



# Work-Life Balance

SK innovation's CEO reiterated his commitment to making the company a happier workplace through its Happy Management practices. The company has since implemented diverse programs to establish this into the corporate culture to enhance employee satisfaction, which will propel the company's sustainable growth.



## Family-Friendly Management at SK innovation

### First Korean Refiner to Adopt Flexible Work Hours

SK innovation adopted a flexible work hour system which allows employees to adjust their working hours between 7:00 a.m. and 10:00 p.m. by the approval of each team leader. This system was well received by employees, especially those who have to drop off their children at daycares on their way to work or want to go home early to spend time with their families.

### Enhanced Flexibility in the Work Process with the Smart Work System

Providing efficient working conditions is important to creating a great workplace, as is recruiting talented people. To that effect, SK innovation launched a mobile office system to change the work environment into a smart work system. As a result, streamlined internal meetings and reporting procedures have enabled employees to balance their lives between work and life, giving them a chance to concentrate on more creative and productive jobs at work and spend more time with their families. In addition, artificial grass planted and the removal of partitions between desks at the office promoted proactive communication among colleagues and eliminated loss factors from the office.

### More Creative and Engaged Employees with Zero Tolerance for Overtime Projects

SK innovation initiated the "Zero Tolerance of Overtime" campaign in order to improve the inefficiency in the work process and to promote performance-oriented evaluation practices by eliminating unnecessary overtime working. As chronic overtime working compromises productivity, SK innovation encourages all employees to leave the office on time. By reflecting the overtime practices in the year-end personnel performance evaluation of team leaders and executives, the company encourages leaders to take the lead in this campaign. This approach proved effective as a growing number of employees are going home on time.

This campaign also generated significant results as employees became more engaged and passionate in their work.





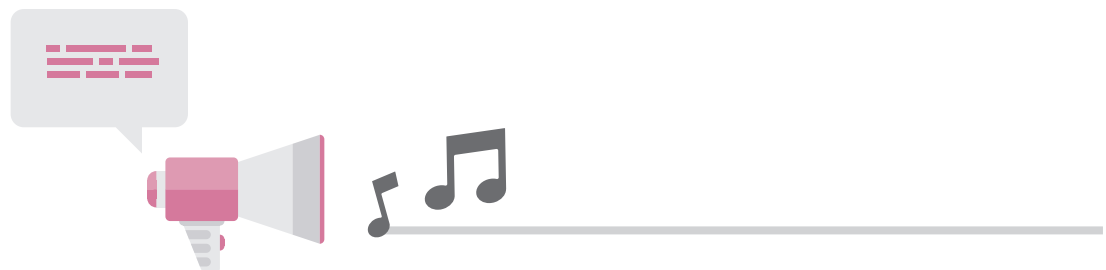
1 SK innovation SK Happy Childcare Center  
2 SK innovation Counseling Center

### Addressing Childcare Issues

SK innovation is aware that many of its employees expecting babies feel uncomfortable to apply for childcare leaves at the end of maternity leaves. To address this issue, the company made it mandatory to take childcare leaves after maternity leaves. Now, employees who are expecting babies can take at least one year off after they take maternity leaves without a separate expression of their intention. However, they do need to take steps when they want to adjust or delay the period according to their individual situation and receive their supervisor's approval. Additionally, the company runs an in-house daycare center, SK Happy Childcare Center, for its employees with preschool children.

### Counseling Center for a Healthy Work-life Balance

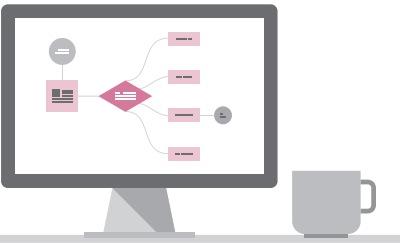
SK innovation operates an in-house counseling center called Harmonia to assist its employees with their stress management and career development. With certified psychology counselors on standby and 10 more external specialists ready to help, the center provides employees with systematic counseling programs in the areas of leadership/career coaching, psychology counseling and family counseling to help enhance employee engagement and happiness as well as their continued self-development. Since opening in 2005, the number of employees using the service has grown for years and reached 1,400 people in 2013. The feedback score—4.8 points on a scale of 5—shows a high satisfaction among users. In particular, a varied family counseling program is available for the families of SK innovation employees on the subjects of parent-children relationships, parenting education, and couple relationships. As such, Harmonia has become a trusted partner to our employees for their happiness.



## Open Corporate Culture for a Great Workplace

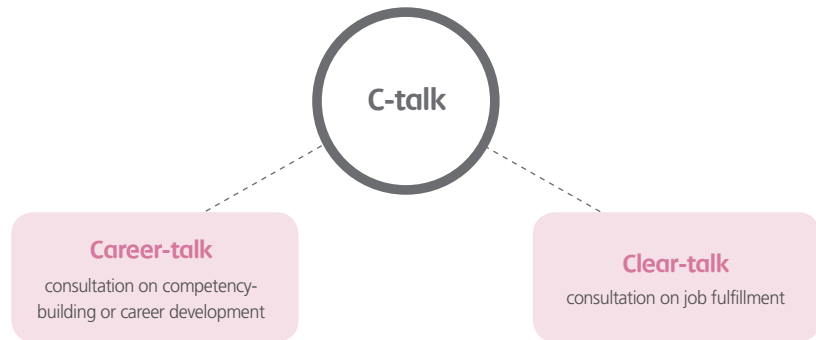
### Across-the-board Communication Programs

At SK innovation, we believe that open and interactive communication is imperative to building a great workplace. In fact, the company maintains open communication with its employees on management's commitment to innovation in the corporate culture in order to encourage its employees' participation. At the same time, the company is committed to positively addressing and finding solutions to employee grievances at work.



- V-board**  
V-Board is an internal channel for bottom-up communication. Every year, the company publicly invites employees to come forward with ideas for revitalizing the organization, to review corporate culture, and to look at process innovation ideas.
- C-talk: a Year-round Coaching Program**  
C-talk is SK innovation’s signature coaching program for assisting employees’ self-development. Employees can consult their team leaders or peer groups whenever they need motivation or advice on new projects, career development, or work issues. To that effect, the company is systematically assisting team leaders in developing their coaching skills. This one-to-one coaching program is highly expected to enhance overall performance results and stimulate employees’ competency-building.

**C-talk Process**



**Addressing Employees’ Grievances**

SK innovation reflects employees’ opinions in its business planning in promotion of its shared value through mutual cooperation between labor and management and for the long-term growth of the company. The Grievances Committee, comprised of the same number of representatives recommended by management and the labor union, functions to improve the work environment and working conditions. Employees can make voice their concerns via mail, phone, e-mail and other media to appeal to the Committee. In 2013, employees consulted the Committee on such issues as career planning, organizational challenges, communication issues, and job stress. In dealing with these issues, the company utilizes such programs as organizational diagnosis, leadership diagnosis, psychological testing, and Harmonia’s program when necessary to help solve the problems.