

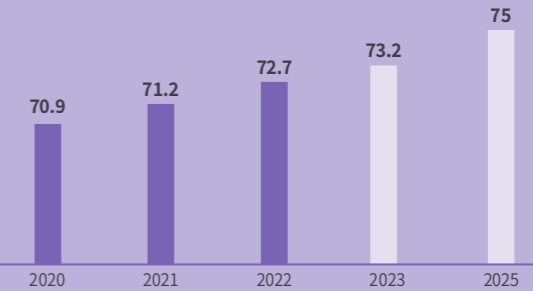
Maximizing Employee Happiness

SK Innovation has rolled out a range of programs to foster a happy workplace since 2019. Again in 2022, “Enhancing Employee Happiness” was one of the company’s key tasks and we implemented more engaging and diverse programs. Employee happiness will continue to be a key item on our corporate agenda moving forward.

Progress & Roadmap

SKI Happiness Index

Actual Target
(Unit: point)



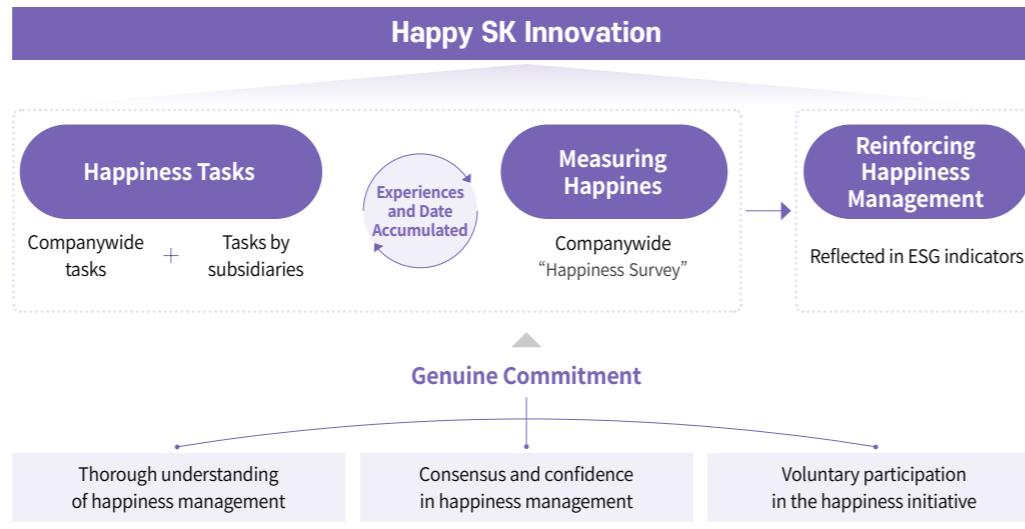
Strategies to Achieve Key Tasks (Mid-to Long Term)

SK Innovation set a mid-term target of reaching “75 points or above in the SKI Employee Happiness Index” by 2025. We will stay committed to engaging employees in happiness management at work as both the drivers of a happy workplace and the beneficiaries.

2025 Targets

SKI Happiness Index

75

 points or above

Major Activities Planned for 2023

In 2023, SK Innovation plans on a range of happiness programs satisfying employees’ needs, so that they can see and feel the pursuit of happiness being a part of our corporate culture and actually feel happier at work.



SK Innovation seeks to improve corporate systems and culture with employees' participation, encouraging them to find paths to happiness with their own initiative. In 2022, we joined hands with our employees throughout the entire process from gauging employee happiness to identifying issues, and taking measures to address them.

Activities and Achievements in 2022

Our Commitment



There is no final destination in our quest for happiness. Rather, happiness is a value or a goal we should keep looking for. But at the same time, happiness is something we can enjoy on the way. Knowing that, we should treat one another with sincere minds and stay connected through communication

- at MBWA of SK Incheon Petrochem in April 2022

Vice Chairman Kim Jun,
SK Innovation



Achievement 1 Happiness Activities Led by Employees

Select and Implement Happiness Activities by Engaging Employees

Pursuing "Employee Happiness" as a corporate goal, we also believe "employees" should be the ones who steer the whole movement. That is why the company have rolled out programs to create a happy workplace with direct engagement of employees. In 2022, we held the "Happy Moments Exhibition" to let our employees share their happiest moments with colleagues. Gourmet Clan of employees operated as a companywide program and reaped meaningful improvement in the environment and food quality of cafeterias at major business sites. The Ulsan CLX operated Happy Space Clan for creating a happy community center and enhanced employee welfare. These activities are all geared up to promoting our commitment to a happy workplace, which we believe is a path also to the happiness of local communities and will ultimately let us make a positive influence on all stakeholders.

Happiness Activities by SK Innovation & Subsidiaries

While these happiness activities were carried out as companywide programs, like Clans, involving all subsidiaries in 2020~2021, the company chose to let each subsidiary take on respective happiness activities best fitting their own needs starting in 2022. A total of 29 happiness activities were drawn up based on the result of the Happiness Survey. These activities were implemented by respective subsidiaries and their effectiveness (e.g., employees' awareness, empathy, and satisfaction) was measured, too. In 2023, we will continue this way with each subsidiary finding the most needed agenda for employees' happiness and taking action.



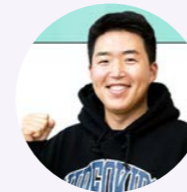
"Gourmet Clan" aims to improve food quality at the cafeterias of major business sites.

Interview with Happy Space Clan of the Ulsan CLX

I have learned a lot about the construction of the Happy Community Center through the Clan over the past five months. Our official Clan activities end as of today, but I will still be a staunch supporter till the Center is completed.



Choi Jin-shik Happy Space Clan



How fast time flies. It's been a great opportunity for me to share brilliant ideas with good people. The Happy Space Clan was an idea bank of all members at the Ulsan CLX. I am proud that I did contributed to the creation of the Happy Community Center.

Chang Hyun-seok Happy Space Clan

It's been a long journey and we did a lot together. I want to thank the Buddy for helping to run Happy Space Clan so nicely.



Yoon Hye-rim Happy Space Clan



I regret missing some meetings with the Clan because I was busy with things to do in the office. I came running from my office also today. Still, I am excited about the Happy Community Center that we are creating with our own ideas.

Park Young-jun Happy Space Clan

Achievement 2 Systematic Management of Employee Happiness

SK Innovation measures employee happiness and discovers issues affecting their satisfaction through the “Happiness Survey” every year and over 60% of our employees participated in the survey in 2022. Employees are asked to score four areas—satisfaction with life, meaning of life, positive emotions, and negative emotions—and their satisfaction rate is calculated as an arithmetic average of the four. Then, key factors are shortlisted out of 16 factors stated in the questionnaire as examples affecting satisfaction and serve as the basis to explore what we can do more to create a happy workplace. In 2022, our employees’ happiness scored 72.7 points (on a scale of 0 to 100), up 1.5 points from the year before, and 81% of respondents said they were satisfied with the overall activities conducted under the company’s happiness initiative.

Achievement 3 Robust Employee Communication

A range of on/offline programs are under way to invigorate communication and collaboration among our employees. In particular, 285 change facilitators, called “iCON (innovation Communication ON)”, serve as a bridge for two-way communication among employees, leaders, and executives and help us pursue genuine communication led by employees. Our employees can share their opinions and discuss issues on “tongtong”, an online bulletin board. “kong” is a mobile app offering various content to assist employees do what they think is needed to make a happy workplace. Furthermore, there are sessions and channels of direct communication, where people from different business sites and job groups meet up and talk, as we believe more effective communication and collaboration result in better corporate performance. As social distancing was eased more recently, we resumed the “Happy Wander” program whereby our employees feel refreshed and happy through various fun activities with their families.



Diverse iCON programs promote communication among SK Innovation employees.

Department's Comments

[Learn more about the employee happiness initiative](#)