

Pursuing Zero Safety Accidents

SHE (Safety, Health and Environment) is an essential element of sustainable operation that can cause serious accidents if neglected. With the safety of our employees as top priority, we have established a world-class SHE management system to continue our support to create values and fulfill our social responsibilities, going beyond regulatory requirements.

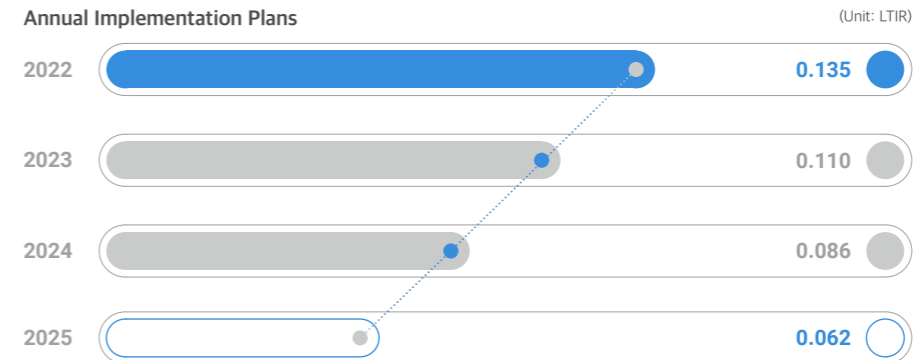
As ESG management is gaining a lot of attention with the enforcement of the Serious Accidents Punishment Act, we have selected 'Pursuing Zero Safety Accidents' as one of the priority tasks for the GROWTH strategy and reviewed our progress in internalizing SHE management. With this task as a basis, we will continue our efforts to protect the lives of our employees and promote their health with the goal of achieving zero accidents and hazards in our business sites.



An inspection of production facilities of Ulsan Complex to prevent accidents

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

SK innovation has set a mid/long-term goal of achieving a LTIR (Lost Time Incident Rate) of 0.062 at its domestic business sites by 2025. We intend to take fundamental safety measures against risk factors by actively improving facilities, such as replacing facilities and installing safety devices based on the SHE management system for achieving global-standard management in safety, health and environment. In addition, by raising the awareness of employees about human-injury accidents, we intend to dramatically improve not only major accidents but also minor and near-miss accidents caused by individuals' negligence or lack of concentration.



Action Plans for 2022

To successfully achieve the LTIR goal, frequent human-injury accidents in the business sites shall be defined, and the appropriate reduction activities for each accident shall be carried out. According to the survey results of the previous year, as frequent human-injury accidents, Ulsan CLX has defined falls, burns, and traps, and SK on and SK ie technology has defined traps. We have launched a task force (TF) for each accident, intensively promoting appropriate improvement activities. At the same time, we will continuously discover and promote SHE tasks such as conducting in-depth risk assessments, improving unsafe facilities, and enacting rules for improving living safety at work.

Alignment with UN SDGs



Goal for 2025



Achieving a LTIR (Lost Time Incident Rate) of

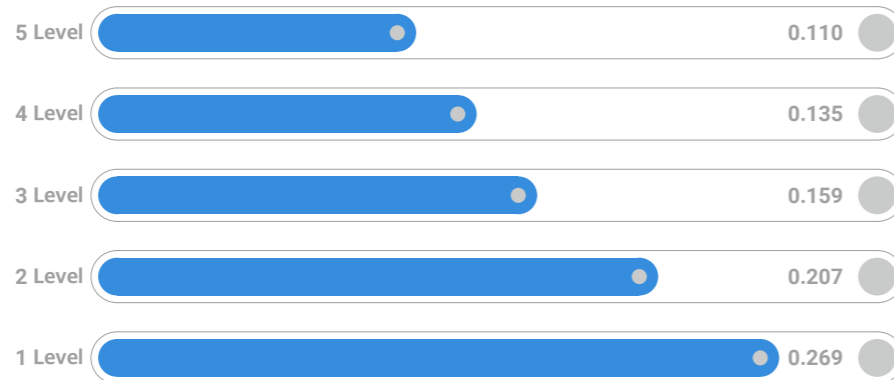
0.062 at domestic business sites

* Including suppliers

We will also implement programs with a focus on 'Vitalization of Near Miss Operation' and 'Risk Prediction Training', while raising awareness through the 'Positive Safety Dialogue Program' and 'Safety Campaign in Daily Life' as part of our efforts to achieve these goals.

LTIR Assessment Table

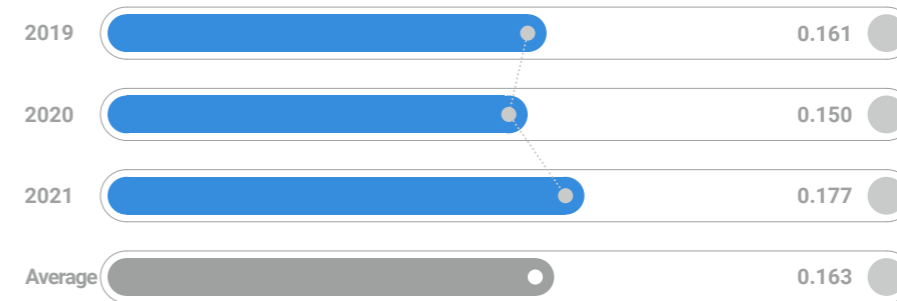
(Unit: LTIR)



However, there has been a slight increase in LTIR due to the expansion of the business in 2021. In order to prevent recurrence of accidents, we took prompt actions and implemented hardware improvement measures, such as facility maintenance, and software measures, such as improvement on the process and training programs.

LTIR by Year

(Unit: LTIR)



Progress in 2021



Organized on 'Raising Safety Awareness through Innovation' for

8 training sessions

Progress in 2021

SK innovation is committed to raising safety awareness of employees by leaders' taking initiatives in safety practice through the Safety Leadership Program. In 2021, we organized eight training sessions on 'Raising Safety Awareness through Innovation' for the CEOs of our suppliers, as well as the leaders of SK innovation, so that safety culture can be established within the value chain.

Other than trainings and campaigns to create the safety culture, we established our 'Daily Safety Guide for Prevention of Accidents', providing 10 types of accidents to prevent in daily practice, which accounted for about 65% of physical injuries that occurred at our subsidiaries' business sites last year. Furthermore, we focused on supporting SHE practice for high-risk projects that cause serious accidents, such as regular maintenance work.

Comments from the Department in Charge

Regardless of changes in the level of social interest in the corporate responsibilities toward safety and health, SK innovation has been focusing on 'Pursuing Zero Safety Accidents' because it is critical to protect lives and ensure the safety and health of our employees.

Although we have never neglected to ensure the safety and health of our employees, we are going to eliminate risk factors and raise awareness of safety and health to create a safer and happier working environment. We hope that this year, we successfully incorporate safety awareness into our employees' daily practice as a strongly ingrained habit.



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