

Independent Assurance Statement

Introduction SK innovation Co., Ltd. ("SK innovation") commissioned DNV GL Business Assurance Korea, Ltd. ("DNV GL"), part of DNV GL Group, to undertake independent assurance of SK innovation Sustainability Report 2016 (the "Report"). DNV GL's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith.

Scope of assurance The scope of assurance includes a review of sustainability activities and performance data over the reporting period from 1st January to 31st December 2016. This also includes:

- > Evaluation of adherence to the principles for defining the sustainability report content set forth in the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 4.0
- > Evaluation of the process for determining material aspects for reporting and the management approach to material issues and the process for generating, gathering and managing the quantitative and qualitative data in the Report.

Basis of our opinion The assurance engagement was planned and carried out using DNV GL's assurance methodology VeriSustain™¹⁾, which is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements 3000 (ISAE 3000). We provided the limited level of assurance. The audit was carried out in May 2017 and the site visits were made to the headquarters in Seoul and Ulsan Complex of SK innovation. We undertook the following activities as part of the assurance process:

- > challenged the sustainability-related statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls;
- > interviewed representatives from the various departments;
- > conducted document reviews, data sampling and interrogation of supporting databases and associated reporting systems as they relate to selected content and performance data;
- > reviewed the materiality assessment report;
- > visited Ulsan Complex and tested the environmental data gathering process.

Limitations The engagement excludes the sustainability management, performance and reporting practices of SK innovation's subsidiaries, associated companies, suppliers, contractors and any third-parties except for SK innovation and its subsidiaries (SK energy, SK global chemical, SK lubricants, SK incheon petrochem and SK trading international) mentioned in the Report (SK mobile energy and SK battery systems were excluded from the scope). DNV GL did not interview external stakeholders as part of this Assurance Engagement. Economic performance based on the financial data is cross-checked with internal documents, the audited consolidated financial statements and the announcement disclosed at the website of Korea Financial Supervisory Service (<http://dart.fss.or.kr>) as well as SK innovation's website (www.skinnovation.com). These documents, financial statements and the announcements are not included in this Assurance Engagement. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. The baseline data for Environmental and Social performance are not verified, while the aggregated data at the corporate level are used for the verification. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement. The directors of SK innovation have sole responsibility for the preparation of the Report. The responsibility of DNV GL in performing the assurance work is to the management of SK innovation in accordance with the terms of reference.

Conclusion On the basis of the work undertaken, nothing comes to our attention to suggest that the Report does not properly describe the adherence to the Principles for defining report content in GRI G4 nor is prepared 'in accordance' with GRI G4 Core option. Further opinions with regards to the adherence to the following Principles are made below;

1) The VeriSustain protocol is available upon request at DNV GL Website (www.dnvgl.com)

Stakeholder Inclusiveness

SK innovation has identified internal and external stakeholder groups such as Customers, Employees, Shareholders and Investors, Local community and Subcontractors and Suppliers. SK innovation engages with the stakeholders at the conglomerate, company and business unit levels through various channels. The examples of approaches to engage with selected stakeholders and relevant organizations are described in the Report.

Sustainability Context

The Report shows the strategic direction of SK innovation to stakeholders. In addition, the Report presents the impacts assessment of stakeholders on the key core issues, reasons for selecting material issues, SK innovation's management approach, and performance indicators. SK innovation addresses in the Report what was the key performances achieved in 2016, which would help the stakeholder understand the management approaches toward the material aspects.

Materiality

SK innovation has conducted the materiality assessment to prepare the Report. The relevant 33 issue pool is formed by analysing the key issues from the global sustainability initiatives and standards, the topics which industry peer group considers material and the subjects covered by mass media. The issues in the pool are rated by combining the level of impact on SK innovation's business and level of stakeholders' interest in the issue. The prioritization is based on the stakeholder survey results. SK innovation has ended up with 10 material issues through these evaluation processes. In addition, SK innovation has presented the relevance of SK innovation's financial, reputation, operational, and strategic aspects to selected key material issues. The audit team reviewed the materiality assessment process and confirmed that the relevant material issues prioritized from the process are addressed in the Report.

Completeness

The Report has covered the sustainability management approach and sustainability performances of SK innovation for the reporting period. The reporting boundary has been set to include 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 as well as Daejeon Global Technology. In addition, Institute and major subsidiaries and sub-subsidiaries of overseas corporations are included. The audit team reviewed that the performance results of material issues within thereporting boundary were reported without omissions in the Report.

Accuracy and Reliability

The audit team verified the data and information based on sampling methodology during the verification process. Especially DNV GL reviewed the reliability of the indicator data - water usage, waste generation, air emissions (NOx, SOx, VOC and hydrocarbons), industrial safety indicators (Lost Time Incident Rate (LTIR), Total Recordable Incidents Rate (TRIR), number of fatality, Occupational Illness Frequency Rate) and process safety indicator (process safety accident rate). The audit team interviewed the Person-in-charge, reviewed the process of gathering and processing data and information, and the supporting documents and records. The depth of data verification is limited to the aggregated data. Based on sampling verification and other reported information and available evidence, nothing comes to our attention that would cause us to believe that the data and information presented in the Report have any intentional error or material misstatement.

Competence and Independence

DNV GL Business Assurance is part of DNV GL Group and a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. Our environmental and social assurance specialists are present in over 100 countries. The assurance work was performed by independent team which meets DNV GL's competence requirements. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. The audit team has complied with DNV GL's Code of Conduct.



31, May 2017 Seoul, Korea
 In Kyoon Ahn Country Representative
 DNV GL Business Assurance Korea Ltd.

A handwritten signature in black ink, appearing to read "ahnk".