

Code of Ethics Practice Guidelines

Version 4.0



*310, Pangyo-ro, Bundang-gu, Seongnam-si,
Gyeonggi-do, Republic of Korea*



Title

Code of Ethics Practice Guidelines

Document #: SK bioscience -Basic regulations

Version #: 4.0

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Article 1. General Provisions

① Objective

The objective of the “Code of Ethics Practice Guidelines” (hereinafter referred to as the “Guidelines”) shall be to provide the criteria for judgement and behaviors necessary for all members at “SK biosciences Co., Ltd.” (including investment companies with management rights at home and abroad, hereinafter referred to as the “Company”) to understand and practice the purpose of the Code of Ethics.

② Scope of Application

The Code of Ethics and the Guidelines shall apply to the Company and its members (hereinafter referred to as the “Members”). It is recommended for the Company’s stakeholders to understand and practice the Code of Ethics.

③ Ethical Decision Making and Conduct Principles

1. All Members of the Company must judge and act in accordance with the Code of Ethics and the Guidelines in case of an ethical dilemma. However, if the criteria for judgment are not clearly defined in the Guidelines, the judgment and actions shall be made in accordance with the following decision-making principles. In case he/she is not certain of his/her judgement, he/she shall seek advice of his/her leader or that of the department in charge of ethical management for correct interpretation and shall act in accordance with such interpretation.
 - Legitimacy: Could the action be interpreted as a violation of the relevant laws and regulations or the Company regulations?
 - Transparency: Could the process of decision making and outcome be disclosed?
 - Rationality: Would other members make the same decision under the same circumstances?
2. When a member violates the Code of Ethics or recognizes that others have violated the Code of Ethics, he/she must report the fact to the department in charge of ethical

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management.

3. The Members shall actively cooperate in signing and submitting the pledge of ethical management.

④ **Definitions of Terms**

The meanings of the terms used in this Guideline are as follows.

- Stakeholder: Individuals or groups whose rights or profits are directly and indirectly affected by the execution of jobs (customers, members, shareholders, business partners, local communities, the nation, government official, etc.)
- Member: Officers or employees who are employed by the company (including full-time, contractual, and other non-regular members)
- Business partner: Those who supply goods or services to the company or arrange for the supply (legal entities and individuals)
- Money or articles of value: Any property interest, such as money, securities, real estate, goods, accommodation ticket, membership ticket, admission ticket, discount ticket, invitation ticket, viewing ticket, usage right of real estate, etc.
- Entertainment: Providing or receiving meals, feast, golf, performances, domestic and overseas tours, and speculative entertainment
- Conveniences: Benefits other than monetary gift and entertainment, such as transportation, accommodation, sightseeing and event assistance
- Norms: A universally acceptable level that other members or the public can understand when judged by sound common sense, to the extent that the beneficiary can handle the business fairly without burden

Article 2. Attitude of Members

① **Sincere Execution of Work**

1. The Members shall conduct their duties based on the principle of integrity, while clearly recognizing the scope of their authority and responsibility.



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2. The Members shall keep in mind that their words and deeds are directly related to the trust and reputation of the Company and strive to fulfill their responsibilities and duties as members of society.
3. The Members shall not manipulate, conceal, reduce, exaggerate, omit, or delay events, documents, figures, etc., in any way that obscures or misjudges the decision making and judgment of internal and external stakeholders. Examples of such acts are as follows:
 - Acts of using any information or figures that are different from the facts for the performance of the Company or in materials related to procurement or bidding;
 - Acts of modifying, concealing, or disposing of documents, evidence, etc. arbitrarily for the purpose of avoiding loss and liability;
 - Acts of submitting false information at the request of the management or relevant offices; or
 - Acts of instructing to manipulate documents, figures, etc., or carrying out manipulation while knowing it's an unjust instruction.
4. The Members shall not hold outside jobs, nor engage in any part-time job or any extra job which may affect their duties with the Company, except in cases where the Company has given prior approval for such job, in consideration of such job's connection with the Members' duties with the Company.

② Prohibition of Conflicts of Interest

1. The Members shall prioritize and act for the interests of the Company in the event of a conflict of interest with the Company in the performance of their duties and shall do their best not to engage in any activity or create any situation of conflicts of interest with the Company.
2. Examples of conflicts of interest that the Members must be aware of are as follows. These do not list all cases of conflicts of interest, therefore strict judgments and

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applications are required by the Members as to whether or not there is an act of conflict of interest in the actual situation.

1) Where a member has the potential to interfere with his/her duty of fidelity to the Company or interfere with the best judgment or conduct for the Company benefit, resulting in a conflict of interest:

- Transacting business with the Company, its competitors or business partners, either directly by the member or through a third party;
- Securing and/or maintaining employment in a business entity that has an interest in, or any form of business relationship with the Company, either directly by the member or through a third party;
- Conducting a monetary transaction such as loan or a loan guarantee from, joint investment with, or a gambling, etc., from any business partners, either directly by the member or through a third party; or
- Holding shares or bonds issued by any business partners that the member has the power to influence, either directly by the member or through a third party.

2) Where a member earns undue profits from using information acquired in the performance of his/her duties, either directly by the member or through a third party, resulting in a conflict of interest:

- Using any confidential information obtained in performing his/her job for trading or soliciting others to trade related shares in his/her own or others' name; or
- Purchasing or soliciting others to purchase assets such as real estate, securities, etc. that the Company has purchased, leased, or intends to do.

3) Where a member encounters a conflict-of-interest situation inevitably with the Company, he/she shall promptly report it to the department in charge of ethical management and receive the approval of the Company if necessary.

③ **Protection of Corporate Assets and Information**



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1. The Members shall not use the Company's assets or transfer/lease the Company's assets to a third party for personal gains without the Company's approval.
2. The Members shall proactively protect the Company's intellectual property rights, including trademark rights, patent rights and copyrights. The intellectual property rights of third parties shall also receive the same protection.
3. In the event of the occurrence of actual loss to the Company or a possibility thereof, the Members shall immediately report such occurrence or possibility to the Company and take measures to prevent or minimize any loss to the Company.
4. The Members shall make efficient and appropriate use of the Company budget for intended purpose and guidelines and shall record it in accordance with accounting standards and procedures.
5. The Members shall not use any confidential information of the Company obtained during his/her performance of duties for any personal purpose or make any attempt to gain personal benefit by disclosing such information to a third party.
6. The Members shall not disclose, internally or externally, the Company's information and trade secrets without prior approval, and shall comply with the Company's information security policy and relevant regulations.

④ Prohibition of Offering or Receiving Money, Valuables and Entertainment

1. No Members shall offer any money or valuables, entertainment, convenience, etc. to any interested parties directly or indirectly, regardless of such offer's connection to his/her duties or the motive for such offer, except to the extent permitted by relevant laws and regulations.
2. The Members shall not receive or demand money, entertainment, personal convenience, etc. from stakeholders such as business partners. When the Members have unavoidably received money or other valuables, they shall immediately return received items or notify the incident to the Company. However, they may offer or receive gifts or meals at a reasonable value in accordance with prevailing social norms.

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Examples of acceptable cases are as follows:

- Souvenirs and goods given to unspecified number of people as PR or promotional event items, the value of which is reasonable, in accordance with prevailing social norms;
 - Monetary gifts of congratulation or condolence in reasonable value, according to prevailing social norms, in the spirit of lending a helping hand. However, the member shall not inform business partners of his/her or colleagues' special occasions, or force them to provide monetary gifts;
 - Socially acceptable business lunch/dinner with business partners to enable smooth job execution. However, in principle, the expense shall be covered by the Company. If it is inevitable to split the expense between the two, or if a business partner solely covers the expense, then it must be approved by the superior (the head of the member's organization); or
 - Food or drink and convenience such as transportation, accommodation, etc., offered to all attendees without exception by the host in official events within a socially acceptable level.
3. For the internal events, such as office events or club activities, the Members shall not receive any monetary gifts or conveniences such as donations and the provisions of vehicles, venue, or service necessary for the event from business partners.

⑤ **Mutual Respect among the Members**

1. The Members shall respect each other between superiors and inferiors, or among colleagues, and maintain personal ethics such as propriety and dignity as SK Members.
2. The Members shall not engage in any workplace harassment action that causes physical or mental sufferings to the victim member or aggravates the working environment including: rude or overbearing behaviors such as abusive language or assault; bullying; spreading rumors about personal affairs; coercing colleagues to drink or smoke; or unfair work orders or private instructions using positions.

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3. The Members shall not engage in any acts that undermines the development of sound interpersonal relationships in the workplace, such as inappropriate financial transactions, personally burdensome requests, and speculative entertainment.
4. The Members shall not be discriminated against for the reason of gender, educational background, place of origin, marital status, pregnancy, race, nationality, religion, etc.
5. The Members shall not engage in any act of sexual harassment with each other.

Examples of sexual harassments are as follows:

- Inappropriate physical contact such as touching a particular part of the body without consent;
- Making improper jokes or using vulgar language;
- Sharing or posting obscene images with others;
- Making sexual jokes or comments about appearance, or asking about past sexual experiences;
- Forcing to serve alcohol or dance at staff dinner, workshop, or group events; or
- Other illicit behaviors that could cause sexual humiliation

Article 3. Attitude towards Customers

① Customer-centered Business Management

1. The Company shall constantly strive to provide products and services that will satisfy customers' needs.
2. The Company shall respect various opinions of customers and actively reflect them in the Company's management activities.
3. The Company shall provide customers with accurate product information in terms of functions and risks, and do not make false or exaggerated advertisements.

② Protection of Customer Information

The Company shall protect customers' property and information safely in accordance with relevant laws and regulations and the Company's regulations.

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Article 4. Responsibility for Members

① Human-centered Management

1. The Company shall respect each -Member’s individuality and treat them fairly and reasonably, in accordance with their capability and performance.
2. The Company shall create a SUPEX Quest environment in order to help the Members maximize their intellectual engagement willingly and voluntarily.
3. The Company shall support the self-development of the Members and actively provide the Members with education opportunities necessary for the execution and completion of duties.

② Safety and Welfare of Members

1. The Company shall institute systems that promote Members’ health and safety, and comply with relevant international standards, laws and internal regulations governing Member health and safety.
2. The Company shall exert its utmost efforts to encourage its Members to present a spirit of challenge and creativity based on mutual trust and pride, and help the Members pursue happiness together with their colleagues.

Article 5. Responsibility for Shareholders

① Enhancement of Corporate Value

The Company shall maximize corporate value through transparent and efficient business management as it continues to pursue management innovation and shall share its profits with its shareholders.

② Protection of Shareholder Rights and Interests

The Company shall prepare disclosure documents including financial statements in accordance with relevant laws, regulations, and accounting standards, and disclose them in good faith in accordance with the relevant laws and regulations in order to protect the

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interests of shareholders.

Article 6. Relationship with Business Partners

① Win-win Management and Fair Competition

1. The Company shall provide business partners with fair trading opportunities and pursue mutual benefit and joint development.
2. The Company shall compete in good faith with fellow players based on the spirit of mutual respect.
3. Recognizing that the unlawful acquisition or use of a fellow player's trade secrets may cause serious harm to the Company, the Company shall not acquire or use the trade secrets of a fellow player in an illegal or improper manner.
4. The Company shall protect the information and trade secrets of its business partners and shall not use such information for purposes other than for carrying out the Company's rightful business activities, unless otherwise agreed to by the business partners or allowed under the relevant laws.

② Prohibition of Unfair Acts Using a Superior Position

1. The Members shall not engage in acts that deviate from basic etiquette such as verbal abuse, violence, and sexual harassment toward business partners.
2. The Members shall not make an improper solicitation to business partners by himself/herself or through a third party that hinders the proper performance of his/her duties against fair business practices. Examples of improper solicitations are as follows:
 - Intervening in personnel affairs such as recruitment, promotion, transfer, salary, benefits, and evaluation;
 - Requesting or accepting offers or recommendation for future employment or job, etc.; or
 - Making unfair solicitations and recommendations or commanding such acts for

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other personal interests.

Article 7. Responsibility for Society

Responsibility for Society and Environment

1. The Company shall pursue zero-accident and practice environment-friendly business management for social development.
2. The Company shall strive for the happiness of society by actively participating in corporate philanthropic activities.
3. The Company shall respect community cultures and traditions, and comply with the relevant laws and regulations, and social norms of the regions where it conducts business.

Article 8. Compliance with Laws and Regulations

- ① The Company shall abide by the laws and regulations in each nation where it conducts business and respect traditional trade culture of the region.
- ② The Company shall comply with the laws and regulations related to fair trade and the relevant regulations of the Company and conduct business in accordance with the principle of free and fair competition.
- ③ The Company shall strictly adhere to the generally accepted accounting principles, relevant laws and regulations, and the Company regulations to accurately record and maintain the accounting information. Accounting information of the Company shall not be manipulated or falsely reported.
- ④ The Company shall be responsible for meeting the customers’ needs and the relevant laws and regulations with respect to quality and safety of its products, and provide accurate information regarding a product’s functions and risks to the customers.
- ⑤ The Company shall observe domestic and foreign laws and regulations, and international treaties related to safety, health, and environment. The Company shall strive to foster a safe

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working environment and actively seek to protect the environment.

- ⑥ The Company shall comply with international anti-corruption conventions and related domestic and foreign laws and regulations.
 - 1. The Members shall not improperly solicit any public officials in the course of their business in violation of the Improper Solicitation and Graft Act.
 - 2. The Members shall not offer, promise to offer, or express any intention to offer any financial or other advantages to any public officials in violation of the Improper Solicitation and Graft Act.
 - 3. The Members shall comply with international anti-corruption (including bribery and money laundering) conventions and domestic and foreign laws and regulations including: OECD Anti-Bribery Convention; UN Convention against Corruption; U.S. Foreign Corrupt Practices Act; UK Bribery Act; and Act on Preventing Bribery of Foreign Public Officials in International Business Transactions of South Korea.
 - 4. For matters that may be interpreted as violation of anti-corruption laws, the Members must seek prior consultation of the legal team or the department in charge of ethical management. The Members shall not make any arbitrary decisions with regards to such matters.
- ⑦ The Company shall make donations or offer sponsorships only to the extent permitted under the relevant laws and regulations and in the context of social norms and by obtaining official approval of the Company pursuant to the established procedures. In any event, donations and contributions for any political purposes are strictly prohibited.

Article 9. Application of Code of Ethics and Practice Guidelines

① Compliance Obligations

- 1. The Members shall be responsible for complying with the Code of Ethics and the Guidelines and shall seek and follow interpretation of his/her leader or the department in charge of ethical management for any questions regarding their interpretation and



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application.

2. Leaders shall be obliged to fully support and manage their members and other stakeholders related to their business to have a sufficient understanding of the Company's Code of Ethics and the Guidelines. Also, leaders shall diligently and responsibly observe the Code of Ethics and the Guidelines to set standards for the conducts of other members.

② Reporting Non-compliance and Protection of Whistleblower

1. The Members who become aware of a violation of the Code of Ethics or the Guidelines shall immediately report such incident to his/her leader or to the department in charge of ethical management so that the Company can promptly take appropriate actions to protect itself and the Members from consequences of such violation.
2. The Company shall not engage in any unfair acts such as delivering disadvantages or discriminating working conditions to the whistleblower who has made a legitimate report.
3. The Members shall not engage in any act that has the possibility of exposing the identity of a whistleblower and the contents of the report, or any act of disclosing his/her identity, nor shall they act to direct it.
4. The Company shall protect those who cooperate with the investigation by means of statements, materials, etc. in the process of fact-checking the report on an equal basis with the whistleblower.
5. When the whistleblower is discriminated against due to the report, he/she may request the department in charge of ethical management to take protective measures such as resolving the discrimination and transferring to a different team. The department in charge of ethical management shall check the facts and take measures to address them, and establish and implement a plan to prevent recurrence, including disciplinary measures against those involved.

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6. The person in charge of the investigation shall keep the identity of the whistleblower and the contents of the report confidential so as not to be disclosed against his/her will and shall comply with the Guidelines for Whistleblower Investigator of Appendix 1.
7. The Company shall take measures against those who violate the above whistleblower protection regulations in accordance with the regulations on personnel management and reward and punishment.
8. If a whistleblower has engaged in a fraudulent act, but consulted or reported the fact to the Company, the Company may take into account the extenuating circumstances for punishment or disciplinary measures.
9. The Company may reward a whistleblower who has contributed to the Company's benefit through reporting.

Article 10. Department in Charge and Method of Reporting

① Department in Charge

The department responsible for operating the Code of Ethics and the Practice Guidelines shall be the Ethics Management Team. The department in charge of ethical management shall respond to the counseling requests of the Members, provide guidance and education for the Members, and take appropriate disciplinary measures against members who violate regulations and guidelines.

② Counseling and Reporting Channels

The Members may inquire, request a counseling, or report on the Code of Ethics and the Practice Guidelines using communication channels below. Whistleblower may report via e-mail, homepage, telephone or mail, or in-person visit.

E-mail: skbioscience.ethics@sk.com

Web: SK ethics of SK bioscience homepage(www.skbioscience.co.kr)

Phone: 82-2-2008-2338

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Address: To Ethical Management Officer at Ethics Management Team
310, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea,

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Addendum

Article 1. Date of Enforcement

This Practice Guidelines shall be effective on and after July 1, 2018.

Article 2. Bylaws Enforcement

In the event of a violation of this Practice Guidelines, the Company shall take measures in accordance with the Company’s regulations.

Addendum

Article 1. Date of Enforcement

This amended Practice Guidelines shall be effective on and after November 23, 2020.

Addendum

Article 1. Date of Enforcement

This amended Practice Guidelines shall be effective on and after October 12, 2021.

Addendum

Article 1. Date of Enforcement

This amended Practice Guidelines shall be effective on and after July 1, 2022.

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Appendix 1. Guidelines for the person in charge of Whistleblower Investigator

Guidelines for Whistleblower Investigator for Protecting Whistleblower

Whistleblower investigator shall prioritize the whistleblower protection in investigating process while complying with the matters as follows:

- Whistleblower investigator shall not leak or imply any information or content related to the report without the consent of the whistleblower.
- All materials related to the report shall be viewed only by authorized persons and kept in such a manner as to maintain strict security. However, paper documents received by mail/fax, etc., shall be kept in a separate storage area secured by locking devices.
- In case of divulging the identity or the report contents of the whistleblower recognized while conducting the investigation, the whistleblower investigator shall be imposed with disciplinary measures in accordance with the relevant regulations. However, a waiver may be possible for exceptional cases as follows:
 - Matters that may cause serious workplace injuries and discontinuing operations
 - Significant financial irregularities, leakage of company secrets, document forgery or falsification, media reports, etc.
- The head of the Ethics Management Team is responsible for educating and managing all security management guidelines on whistleblower investigation.