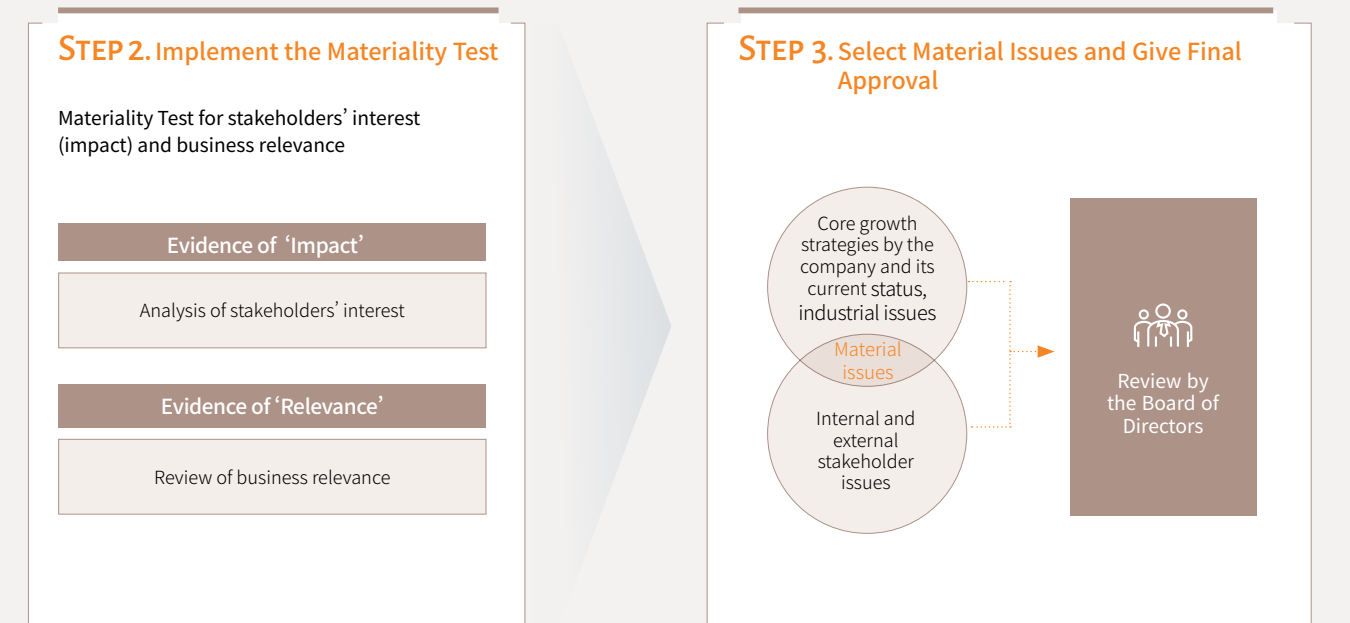
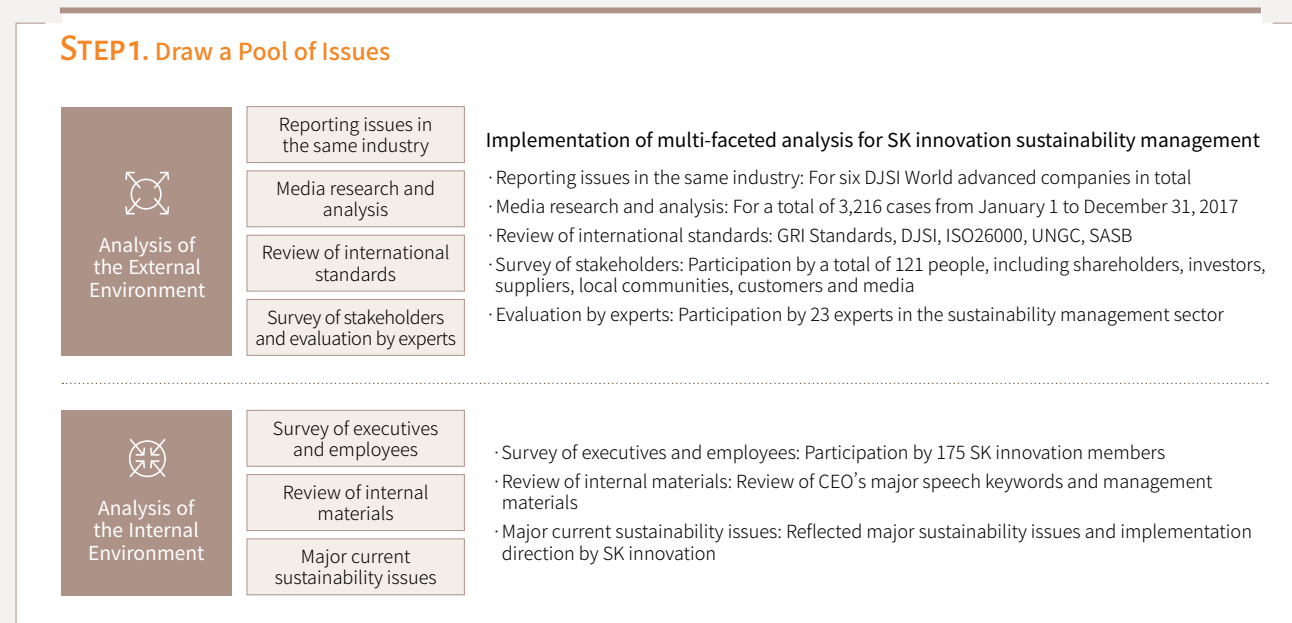


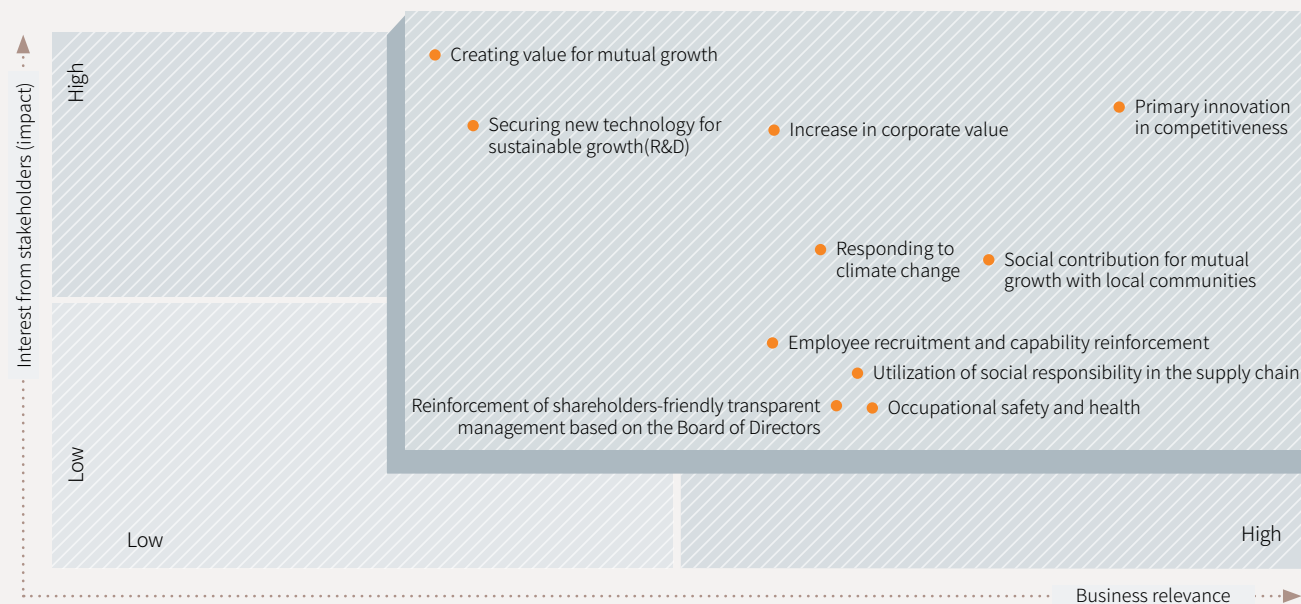
Materiality Test

SK innovation conducted internal and external environmental analysis for global sustainability trend, major industrial reporting issues and current management issues in the company to draw company's material sustainability issues and identified stakeholders' opinions and needs by conducting a survey for core stakeholders.

In the pool of issues identified by multi-faceted analysis, SK innovation identified material issues by considering stakeholders' interest (impact) and business relevance, and a final review was conducted by the Board of Directors. As a result of the materiality test process, three material issues from a total of 35 were selected in 2017.



Materiality Test Matrix



Reporting of Material Issues

Classification	GRI standards Topic	Issue	Stakeholder Impact Assessment				Page
			Finance	Reputation	Operation	Strategy	
Material Issue	Emissions	Responding to climate change				●	36-38, 78p
	Procurement practice	Creating value for mutual growth		●			39-41, 65-67p
	Occupational safety and health	Occupational safety and health			●		32-35, 76-78p
General Issue	Economic performance	Primary innovation in competitiveness				●	20-25p
	Local community	Social contribution for mutual growth with local communities		●			68-75p
	Economic performance	Increase in corporate value	●				06-15p
	Supplier social assessment	Utilization of social responsibility in the supply chain		●			65-67p
	Economic performance	Securing new technology for sustainable growth (R&D)				●	24-25p
	Employment, training and education	Employee recruitment and capability reinforcement			●		60-61p
	Governance	Reinforcement of shareholder-friendly transparent management based on the Board of Directors		●			50-53p