

Yuhan Ethics Policy



I . Preface

Based on the founding philosophy of Dr. New Ilhan Only, we strive constantly to create new value for the Company through efficient management activities, fulfill our corporate social responsibility, and coexist with stakeholders such as customers, shareholders, and partners.

In this regard, we have established this Ethics Policy to create an ethical corporate culture based on trust, integrity and honesty, and are committed to implementing it.

This Code establishes the general guidelines of behavior that allow employees to resolve any ethical issues that may arise in the performance of their duties in a manner consistent with their pride in being a Yuhan employee and our fundamental values.

We take all measures to ensure that the Code is not just a formality and declaration, but is actively utilized in our work to maintain the trustworthiness of our Company.

II. Code of Ethics for Yuhan People

We pledge to strive continuously to create an enterprising and ethical corporate culture in order to fulfill our founding philosophy. We hereby resolve to implement the following code of ethics actively.

First, we have complete conviction that our mission and purpose are to create customer value, and we always think and act from the customer's perspective.

Hence, we protect shareholders through sound and transparent management activities, maximize corporate value, and provide long-term and stable profits to shareholders.

We adhere to the principle of market competition in our dealings with suppliers and seek long-term coexistence and mutual growth by securing mutual trust through clean and transparent transactions.

We will comply with all laws and social ethics in our business activities, practice good faith competition, and secure competitive advantages by raising the level of our products and services based on new ideas.

We contribute to the economic development of the country as a stable company through technology development and management innovation, and fulfill our corporate social responsibility through environmentally friendly management activities and return of corporate profits to the society.

We uphold the dignity of individuals and the honor of the Company, based on honesty and integrity, and do not leak or misappropriate trade secrets.

In order to achieve the goals and values pursued by the Company, we strive to perform our duties based on a sound ethical culture, respect each other, and strive to be the best in our respective jobs through self-development.

III. Implementation Guidelines for the Ethics Policy

Chapter 1 Responsibilities and Obligations to Customers

Guided by the belief that our mission and purpose are to create customer value, we always put ourselves in our customers' shoes, respect their opinions, and strive to provide the best products and services to help them in a practical way and satisfy their requirements.

1. We keep our promises to our customers and use only truthful language and courteous behavior in all customer-facing activities, such as answering the phone, taking orders, making deliveries, and handling complaints.
2. We process legitimate product return requests from customers quickly and accurately.
3. If we acquire information related to a customer, we do not disclose it to third parties without obtaining prior consent from the customer.
4. We provide customers with accurate information about our products and

services, and avoid exaggeration and propaganda.

5. We respect and comply with laws regarding consumer protection.

Chapter 2 Responsibilities and Obligations to Shareholders

We strive to earn our shareholders' trust by maximizing corporate value through sound and transparent management activities, protecting shareholders' rights, and providing them with long-term and stable profits.

1. We recognize that we have a duty to protect the rights of our shareholders and respect their legitimate requests and suggestions.
2. We disclose management information faithfully to build a relationship of mutual trust with shareholders and investors, and strive to maximize shareholder interests.
3. We treat all shareholders fairly and ensure that our management decisions do not infringe unfairly upon shareholders' interests or rights.
4. We prepare financial data accurately, on a fair and just basis, and disclose it transparently to shareholders and authorities.

We do not violate shareholders' interests by using undisclosed inside information about the Company to gain unfair stock trading advantage or by disclosing inside information to others.

Chapter 3 Guidelines for Contractors

We adhere to the principle of market competition in our dealings with suppliers and seek long-term coexistence and mutual growth by securing mutual trust through fair and transparent transactions.

Section 1 Coexistence with Partners

1. We give all qualified prospects an equitable opportunity to participate in the

supplier registration and selection process.

2. In dealing with suppliers, we comply with relevant laws such as the Fair Trade Act, conduct all transactions on an equal footing and fairly, and do not engage in any unfair practices using our superior position.
3. In selecting suppliers, we follow a fair and objective process that not only considers the quality and reliability of our suppliers, but also evaluates their ethics, safety, environment, labor, and human rights comprehensively.
4. When dealing with suppliers, we document mutually agreed-upon transaction terms based on the principle of coexistence through transaction contracts, etc., and if it is necessary to make changes in the transaction terms, we consult with suppliers and go through appropriate procedures.
5. When terminating business with a fixed partner, we always notify them in writing, and do not use unfair methods or unilateral decisions to terminate business.
6. In order to improve competitiveness and develop together with our suppliers, we follow a complementary approach by guiding their management, sharing information on transactions, and evaluating transaction results based on fair standards.
7. We do not use influence to favor or cause disadvantage to a particular company, and conduct consultations in a designated or open location within the Company.
8. We ensure that pricing and related information submitted by vendors is not leaked for improper use.
9. We will not utilize the intellectual property rights of our suppliers without due authorization, and we will exercise caution in using the intellectual property rights of third parties. We will also comply with intellectual property laws in the regions where we operate.

Section 2 Prohibition on the Acceptance of Entertainment, Gifts, etc.

1. If a Yuhan member gives or receives business hospitality, it shall be within

the bounds of what is customary.

2. Entertainment should not be frequent, and such activities should not be held in extravagant entertainment venues that may be legally prohibited or socially condemned.
3. Yuhan members shall not solicit or accept money or gifts for any reason, including holidays and business travel (except for company-approved gifts given as a business custom).
4. If a Yuhan member receives money or gifts from a supplier in excess of the usual amount, whether delivered to his/her home or workplace (including hand-delivered), the matter shall be reported immediately to the Company and the money or gift returned with a polite explanation.
5. The customary level means a range that allows the recipient to perform his or her duties fairly without feeling burdened, and is generally no more than KRW 50,000 per person or per case. The normal level of monetary value means souvenirs distributed to an unspecified number of people, event promotional materials, and goods approved by the Company, as well as tickets and admission tickets that cost only small amounts. In addition, the normal level of entertainment means eating, drinking, exercising, etc. at places open to the general public other than membership systems and illegal business establishments, provided that it is an official event or a meeting approved by the Company.
6. If the contents of this section and the Pharmacy Act and the Act on the Prohibition of Unauthorized Solicitation and Graft (hereinafter referred to as the Anti-Solicitation Act) stipulate different standards, the Pharmacy Act and the Anti-Solicitation Act shall take precedence.
7. In addition to what is set forth in this section, a Yuhan member shall not do anything that could be misconstrued as a violation of the Pharmacy Act or the Anti-Kickback Statute.

Chapter 4 Fair Competition and Legal Compliance

We comply with all laws and social ethics in our business activities and promote mutual development through good faith competition in the

marketplace with our competitors.

1. We respect applicable laws and regulations and generally accepted commercial customs in all jurisdictions at home and abroad where we conduct business, and do not engage in any conduct that violates or is likely to violate current antitrust laws.
2. We respect the competitive order of the marketplace, practice fair and good faith competition, and do not take unfair advantage of competitors' weaknesses.
3. Yuhan members will not engage in any activity that could give the appearance of unfair trade practices, such as collusion with competitors, will clearly voice their opposition to any discussion that they believe may involve collusion, and will notify the relevant department immediately.
4. We do not use unfair means to obtain information necessary for a transaction. We obtain and utilize information legitimately and do not disclose it improperly to others.
5. We do not engage in unfounded disparagement of competitors in advertising, sales, or other forms of comparison not permitted by applicable law.
6. To raise awareness and instill a culture of anti-corruption and compliance management, all employees take a compliance pledge and are committed to honoring it.

Chapter 5 Responsibility to the Country and Society

As a member of the national and local communities, we comply with relevant laws and regulations, fulfill our obligations faithfully, and practice sustainable management through environmentally friendly business activities and corporate social responsibility.

Section 1 Social Responsibility

1. The Company will fulfill its obligations to comply with laws and regulations and pay taxes in good faith.

2. Employees participate actively in social contribution activities to promote community development and welfare, and the Company provides active support for their social contribution activities.
3. The Company returns profits from its business activities to society and strives continuously to realize social value and develop local communities.

Section 2 Going Green

1. We comply with all laws and regulations related to environmental protection and strive to preserve the environment by responding proactively to climate change, saving energy, and protecting water resources.
2. We do not engage in business activities that cause seriously harm to the environment and do our best to prevent environmental pollution through environmentally friendly corporate management.

Section 3 No Political Involvement

1. Employees shall not engage in any political activities at the workplace.
2. Employees shall report to their immediate supervisor in the event that they are forced or solicited to perform improper duties by the government, political parties, public officials, and politicians, etc.

Chapter 6 Basic Employee Ethics and Job Performance

We strive to develop and maintain a clean and transparent corporate image based on honesty and integrity, enhancing personal dignity and company honor.

Section 1 Creating a Healthy Workplace

1. All employees shall treat each other with respect and shall not engage in conduct that shows a lack of dignity and character, including profanity and offensive language and behavior.

2. Employees are prohibited from forcing others to drink alcohol with them, or any other behavior that causes sexual humiliation (Including sexual harassment of any kind).
3. Employees shall not use their position, status, relationship, or other advantages to cause physical or mental pain to other employees beyond the scope of their duties, or engage in behaviors that may worsen the working environment.
4. Employees shall not engage in activities that promote fraudulent activities such as pyramid schemes within the Company, or engage in abnormal monetary transactions between employees.
5. Employees shall make every effort to prevent accidents through thorough safety checks and management.

Section 2 Fair Performance of Job

1. Employees shall do their best to fulfill their assigned duties and perform their duties fairly in compliance with applicable laws and regulations.
2. Employees shall not engage in any behavior that conflicts with the interests of the Company in the performance of their duties, and shall prioritize the Company's interests in the event of a conflict of interest between the Company and an individual or department.
3. Employees will be respected for their individual autonomy and creativity and will not be discriminated against in terms of employment, promotion, training, compensation, and benefits on the basis of race, nationality, gender, religion, disability, age, political opinion, or social status.
4. Employees are reasonably compensated for their performance based on fair evaluation criteria.

Section 3 Management and Protection of Company Assets

1. Employees shall manage the Company's assets and expenses strictly for the purpose of their duties, and shall be responsible for and manage the Company's assets.

2. Employees shall observe safety measures in the performance of their duties, take proactive measures to prevent loss, theft, pilferage, or damage of assets, and make every effort to recover Company assets in the event of an emergency.
3. Employees shall make every effort to prevent safety accidents and achieve an 'accident-free workplace' in the performance of their duties and workplace management.

Section 4 Gifts from Employees to Each Other

1. We do not encourage monetary transactions, excessive gifts, or unfair solicitations between employees. However, we do allow gifts from supervisors to subordinates for organizational enrichment, or gifts between employees that are fairly paid for by teams or members.
2. An employee shall not give any money or gifts to his/her supervisor.
3. Employees shall avoid giving gifts to superiors, peers, or subordinates when traveling internationally.

Section 5 Prohibition on Disclosure of Confidential Information

1. Employees shall not disclose the Company's confidential information, new business information, trade secrets, or information pertaining to customers and suppliers (hereinafter referred to as Confidential Information) to any third party.
2. Employees shall keep the Company's confidential information in a designated place for security purposes and take the best measures, such as destroying the data in accordance with appropriate methods and procedures when the period of data retention expires.
3. Employees shall handle confidential information with care, and shall immediately notify their supervisor or the appropriate department of any information regarding the Company's confidentiality acquired from outside sources for appropriate action.
4. Employees shall not use the Company's confidential information for personal

gain and other purposes outside of work.

5. Employees shall comply with the 'Act on Prevention of Unfair Competition and Protection of Trade Secrets' and other laws and regulations related to the protection of trade secrets, and shall commit to and fulfill the 'Trade Secret Pledge' faithfully.

Section 6 Duty to Report Unethical Behavior and Whistleblower Protection

1. If an employee discovers any unethical behavior that violates the law and the Company's regulations and systems, he/she shall immediately inform his/her immediate supervisor, or report the matter through the channels provided in this section.
2. The Company will promptly review the reported facts and take appropriate measures to ensure that the interests of the Company and individuals are not compromised, and thoroughly guarantee the confidentiality of the reporter's identify and the contents of the report.
3. Employees shall not be penalized for making a legitimate report.
4. The channels for reporting and whistleblowing on unethical behavior

are listed below.

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Addendum

Addendum (Nov. 1, 2005) This Ethics Policy took effect as of November 1, 2005.

Addendum (Nov. 1, 2022) This Ethics Policy was amended and implemented as of November 1, 2022.