustainable Development
- Korea Employers Federation
- Korea Fair Competition Federation
- Korea Industrial Technology Association
- Korea Energy Foundation
- Korea Battery Industry Association
- Korea Chemical Industry Association
- U.S.-Korea Business Council's Korea Committee
- Overseas Resource Development Association