

1 Employees

Securing and Nurturing Talent

Reorganizing the company-wide development system and creating a learning culture to strengthen business competitiveness as a Digital ITS Partner

| Roadmap | 2023 | 2025 | 2030 |
|--------------------|--|--|--|
| Target | Advancing company-wide competency development system through establishment of C&C College | Securing customer trust by fostering talents who can preemptively respond to market changes | Securing business and technological capabilities as the No.1 digital partner in Korea |
| Action plan | <ul style="list-style-type: none"> Reestablishing customer/market needs-oriented competency development system Establishing competency development guides for each stage centered on required competencies | <ul style="list-style-type: none"> Continuously advancing the college system aligned with market changes Disseminating unique experience and know-how through the establishment of an in-house competency sharing system | <ul style="list-style-type: none"> Continuously developing/supporting top-notch technical experts capable of demonstrating internal/external technological leadership and establishing industry standards |

Key Point

- Systematically fostering experts who help customers innovate their business based on the best technology
 - Proving a systematic talent development and growth guide to address customers' Pain Points and drive Biz.Model innovation
 - Establishing a shared space where the know-how and capabilities accumulated through projects can be spread to all members

Achievement

Performance of Competency Development Program

- Encouraging participation of all employees through various programs for career/competence development of employees

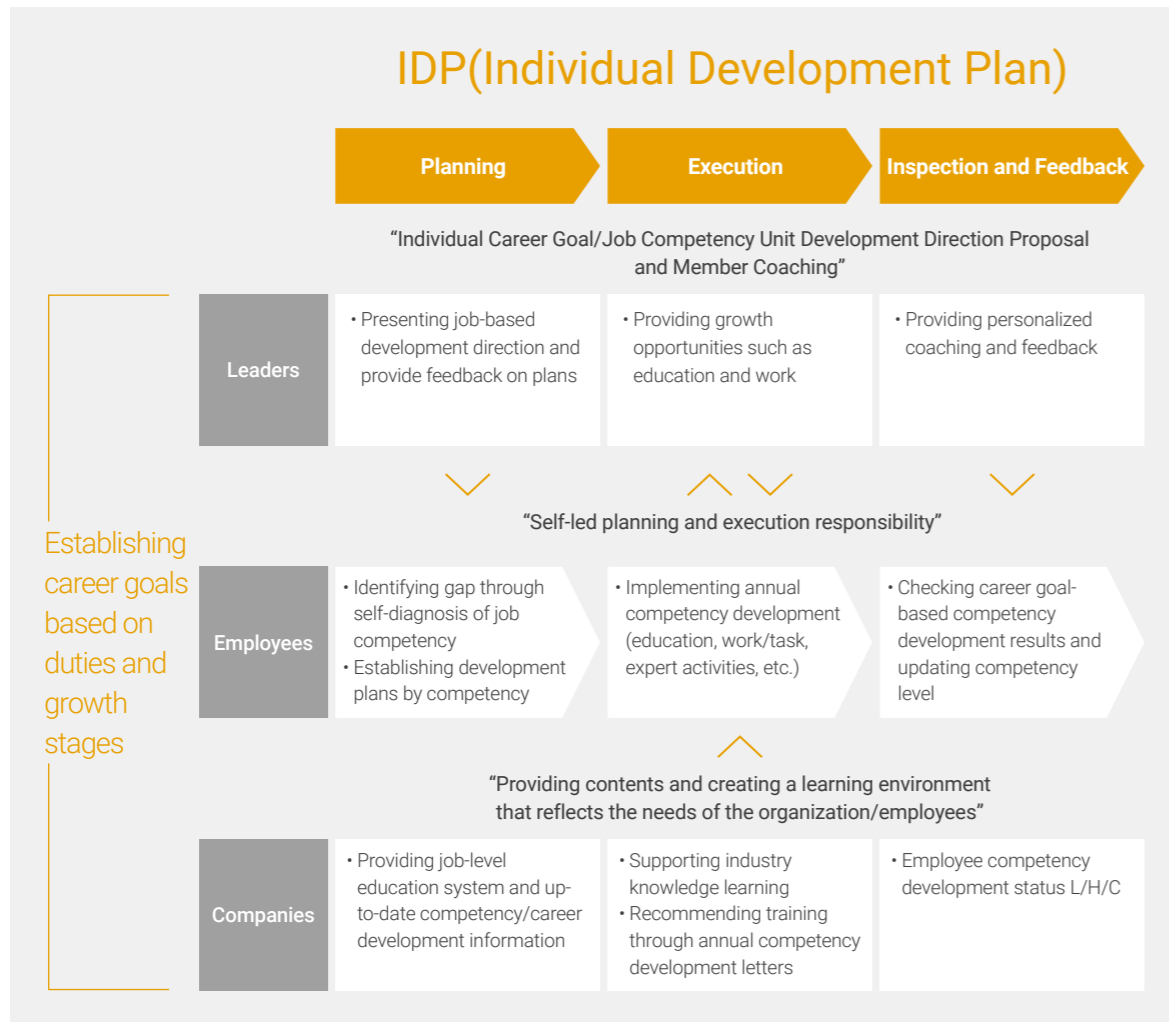
| Program | 2022 Participation Performance | Impact |
|--|--|---|
| Cultivating professional competency | <p>[Developing experts] Tech./Biz. Fostering a total of 409 people in 11 areas (cumulative 1,082 people)</p> <p>[Practical competency development] A total of 85 courses (150 classes), 2,435 students completed</p> | Average Education Satisfaction 4.3 points (on a scale of 5) |
| Open Lab | Operated 23 times, 3,957 participants | Average Education Satisfaction 4.3 points (on a scale of 5) |
| LCL(Learning Collabo Lab) | 23 labs, 118 participants | |
| Biz. Farm | 18 topics, 49 participants | |
| Supporting Certification Acquisition/Maintenance | 334 new license acquisition cases, average 3.2 cases per person (11,139 cumulative cases, total of 3,507 people with one or more acquisitions) | |

Management



Job-based Self-led Competency Development

- Employees, establishing annual competency development goals and plans to achieve their career goals.
- The company and leaders, providing systematic growth guidance and active coaching to help employees achieve their career goals.



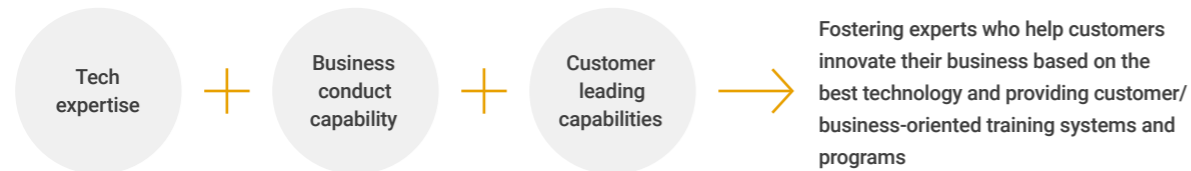
Key Competency Development Programs

| Program name | | Main educational contents |
|---|----------------------------------|---|
| mySUNI (group common) | | SK Group’s common online education platform, consisting of categories based on various topics, provides a learning environment with free access to employees without time and space constraints. |
| Self-led Fostering | | Supporting educational expenses (member Learning Account) that can be used by each member and a customized site for book-based learning, such as ‘Bukjeok Bukjeok’ |
| Job competency training | | Intensive training of digital ITS experts who can resolve customer pain points and operation of hands-on-oriented performance/quality specialized courses (practical courses/expert courses) |
| LCL (Learning Collabo Lab) | | Operating voluntary learning groups where employees of various functions such as tech., marketing, sales, project management, and staff gather to conduct research and development |
| Open Lab | | Seminars aligned with business needs, such as market trends, industry/domain knowledge, and use cases |
| Leadership course | | Implementing leadership diagnosis, education/seminar, coaching, and organizational development programs, etc., focusing on the areas of Leading Biz, Leading People, Leading Organization, and Leading myself |
| Language education | Language Intensive Course | Business situation-oriented language courses for employees (English, Chinese, Japanese, etc.) |
| | Telephone/Video Foreign Language | Foreign language speaking competency strengthening program using phone/video education |
| Certification Acquisition/Maintenance Support | | Providing certification acquisition and maintenance programs and expenses to those who are to be fostered as strategic digital experts and employees who need to acquire certification/certification for work |
| Job Community | | Operating an online community (Do Learn Do Learn) that supports knowledge sharing and problem solving by job function |

※ In the second half of 2023, the capacity development system will be reorganized into the C&C College system

Job Competency Training

- Providing a variety of project- and problem-solving-oriented training courses to quickly respond to changes in IT technology and customer environments, and provide digital-based ITS services based on this.



Major fostering programs

| Classification | Fostering areas | | Major Contents |
|--|----------------------------|---|---|
| Nurturing experts | Technology convergence | Digital Archi. | Customized training according to Biz experience and possessed technology |
| | | Cloud Archi. | Fostering project-based internal/external technical expert coaching connections |
| | | Data Science | Dual Track training based on data analysis and engineer capabilities |
| | Cloud | Cloud App. Eng. | Fostering HR to be available in actual practice/ projects immediately (in connection with CSP company training) |
| | | Cloud Platform Eng. | Lab task performance for each IaaS/PaaS area based on expert coaching |
| | Data | Data analyzing & ML/DL | Fostering experts through open data or field data analysis process |
| | | Data Eng. | Fostering through work by pairing with a mentor |
| | AI service | | |
| | Blockchain service | | |
| | Fostering practical skills | AI/Big Data | |
| Cloud | | | |
| SW Eng. | | | |
| Biz. (business development, marketing) | | Providing customized programs for each level through preliminary competency diagnosis and supports external expert coaching | |
| PM/Business management | | Providing personalized education through preliminary competency diagnosis and performing scenario-based assignments | |

Job Competency Fostering Performance

- Operation projects and task-oriented expert development programs to nurture digital experts who can lead customers - 2022 Digital Tech/Biz. Fostering 409 experts* (cumulative 1,082)

* A level at which the technology can be applied/problem-solved and disseminated internally

- Establishing/operating 'short-term development program' centered on basic skills based on business direction and required competencies of employees

① Expert training performance (cumulative scale, unit: persons)

| Classification | | 2020 | 2021 | 2022 | | |
|----------------------|-------------------------------------|------------------------|---------------------------------|---------------|------------|-----|
| | | | | New fostering | Cumulative | |
| Digital Tech. expert | Technology convergence | Digital Archi. | 1 | 21 | 14 | 35 |
| | | Cloud Archi. | 36 | 67 | 37 | 104 |
| | | Data Scientist | - | 20 | 6 | 26 |
| | Cloud | Cloud App. Eng. | 87 | 147 | 74 | 221 |
| | | Cloud Platform Eng. | 143 | 177 | 74 | 261 |
| | Data | Data analyzing & ML/DL | 128 | 144 | 45 | 189 |
| | | Data Eng. | 44 | 41 | 6 | 47 |
| | AI Svc. | | 41 | 41 | 5 | 46 |
| | Blockchain Svc. | | 17 | 15 | - | 15 |
| | Subtotal | | 497 | 673 | 261 | 934 |
| Digital Biz. expert | Business development/consultancy | | Introduced new programs in 2022 | | 71 | 71 |
| | Product Mgmt. | | | | 18 | 18 |
| | Large/Next Generation Project Mgmt. | | | | 59 | 59 |
| | Subtotal | | - | - | 148 | 148 |
| Total | | 497 | 673 | 409 | 1,082 | |

② Result of Fostering Practical Competency (Unit: persons)

| Classification | 2021 | 2022 | Total |
|---------------------------------------|------|-------|-------|
| AI/Big data | 421 | 413 | 834 |
| Cloud | 556 | 988 | 1,544 |
| SW Eng. | - | 294 | 294 |
| Biz (business development, marketing) | - | 282 | 282 |
| PM/Business management | - | 458 | 458 |
| Total | 977 | 2,435 | 3,412 |

Employee Performance Management

Employees Development Platform

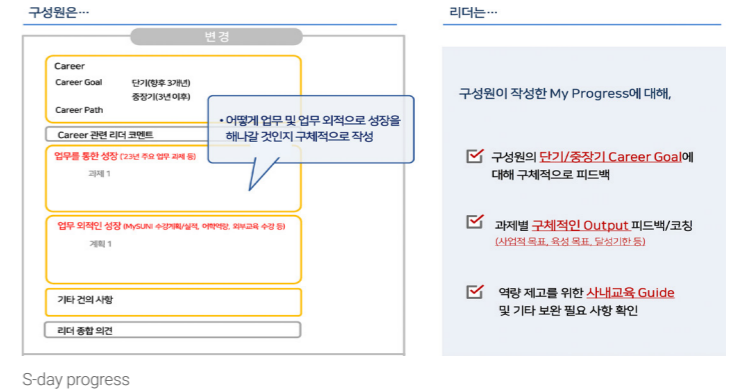
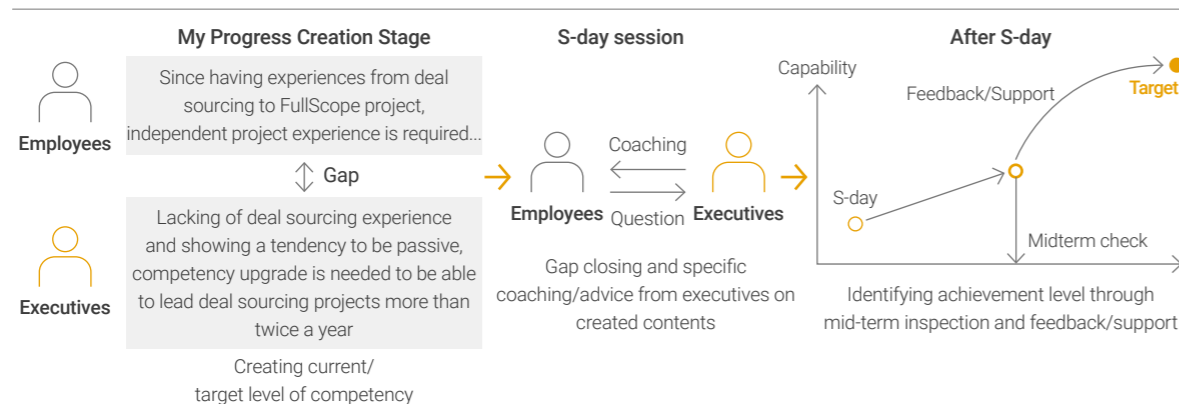
- SK Inc.'s unique member platform consists of S-Day and Talent Session.
- Conducting competency evaluation from the perspective of member growth/nurturing to maximize collaboration among members and enable various and objective evaluations of individual expertise/performance
- MBO (Management By Objectives)-based performance evaluation, 360° multi-faceted evaluation (leader evaluation/peer evaluation), regular feedback session between leader and team members



① S-day (employees 1 on 1 coaching, evaluation system)

- 1 on 1 Coaching Session with leaders for career/performance management of employees
- Leaders and team members are free to share content and feedback on career development, job performance, and capacity building
- At the beginning of the year, employees setting their own career goals/work plans, and leaders providing career coaching based on each employees' career plan.
- At the end of the year, reviewing the competencies and performance of the members to present specific feedback for personal growth, and confirming support/supplements to enhance competencies
- Twice a year (Mar, Oct)

Examples of progress



② Talent Session

- Discussing the next year's organization operation plan between the CEO and leaders (executives)
- Establishing member development/transfer plans by reviewing the career plans of employees confirmed through S-Day interviews at the company level and considering the required capabilities for each organization
- Conducted twice a year (June, November)

③ Reward

- Providing differentiated compensation according to performance through the operation of various performance compensation systems for all employees

| Compensation system | Details |
|------------------------------------|--|
| Salary | Operating an annual salary system based on career level to provide motivation for performance in connection with evaluation and to continuously secure job expertise |
| Incentive Bonus | Operating a performance-based compensation system through the PS (Profit Share) system, which distributes excess profits from annual management performance with employees, and the TI (Target Incentive) system, which provides incentives according to KPI achievement |
| CEO Recognition | Selecting/rewarding a role model who contributes to the growth of the company and serves as an example for colleagues |
| Competency Program Recognition | Bizfarm/TCL (Tech. Collabo Lab) prize money and prizes for excellent teams |
| Domestic/overseas training support | Opportunity to participate in major conferences and development programs for outstanding talent |

* The system related to employee stock ownership options (such as ESOP - Employee Stock Ownership Plan and ESPP - Employee Stock Purchase Plan) is currently not in effect. However, we are considering its implementation or expansion in the future.