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# **Protecting Human Rights**

SK innovation has established policies on SHE and recruitment, code of ethics, supplier code of conduct, and code of ethics on procurement to prevent any direct and indirect violations of human rights throughout the value chain, and ensures full compliance in the course of business operation.

To support the protection of human rights at our business sites, we have established a dedicated management organization and counseling center. We also conduct due diligence on human rights once a year in accordance with the process recommended by global guidelines to identify areas of vulnerabilities and implement plans for improvement. In 2022, we set 'Protecting Human Rights' as a priority task for the GROWTH strategy to raise the level of human rights management at overseas sites to meet the domestic standard and establish policies and monitoring systems to protect human rights.



# Priority Task Implementation Strategy (Mid/Long-term Strategy)

In response to a growing demand for the protection of human rights and corporate responsibility around the world, SK innovation is committed to promoting human rights management for each overseas business site and implement policies in line with local business environment for the successful implementation of the priority task. We plan to conduct due diligence on a regular basis and prevent human rights violations at overseas sites in accordance with the global 'Social Story<sup>1</sup>). The regular due diligence will be carried out by setting priorities with a focus on overseas business sites where human rights management has been found to be insufficient. To improve the effectiveness of the regular due diligence, we are going to develop a survey for each region and country, taking into consideration the nature of our business, which is conducting overseas business in the United States, China, Europe and other parts of the world.

## Action Plans for 2022

SK innovation is committed to protecting the human rights of its employees by conducting various trainings and campaigns. In 2022, we are going to introduce a new system to prevent harassment in our business site and raise employees' awareness of human rights. In response to a growing demand for the protection of human rights in the global markets, we will expand the scope of human rights protection activities at our overseas business sites.

#### **O'Peace Implementation**

O'Peace is an abbreviation of Office+Peace and is our safety net program designed to prevent harassment in the business site as part of our strong commitment to create a healthy and respectful working environment.

For a more efficient implementation of this program, we are going to increase and strengthen our training on human rights all employees from 2022 to raise awareness. Our goal is to manage employees' grievances using a dedicated online channel for counseling. At SK innovation, we have the zero-tolerance policies on any form of harassment as same as the case of sexual harassment.

\* When there is a report on human rights violation, we organize a committee including our in-house attorney to conduct investigation. During this process, we take necessary measures to protect the victims by providing counseling and allowing them to take a leave of absence.

# Alignment with UN SDGs



 SK innovation's CSR framework with the goal of improving the sustainability of society by providing opportunities for employees around the world and green solutions for local communities based on business operation

## Goals for 2025



Developing global due diligence system for human rights and conducting L/H/ C (Lead/Help/Check)



Establishing regular due diligence exercise and preventing risks

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#### Human Rights Survey at Overseas Business Sites

SK innovation intends to develop and introduce a global-level human rights survey to manage human rights risks in the EU, where due diligence on human rights is mandatory, and few other regions such as China, For overseas business sites with a high level of risk of human rights violations, we will take prompt actions according to the process recommended by the global guidelines on human rights to prevent additional risks.

### Progress in 2021

In 2021, SK innovation conducted training and due diligence to protect the human rights as well as FGIs (focused group interviews) for new employees, experienced ones, and those working on new projects.

As a result of the due diligence and interview on human rights, it was confirmed that there were no serious human rights violations, unfair discrimination in employment and work process, lack of communication, and forced labor. In the course of the investigation, measures were taken for improvements as we promoted public relations for grievance channels and support for onboarding process for new employees.

#### **Comments from the Department in Charge**

Human rights management has become a central focus for the business philosophy of global companies and SK innovation too is committed to maintaining a high level of human rights management to lead the global ESG trend.

Due to the nature of our business and global presence, we expect to face different types of human rights issues in the course of our business operation than what we normally experience in Korea. These issues will be managed through preemptive national and regional human rights trend surveys and continuous communication with our employees.

SK innovation has been practicing its corporate philosophy of 'Creating Happiness for Employees and Stakeholders'. We will make our utmost efforts to ensuring that our human rights management philosophy and culture are not limited to our organization but extend to our suppliers and local communities.

#### Human Rights Management Activities in 2021





Guidelines for preventing and responding to human rights violations

- Operated a grievance counseling channel to prevent sexual harassment and bullying in the business site
- Published bi-monthly newsletter to prevent sexual harassment and bullying in

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