

SK Energy Europe - Modern Slavery statement

Introduction from the Board of Directors

We are committed to improving our practices to combat slavery and human trafficking. Modern Slavery is a crime resulting in an abhorrent abuse of human rights. It is constituted in the Modern Slavery Act 2015 by the offences of 'slavery, servitude and forced or compulsory labour' and 'human trafficking'. We understand that the purpose of this statement is to prevent modern slavery in our organisation and our supply chains. We want to increase transparency by ensuring the public, consumers, employees and investors know what steps we are taking to tackle modern slavery.

Our structure and supply chains

SK Energy Europe Ltd ("SKEE" or "we") engages in trading activities for crude oil and various petroleum products. We purchase European/African crude oil and petroleum products to be used in South Korea where our 'holding company' (as defined in the Companies Act 2006) has a principal place of business. We also engage in local trading of crude oil and various petroleum products. We opened as a branch in the UK in 1991 and were subsequently incorporated in 2001 as a limited company.

We are wholly owned by SK Energy International Pte. Ltd. which is a company incorporated and registered in Singapore which itself is owned by SK Trading International Co., Ltd., a company incorporated and registered in South Korea. SK Trading International Co., Ltd. is itself owned by SK Innovation Co., Ltd. ("SK Innovation") which is also a company incorporated and registered in South Korea.

Our list of our suppliers can be found by making a request to Ms. Hyomin Lee at SKEE offices at 20 Farringdon Street, London EC4A 4AB or by emailing hyomin.lee@sk.com.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

[Code of Ethics]

SK Innovation, our holding parent company, is deeply committed to ethical management which forms the basis for continuous growth and development. It has published a Code of Ethics and Code of Ethics Guidelines on its website: <http://eng.skinnovation.com/company/ethics.asp>.

This Code of Ethics has the following sections:

- Basic Ethical Standards of Members
- Attitude Towards Customers
- Responsibility For Shareholders
- Relationship with Business Partners
- Our role in the community

SKEE operates under this Code of Ethics and Code of Ethics Guidelines. In particular under 'Relationship with Business Partners' of the Code of Ethics, we are obliged to make sure that we do not "conduct unfair practice by using our dominant position" and we are obliged to "pursue mutual benefits and development". This is a broad-encompassing policy at SKEE and its parent companies not to pursue practices that are deemed to encroach upon local anti-slavery laws and we are committed to following the Code of Ethics and its guidelines.

[Supplier Chain Management Policy]

SK Innovation's Supply Chain Management Policy applies to all of its subsidiaries including SKEE. The Policy entails comprehensively considering various aspects for total cost ownership, reliability, on-time delivery and customer service level, SHE (Safety, Health, Environment) management and risk management for financial and non-financial elements such as ESG (Environmental, Social and Governance).

With the aim of creating a fair and transparent trade environment and ensuring sustainability management for suppliers, SK Innovation has enacted the Supplier Code of Conduct and Purchase Code of Ethics in 2017 and conducted systemic management for the entire purchasing process, including the registration and evaluation of suppliers and the purchase contract management through e-Procurement System.

Major contents of the Supplier Code of Conduct and Purchase Code of Ethics include:

(1) Supplier Code of Conduct

- Human rights and labour issues
- Safety and health
- Management of environment-friendly business sites
- Compliance with corporate ethics
- Prohibition of the use of conflict minerals
- Establishment of management system

(2) Purchase Code of Ethics

- Compliance with fair trade
- Transparent transaction
- Laws and International agreements (human rights, proclamation, UNGC, etc)

SKEE, together with SK Innovation, operates under this Supplier Code of Conduct and Purchase Code of Ethics in order to ensure that our suppliers conduct their businesses in line with our goals and objectives pursued in accordance with our Supplier Chain Management Policy..

Evaluation of risks in the Supply Chain

As per the guidelines provided by SK Innovation, SKEE identifies major risk elements, which can occur in the economic, social, safety and environmental aspects and conducts regular evaluations for suppliers which have potential ESG risk factors. In particular, when it comes to high-risk suppliers we conduct third party audit and visit based investigations to reinforce monitoring and manage ESG risks.

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk we make sure that the suppliers that deal with us are reputable in their fields, that we have an appropriate contractual relationship with them, that as much as possible they have a good reference.

We make endeavours to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Supplier adherence to our values

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme.

We have a dedicated compliance group/function, which consists of involvement from the following departments:

- Legal
- Audit and compliance
- Human resources
- Procurement
- Sales

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff.

Our effectiveness in combating slavery and human trafficking

We use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

- The percentage of suppliers and sub-contractors vetted for ethical labour practices
- The number of inspections of direct suppliers and sub-contractors in our supply chains in the past year
- Percentage of staff receiving training on identifying and addressing the risk of slavery and human trafficking in our business and supply chains
- Others

This statement has been approved by the Board of Directors and is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2022.

A handwritten signature in black ink, appearing to read "Jae Nam Kim".

Jae Nam Kim

Managing Director
SK ENERGY EUROPE LIMITED
30th June, 2023