



HANDOK

Code of Conduct



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1. HANDOK Code of Conduct



Objectives

- HANDOK Code of Conduct establishes basic principles for ethical behavior based on the company's core values, and provides specific guidelines for correct conduct.
- While the company's mission and vision serve as a compass, the Code of Conduct acts as a roadmap that provides clear guidance on how to behave ethically and correctly in order to achieve those goals.



Scope

- This Code of Conduct applies to duties of all executives and employees of HANDOK.



Distribution

- This Code of Conduct is distributed to all executives and employees inside HANDOK (In-company disclosure)
- The latest version is posted on the company's website (<https://www.handok.co.kr/en/>) and disclosed to all stakeholders such as stockholders, partners, Vendors, and customers.

2. Obligations and responsibilities to observe



Executives and employees

- All executives and employees of HANDOK shall comply with external laws and regulations, as well as the guidelines for this Code of Conduct related to work performance, and internal company regulations, procedures, and manuals regarding relevant affairs.
- When the executives and employees of HANDOK perform work through a representative, the same policy shall be applied to the representative's work performance.
- If executives and employees violate the principles and guidelines stipulated in this Code of Conduct, they may be imposed to various corrective actions. In the case the matter is serious, executives and employees may be subject to disciplinary punishment according to internal procedures, and measures such as being excluded from the relevant duties may be taken. The representative may be given sanctions according to the terms of the contract.
- When an exceptional situation arises during the performance of work in which faithful observance of these guidelines is not possible, or when the contents of these guidelines are ambiguous, the executives and employees shall handle the situation according to "12. Methods of presenting inquiries and opinions." In addition, if it is judged that a behavior that violated these guidelines was detected, or if there is suspicion of an activity or behavior that may lead to violation, the executives and employees are responsible for reporting the case without delay.



Manager

- The manager of HANDOK must always set an example by abiding by this Code of Conduct and ought to help employees be well-acquainted with the Code of Conduct for according practice.
- The manager of HANDOK shall ensure that employees are familiar with relevant laws and regulations, this Code of Conduct, and other company policies, which are applied to work performance, and receive appropriate training.
- The manager of HANDOK shall always encourage ethically correct behaviors and create a work environment where employees can freely and actively report and notify unethical behaviors from inside and outside of the organization.
- The manager of HANDOK shall be responsible for managing and supervising the state of the employee's compliance with the Code of Conduct. When performing work through an external representative, the Head of Department in charge shall take responsibility for

2. Obligations and responsibilities to observe



Head of ethical management

managing and supervising the representative to follow the present Code of Conduct.

- The Head of ethical management is the general manager of ethical management and is responsible for providing advice and instruction to executives and employees regarding issues of ethical management of the organization, including the guidelines for this Code of Conduct.
- The Head of ethical management shall take responsibility for operating the reporting and handling procedures with respect to reports and notifications.



Chief Executive Officer

- The Chief Executive Officer (CEO) is the final responsible in charge of establishment and operation of the company's ethical management system, and must ensure active support for the overall organizational culture and communication to encourage compliance with the principles and guidelines prescribed in this Code of Conduct.
- The CEO shall support organizational operations and processes to assure smooth implementation and regular updates of this Code of Conduct.
- The CEO shall be responsible for conducting regular checks on the smooth implementation of this Code of Conduct throughout the organization and responding appropriately without delay once any issues are detected.



Vendors and business partners

- Vendors and organizations in business partnership with HANDOK are required to comply with the 'HANDOK Business Partner Code of Conduct,' and certain provisions of this Code of Conduct may apply.

3. Basic attitudes of HANDOK members

All executives and employees establish a correct sense of ethics and values based on honesty and trust, fulfilling the mission as HANDOK members through constant self-development and fair work performance.



Basic attitudes towards the assigned duties

- We always perform our duties with honesty and faithfulness based on our pride and self-confidence as HANDOK members.
- We recognize the importance of professional ethics and make a continuous effort to maintain individual dignity and the company's honor based on the correct sense of ethics and values.
- We establish ourselves as desirable talents suitable for a company with global standards in all areas of production, quality, R&D, sales, marketing, personnel, finance, and business management, and do our best to meet the requirement through incessant self-development.
- We strive to achieve sustainability in the areas of continuous growth, trust, mutual prosperity, and environmental friendliness, while working to realize social value and economic growth.



Fulfillment of responsibilities

- Executives and employees shall share the company's vision and values, and faithfully perform their assigned duties.
- Executives and employees shall do their best to faithfully perform their duties in the relationship with all stakeholders based on compliance with relevant laws and company regulations that apply to work performance.
- As a healthcare company, the company shall protect patients and consumers, guaranteeing the best quality of medicines and health-related products, and strictly comply with relevant regulations and guidelines.

3. Basic attitudes of HANDOK members



Cultivation of a sound organizational culture

- Executives and employees shall observe basic proprieties with one another, foster a healthy organizational culture through effective communication and active cooperation, and respect diversity and inclusion.
- Executives and employees shall not form factions (groups) or private organizations in relation to blood ties, origin of birthplace and school connection within the company.
- Executives and employees shall not engage in speculative acts such as gambling or betting within the company and its facilities, and shall not commit speculative acts breaking the frame of social norms that may depreciate the company's image even outside the company.
- To create a sound organizational culture, executives and employees shall not engage in sexual temptation and acts that induce sexual shame among members that fall under the following Subparagraphs.
 - 1) An act of deliberately touching a specific body part of another person
 - 2) An act of making a sexual comparison or evaluation of the other person's physical appearance
 - 3) An act of forcing a specific person to engage in serving alcohol at a gathering such as an after-work dinner or causing sexual shame
 - 4) Jokes or talk that may cause obscene and sexual insults
 - 5) Any other acts that may cause sexual shame to the other person, based on rational judgment with sound common sense
- Executives and employees shall not leverage their position or relationships at work to inflict physical or mental distress on other workers or to degrade the working environment.

3. Basic attitudes of HANDOK members



Fair performance of duties

- Executives and employees must draw a distinct line between public and private matters, and perform their duties fairly complying with relevant laws and regulations.
- Executives and employees must not enjoy any form of financial benefits that may hinder fairness of value judgment in work performance. (Refer to: [Annex 1. Prohibition of provision and acceptance of money and valuables](#)).
- Executives and employees shall not engage in unethical and illegal activities breaking the social norms such as unreasonable instructions, mediation, request, and preferential treatment.



Avoidance of conflict of interest

- Executives and employees are not allowed to engage in business other than company business without receiving approval from the company.
- Executives and employees must avoid any acts or relationships that may result in a conflict of interest with the company in relation to their assigned duties.
- Executives and employees are required to report the company when a conflict of interest situation arises according to the company's management procedures of conflict of interest, and take appropriate management and measures.



Protection of assets and prohibition of unjust use of inside information

- The company's assets and facilities shall be used only for performing assigned businesses or purposes approved by the company, and the company's assets and facilities are forbidden from being used for personal purposes or unauthorized possession or damage.
- Executives and employees shall not take personal financial or non-monetary profits in an unfair manner by using inside information obtained from work.
- Executives and employees shall be responsible for keeping confidentiality of important undisclosed information related to the company and shall not provide it to a third party without due process.
- Executives and employees shall be responsible for promptly acquiring, protecting, maintaining, and defending the company's intellectual property to secure its competitive advantage, and must also respect the intellectual property rights of others.

3. Basic attitudes of HANDOK members



Information security

- Executives and employees shall be responsible for protecting the company's information assets from being damaged or exposed to the outer world without permission causing harm to the company by complying with the information security regulations and guidelines.
- When using the company's information assets, executives and employees must not visit internet sites or use social media and other IT services that contain illegal, immoral, or socially inappropriate content that may harm the company's reputation.
- Executives and employees must take special precaution against the leakage of confidential company information in public presentations such as lectures and interviews, writing, translations, and social media activities, making a constant effort to keep personal dignity and the company's honor. (Refer to: [Annex 2. Guidelines for public presentation, writing & translation activities and social media activities](#))



Privacy Protection

- Executives and employees shall process personal data pursuant to the Privacy Laws and relevant internal regulations, and strictly prohibit the use of personal data other than the purpose obtained from the work performance.
- Personal data shall be collected and used only to the minimum extent necessary for legitimate business purposes and retained only for the period required for such purposes.
- Executives and employees shall take appropriate technical, administrative, and physical safeguards to manage personal data securely, and report any data breach incidents immediately to the Data Protection Officer.
- When providing personal data to third parties or outsourcing tasks, it must be ensured that the third party can handle personal data securely and comply with relevant laws and regulations.

3. Basic attitudes of HANDOK members



Health · safety · environment

- For the safety and health of employees and the local community to which the workplace belongs, executives and employees shall comply with related laws and regulations such as the “Health, Safety and Environment Policy,” and make the rules of health and safety of the workplace as part of everyday life.
- It is required for executives and employees to be always familiar with and obey all laws and regulations related to health, safety, and environment, doing their best to prevent disaster and accidents through risk management.
- Each member of executives and employees shall be responsible for continuous attention to protect themselves and their colleagues, and shall take measures to improve unsafe practices or environment.
- Executives and employees shall evaluate risks and opportunities for management of health, safety and environment, and carry out unceasing improvement.



AI Ethics

- In compliance with AI-related regulations and ethical standards, the highest value is set as 'Humanity' To achieve this, principles of human dignity, public good, and technological purposefulness are upheld.
- The development and utilization of AI must respect all human rights, protect privacy, and honor diversity. Additionally, it should avoid causing harm to humans, promote social public welfare, and maintain solidarity among various groups.
- Data must be used purposefully, with clear accountability, ensuring safety, and striving for transparency.

4. Attitudes towards executives and employees

We respect human dignity of every executive and employee and treat them in a fair and equal manner according to their capacity and achievements. We shall create a work environment that encourages them to display their creativity, leading them to contribute to the company's progress.



Respect for human rights and diversity

- HANDOK is dedicated to implementing human rights management by adhering to international standards and guidelines related to human rights and labor. This includes compliance with the Universal Declaration of Human Rights, the UourN Guiding Principles on Business and Human Rights, the core conventions of the International Lab Organization, and OECD due diligence.
- Based on mutual respect, trust and affection, all executives and employees are treated as human beings with dignity and respects diversity.
- The company makes an utmost effort to encourage executives and employees to feel a sense of pride and ownership towards their work performance.
- The company establishes a system enabling executives and employees to demonstrate their maximum capacities in performing their work and seeks for necessary measures such as education and instructions.



Prohibition of workplace bullying

- It is not allowed to use the superiority of position or relationship beyond the appropriate scope for work, to inflict physical or mental suffering to other colleagues or to deteriorate the working environment (hereinafter referred to as “workplace bullying”).
- The company shall prepare procedures to prevent “workplace bullying” and implement them.
- The company shall operate an in-company communication channel to pay attention to diverse opinions of executives and employees and listen to their difficulties based on open communication culture.

4. Attitudes towards executives and employees



Prohibition of discrimination & fair and rational treatment

- When handling rewards and disciplinary actions for all executives, employees, and recruiting applicants, the company shall not discriminate them due to any reasons of the following conditions; gender, race, ethnicity, nationality, origin of birthplace, religion, age, appearance, marital status, sexual orientation, social status, disability, pregnancy, childbirth, medical history, educational background, genetic information, political orientation, educational background of family members and acquaintances, occupation, property, etc.
- The company provides equal and fair opportunities in education and promotion, according to the capabilities and qualifications of executives and employees.
- The company shall evaluate and compensate the performance and achievements of executives and employees according to fair and reasonable standards.



Promotion of creativity and self-development

- The company creates a condition encouraging executives and employees to freely express opinions and suggest ideas, to promote their creative and autonomous thinking and actions.
- The company establishes a system to foster professional and creative talents and actively supports relevant educational programs.
- To promote creativity and inspire a sense of voluntary participation, the company spares no effort to create a pleasant and safe working environment and improve the quality of life in terms of health, education, and welfare of employees and their families.



Progress based on labor-management harmony

- Both labor and management shall have a sense of ownership and keep in mind that both parties form part of the society. They must make an effort to achieve harmonious coexistence and progress of company based on mutual trust and respect.
- Both labor and management shall clearly recognize roles, authorities, responsibilities, and obligations related to job performance and act on the according conditions. By sharing the company's management philosophy, and creating an ethical corporate culture to improve the company's competitiveness.
- The company respect freedom of association of executives and employees pursuant to relevant laws to maintain and develop a labor-management relationship of cooperation based on mutual trust and sincerity.

5. Attitudes towards customers

All executives and employees regard customers as the highest standard of all judgments and actions, respecting the opinions of customers, and fulfilling their obligation to collaborate with customers as partners.



Respect for customers

- Executives and employees always pay attention to the opinions of customers and reflect such opinions in the management of the company. They make the effort to meet customers' demands and expectations with the best-quality products and services.
- By recognizing that the relationship is a partnership based on mutual respect, the company shall continue to promote the values required to provide satisfaction to customers.
- The company shall safely protect customer-related interests such as assets and personal data of customers according to relevant laws and regulations, and shall not infringe on the interests of customers in an unfair manner.



Information provision of customers

- The company shall prohibit false and exaggerated advertising related to products and services, and provide true and reliable information at all times.
- The company shall not make false or illegal claims against competitors and their products and services.
- When communicating with health care professionals and related products and services concerning customers, the company shall not only comply with relevant laws and regulations, but also provide medical and academic information and data that are scientifically proven to assure reliability.
- The company shall encourage customers and diverse stakeholders to make the optimal judgment by not only providing accurate and sufficient information regarding products and services in a transparent and timely way, but also responding to customer requests in a prompt and precise manner.

5. Attitudes towards customers



Research & development and innovation

- We will fulfill our mission to improve health and quality of life of humanity by developing various and innovative products and services for outstanding medicines as well as prediction, prevention, diagnosis, treatment and health improvement.
- In research and development activities, we not only abide by relevant laws and regulations but also constantly pursue top-rated ethical, scientific and medical standards based on quality and trust.
- We will make a continuous effort to keep integrity and quality of research and clinical data, and achieve the optimal data and results.
- We assure health and safety of patients and applicants participating in research, protecting their rights and privacy.
- When conducting animal testing, we do our best to carry out the testing in a responsible, humane and ethical manner.



Manufacturing and quality control

- We perform our mission of improving health and quality of life of humanity through outstanding efficacy, safety and the optimal quality control of our products.
- We make no concessions to quality and safety of products.
- We make an effort to keep integrity of manufacturing and quality control data.
- We not only meet the requirements of the GMP regarding manufacturing and quality control, but also create the best products and services by pursuing strict internal quality standards and ensuring that suppliers and cooperative partners reach these high standards.



Monitoring of product quality and safety

- For customer satisfaction, we monitor the quality and safety of our products and take immediate measures when any relevant issues arise.
- When customers makes a complaint due to product quality or abnormal cases, we take prompt and appropriate measures according to internal regulations and procedures.
- As for product abnormalities and safety information, we report the case to relevant regulatory institutions in a timely manner, according to the company's procedures.

6. Attitudes towards stockholders and investors

We uphold strong corporate values and maximize benefits for stockholders and investors through principled, transparent and efficient management.



Respect for stockholders and investors

- We make an active effort to reflect the legitimate requests and suggestions of stakeholders such as stockholders and investors in the company's management.
- As the basis of management, we always recognize the protection of investment returns of stockholders and securement of trust.
- We treat all stockholders and investors including minority shareholders, in a fair and equal manner.



Protection of interests of stockholders and investors

- We maximize corporate value through efficient management and constant innovation and share the results with our stockholders.
- We practice transparent management focused on the Board of Directors.



Observance of accounting regulations and transparent disclosure

- We prepare management data according to all laws and standards, and notify the public on relevant information in accordance with laws and regulations.
- We prepare accounting records following generally accepted accounting principles, and transparently disclose our financial state and management performance.
- By providing accurate management information in a timely manner in accordance with relevant laws, we help information users such as investors make a reasonable investment decision.

7. Attitudes towards cooperative partners

We establish a fair and sound win-win cooperation system with suppliers and business partners, and fulfill customer satisfaction by reinforcing and developing joint competitiveness.



Observance of the relevant laws and regulations

- In all business and sales activities at home and abroad, HANDOK complies with laws and regulations of countries involved, respects the customs of transactions, and observe international convention and general regulations regarding investment and transactions for the Nation's honor and progress.
- Through the operation of the Compliance Program, HANDOK complies with laws and regulations related to fair trade.



Management of cooperative partners

- HANDOK makes a constant effort to keep a fair and sound win-win cooperation relationship with cooperative partners.
- In the process of cooperating with partners, HANDOK requires strict standards, such as observing laws and regulations, fulfilling obligations to prevent corruption, and conducting transactions only when the standards are met.
- HANDOK collaborates in helping the cooperative partners to understand the basic vision of ethical management, the basic principles of the HANDOK Code of Conduct, to observe laws and regulations and to faithfully follow the international conventions and rules.
- HANDOK requires its partner companies to adhere to ESG (Environmental, Social, and Governance) standards. It collaborates to manage a sustainable supply chain, addressing risks related to human rights, the environment, and anti-corruption.

7. Attitudes towards cooperative partners



Provision of equal and fair opportunities

- Selection of suppliers must be made according to objective and fair standards, with both sides in equal positions of power.
- It is not allowed to practice any form of unfair behavior using a superiority of position (compulsory trade, discriminatory treatment, abuse of trade status, trade with constrained conditions, etc.), and all trade conditions and procedures must be amply discussed.
- We lead in promoting a clean and transparent trade culture and create more profits through mutual cooperation and innovation.



Transparent and fair contract

- HANDOK and its partners faithfully follow relevant laws and regulations in a series of processes such as business decision-making, negotiation, contract preparation and contract management.
- No executives and employees can make contracts or business-related promises without proper approval, and all contracts must be made through a legal written contract in accordance with the company's standard contract process.
- It is strictly forbidden to make a contract for personal benefits, provide unfair benefits for a third party, or manipulate the content of the contract in an arbitrary manner.
- In principle, transactions are prohibited with a counterpart whose identity is uncertain or whose transaction practices are not transparent. Also, it is severely prohibited to engage in any illegal or irregular transactions.

8. Attitudes towards competitors

We respect the principles of market economy and free competition in all business area around the globe, and secure a competitive advantage through fair and just methods based on mutual respect.



Observance of principle of free competition and laws

- Executives and employees respect the market economy order following the principle of free competition in all businesses and sales activities, and obtain customers' trust through our best-quality products and services.
- We pursue competition in good faith based on mutual respect, and we must not infringe on the interests of competitors in an unfair manner or take unreasonable ways to take advantage of weaknesses.
- We comply with required laws and regulations in all business and sales activities at home and abroad, respect transaction customs, and comply with fair trade laws and regulations through the operation of the Compliance Program.



Antimonopoly and fair competition

- All executives, employees, and cooperative partners strictly comply with the Act on Monopoly Regulation and Fair Trade and relevant regulations. It is strictly prohibited to engage in unethical and unfair bid manipulation, bid rigging, and any unjustifiable joint actions.
- Unlawful customer attraction activities other than reasonable sales activities prescribed in laws and regulations are strictly prohibited.

8. Attitudes towards competitors



Acquisition and use of information

- When obtaining information from competitors or external institutions, it is required to collect them in an ethical way through a legitimate channel via published information, press, websites, publications, advertisements & promotional materials, and market research.
- It is prohibited to acquire trade secrets or other confidential information of other companies in an unfair manner, and it is forbidden to agree, incite or neglect any illegitimate activities related to this.
- It is prohibited to use without permission or misuse Intellectual property and confidential information of competitors and a third party.

9. Attitudes towards the State and society

By growing into an established enterprise through transparent and rational business activities, we perform responsibilities and obligations as members of society and contribute to improved quality of life and social progress by fostering social values.



Protection of human rights

- All workplaces and Vendors comply with international trade-related laws and regulations, customs laws, etc. when making import and export transactions.
- Child labor is strictly prohibited at all workplaces and Vendors, and strict employment procedures shall be observed in all recruitment processes.
- All workplaces and Vendors recognize violation of human rights as a highly serious problem, and maintain the principle of zero tolerance when any ethical problems arise.
- All workplaces and Vendors are required to do their best to create a safe working environment for all members.



Observance of international trade regulations

- All workplaces and Vendors comply with international trade-related laws and regulations when making import and export transactions.
- By respecting various trade sanctions and import and export restrictions, we carefully select customers and business partners based on the list of sanctions when doing international transactions with countries and governments subject to international sanctions.
- To export products, services and technology, we comply with the system related to export license certification that vary according to laws of each country.

9. Attitudes towards the State and society



Environmental protection

- We strongly recognize the importance of environmental problems and commit ourselves to preserve a clean environment through environment-friendly corporate management, exceeding the standards set by relevant laws.
- We make an incessant effort to develop environment-friendly products by minimizing environmental impacts throughout the entire process of manufacturing, distribution, use and disposal of products, responding to domestic and overseas product environmental regulations through conducting an analysis of environmental impacts at each stage.
- We carry out activities for environmental preservation ranging from all workplaces and Vendors to local communities, and establish the “Policy on Health, Safety and Environment” regarding environmental issues that are closely related to the company, and put it into practice. For environmental issues that are closely related to the company, we comply with them by evaluating the impact and setting up appropriate measures.
- We are committed to addressing various environmental issues, including climate change, water management, marine protection, nature and biodiversity, air pollution, waste reduction and natural recycling, and the use of energy and resources.



Relationship with the government and public institutions

- HANDOK and cooperative partners strictly comply with laws related to government activities in each country, and prohibit any act of improper exercise of influence on public officials.
- HANDOK and partners strictly comply with fair and transparent procedures in transaction with the government and public institution. In case there is any violation or possibility of violation, we immediately report the case to relevant department and take proper action.
- We faithfully cooperate with governments, public institutions, and regulatory agencies when they request submission of information. When an employee receives a request for submission of information, he / she must not respond arbitrarily but immediately report it to the legal department and take action according to internal guidelines.

9. Attitudes towards the State and society



Political activities

- Even though the company maintains political neutrality and guarantees the political rights of executives and employees, it prohibits political activities in the workplace.
- Law regulates corporate political activities. When meeting government officials, including public officials to communicate regarding products and related policies, it is vital to follow appropriate procedures and methods.



Contribution to social progress

- As members of the local community, executives and employees must do their best to contribute to cultural and economic development, complying with all laws and regulations of the local community, and respecting their intrinsic culture and traditions.
- By making an effort to take part in international cooperation and partnership, executives and employees contribute to the development of the international community while promoting the positive benefits and business results of expanding the market and building trust.
- We contribute to national development by creating employment and accomplishing obligation of taxation in a faithful and transparent manner.
- We not only foster academic, educational, industrial and cultural development but also contribute to public interests by donation and sponsorship based on charity and public interests (Refer to: [Annex 3, Practice guidelines for donation and sponsorship](#)).

10. Raising Concerns, Presenting Ideas and Asking Questions

For additional inquiries and opinions, communication is available via the channel below.



Method through managers (Direct superior, second-level superior)

- The manager of HANDOK is responsible for helping employees be well-acquainted with the Code of Conduct for according practice. Employees can freely discuss with their respective direct superior.
- In case the direct superior lacks the resources to receive the employee's consultation, it is possible to consult a higher-level superior.



Method through Head of ethical management

- For any inquiries or comments, it is possible to contact the Head of ethical management directly, or consult via Ethical Management Unit sending an e-mail (Ethics&Compliance@handok.com).



Method through Chief Executive Officer

- All executives and employees are always able to communicate directly with the CEO through the channel, called "Dialogue with CEO" on Handok Intranet system, and can freely submit any questions, suggestions or issues related to this Code of Conduct through the channel.



Method through HANDOK reporting system

- HANDOK reporting system (Anonymous reporting system) on the company's website (<https://www.handok.co.kr/en/>) is a channel to report a variety of issues including unfair work management, unreasonable requests or corruption by those in positions of superiority, as well as matters for improvement, suggestions and positive feedback. Since HANDOK reporting system receives inquiries and comments anonymously, employees can count on the Center if necessary.

11. Report of misconduct and handling process



Report of misconduct

- Anyone who discovers unethical conduct or behavior that infringes the Code of Conduct of executives and employees in the company or receives instruction to do such behavior shall report or notify to the Head of ethical management or the CEO.
- Reports can be made through the “HANDOK reporting system” on the company's website (www.handok.com) or on the “Dialogue with CEO” section on company intranet. The report can either be signed or submitted anonymously. It is important to provide as specific and detailed information as possible so that the issue can be resolved in a thorough and quick way.
- If the reported item constitutes a 'public interest violation' under the 'Public Interest Whistleblower Protection Act,' it shall be handled in accordance with HANDOK's [EC-P017] Operation Policy on Handling Public Interest Reports and Protecting Whistleblowers.



Handling of report

- The Head of ethical management and the internal Audit Department must check concrete facts on the reported and notified matters to swiftly report to the CEO. If correction and improvement are required, it is necessary to receive decision making regarding the post-measures.
- All executives and employees of HANDOK have an obligation to actively cooperate based on honesty and trust in the internal investigations such as verification of facts on issues raised inside or outside the company.
- As for the result of handling reported or notified matters, if it was done under the real name, the result is informed to the party concerned. If it was done anonymously, it is posted on the “Anonymous Report” channel of the “HANDOK reporting system” so that the anonymous reporter can check the case.

11. Report of misconduct and handling process



Protection of reporters, confidentiality, and anti-retaliation

- The CEO and the head of Ethical Management must ensure absolute confidentiality of the reporter's personal data and the contents of the report, and make sure that the reporter should not suffer any discrimination or disadvantageous treatment caused by the report.
- The company will not impose any discrimination or disadvantages on the employees who raised issues or cooperated in the investigation nor accept retaliatory actions against them. If any employee commits this act or engages in it, they shall be under severe disciplinary measures.
- Despite the above guidelines, a reporter who has suffered discrimination or disadvantageous treatment can request protective measures and relief of disadvantages from the Head of ethical management or the CEO, who shall take the appropriate measures.

12. Awards and disciplinary measures



Awards and disciplinary measures

- The CEO can reward employees who have faithfully observed the Code of Conduct and greatly contributed to practicing company's ethical management, by reflecting their achievements in personnel evaluations.
- The CEO can take necessary measures including disciplinary action against executives and employees who violated the Code of Conduct. The types, procedures, and effects of specific disciplinary measures must follow related internal regulations and procedures such as the rules of employment, personnel policy, and operational regulations of ethical management.
- When reporting or notifying an act of violation or issues that are deemed to have contributed to preventing enormous loss of the company or protecting the company from bigger risks, the CEO can reward the reporter. The reward is determined based on the importance of the matter.

13. Definition of terms

<p>Personal data</p>	<p>It refers to information about an individual who is alive, covering information that can identify an individual through name, resident registration number and image (including any information through which the individual could be easily identified when combined with other information, even if the information alone is insufficient.</p>
<p>Public institution</p>	<p>“Public institution” means an institution or organization falling under any of the following:</p> <ul style="list-style-type: none"> - The National Assembly, Constitutional Court of Korea, the Election Commission, the Board of Audit and Inspection of Korea, National Human Rights Commission of Korea, the Corruption Investigation Office for High-Ranking Officials, central administrative agency (including the agencies belonging to the President and the Prime Minister), the institutions belonging to them, and local governments - Public service-related organizations pursuant to Article 3-2 of the “Public Officials Ethics Act” - Institutions pursuant to Article 4 of the “Public Institution Management Act” - Schools established according to the “Elementary and Secondary Education Act.” “Higher Education Act.”, “Early Childhood Education Act” and other laws and school corporations under the “Private School Act” - Media companies pursuant to Subparagraph 12 of Article 2 of “the Act on Press Arbitration and Damage Relief”
<p>Public official</p>	<p>“Public official” means a public official or a public service worker who falls under any of the following subparagraphs.</p> <ol style="list-style-type: none"> 1. A person qualified pursuant to “National Public Officials Act” or “Regional Public Officials Act” and other people who are recognized as public officials in their qualifications, appointment, education and training, service, remuneration, guarantee of status pursuant to other laws; 2. Heads of organizations or institutions related to public service pursuant to Article 3-2 of “Public Officials Ethics Act “and their executives and employees; 3. Heads and of schools (Primary and Secondary School), teaching staff and executives and employees of school corporation pursuant to Article 4 of “Act on Management of Public Institutions”; 4. Representatives & executives and employees of media companies pursuant to

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	Subparagraph 12 of Article 2 of “Act on Media Arbitration and Damage Relief”;
Money and valuables	<p>“Money and valuables” means any of the following subparagraphs.</p> <ol style="list-style-type: none"> 1. All types of property profits such as money, securities, real estate, goods, lodging coupons, membership card, admission tickets, discount coupons, invitation coupons, performance ticket, real estate usage rights, etc.; 2. Provision of convenience for hospitality and entertainment such as food, alcohol, and golf, or transportation and accommodations; 3. Other tangible and intangible economic benefits, such as exemption from debt, provision of employment, and offer of rights and interests;
Risk	It is a possibility of negative change in accomplishing the expected goal due to the effect of uncertainty of the goal and ambiguity in the future, but it is an opportunity of possibility of positive change as well.
Healthcare personnel	It refers to healthcare personnel who has qualifications or a license specified in the healthcare-related laws and a person who obtained permission to engage in healthcare services, including pharmacists and Oriental pharmacists working at medical institutions.
Healthcare professional	It refers to medical doctors, dentists, Oriental Medicine doctors, pharmacists and Oriental pharmacists.
Unjustifiable joint action	It is known as the so-called collusion, jamjami (fraudulent secret), cartel, etc. It refers to the act of unjustly restricting competition by agreeing with other business operators to jointly determine or increase prices and control shipments in order to avoid mutual competition among business operators.
Corruption / bribe	It refers to an act of proposing, promising, accepting, or requesting an unreasonable advantage for a value, directly or indirectly, regardless of region, by inducing a specific person to perform or restrict actions related to job performance in violation of applicable laws, or by providing compensation.

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<p>Confidential information</p>	<p>Information, data and document materials among all tangible and intangible information assets obtained during work performance are secrets and confidential that correspond to the company’s exclusive property and business transaction secrets. This is defined as confidential information.</p>
<p>Safety information</p>	<p>Adverse events / Error in prescription, formulation or administration / Insufficient treatment effect / overdose / drug misuse and abuse, use other than approved indications / Drug use during pregnancy (fetal drug exposure through a parent) / Drug exposure during lactation / Occupational exposure to drug / Interaction with food or drug / Unexpected benefits (desirable effect) / Safety information related to product defects or fabricated products / Suspected cases of drug-mediated transmission of infection / Safety information in children or the elderly</p>
<p>Mediation</p>	<p>It means an act of mediating or seeking convenience for certain matters. In a broad sense, “mediation” is also included in the notion of “solicitation.”</p>
<p>Adverse event</p>	<p>An adverse event refers to any undesirable and unintended signs, symptoms, or diseases that occurred during the administration or use of medicines (In the case of medical devices, during the use according to the normal method of use; in the case of dietary supplements, during its use). It does not necessarily have a causal relationship with the drug.</p>
<p>Stakeholder</p>	<p>It refers to every natural person, corporation, and organization that is influenced by the rights and interests due to the work-related actions or decision-making of executives and employees. It can be classified into external stakeholders and internal stakeholders in each clause as occasion demands. If it is not classified, it refers to both internal and external stakeholders.</p> <p>Stakeholders related to the healthcare industry cover a range of areas, such as general consumers, healthcare professionals, patients, hospitals, clinics, academics, government, regulatory institutions, business partners, suppliers, and local communities.</p>
<p>Conflict of interest</p>	<p>It refers to the situation where executives and employees prioritize their personal interests (financial/non-financial) over the interests of the company, and these</p>

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	interests collide with those of the organization. In the situation facing a conflict of interest, it becomes difficult to perform job for the company in an objective and efficient manner, and possibility of violating laws and regulations arises.
Executives and employees	It refers to all people who belong to the company, regardless of regular and non-regular employees, contract workers, and temporary workers.
Compliance program	It refers to behavioral elements and implementation plans for autonomous practice of competition laws and company’s internal regulations.
Information security	It refers to a series of actions to protect the company's information assets from unauthorized people outside of the company, as well as executives and employees within the company, to prevent the malicious use of company's information assets from damaging the company.
Information assets	It refers to all tangible and intangible information, data, document materials (including printouts) or IT assets that are created (purchased), distributed, and managed during the business process of the company.
Complaint about product	It refers to customers’ dissatisfaction with packing, properties, taste, odor, labeling information, durability, safety, effectiveness, contamination, quantity or volume, damage, deterioration during distribution or use observed in all medical and pharmaceutical products, quasi-drugs, dietary supplements, foods and medical devices manufactured or sold by the company.
Intellectual property	It refers to patents, utility model rights, trademarks, design rights or copyrights.
Solicitation	It refers to any expression of intent including requests that can affect others’ fair duty performance or decision making for the benefit of the person who solicits, or others.
public interest violation	Acts Violating Public Health and Safety, Environment, Consumer Interests, Fair Competition, and Equivalent Public Interests These acts refer to any of the following :

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- a. Acts subject to penalties under the laws specified in the appendix of the "Act on the Protection of Public Interest Whistleblowers."
- b. Acts subject to administrative dispositions such as cancellation or suspension of permits and licenses, as defined by Presidential Decree, under the laws specified in the appendix of the "Act on the Protection of Public Interest Whistleblowers."

14. History of revision

○ History of revision

This Code of Conduct shall be enforced from the date of enactment and revision.

[Enacted on Nov. 9, 2007], [Amended on July 1, 2009 / Jan. 1, 2019 / Dec. 15, 2020 / July. 1, 2023 / June. 1, 2025]



[Annex 1] Prohibition of provision and acceptance of money and valuables

- 1) Executives and employees are not allowed to provide or receive “money and valuables” related to business in the relationship with business partners or external stakeholders. However, exceptions apply to the following cases.
 - ① Gifts or souvenirs, transportation, lodging, or meals that are uniformly offered to all attendees at official events related to the job
 - ② Souvenirs or promotional materials designed to distribute to unspecified individuals
 - ③ Food and gifts not exceeding 100,000 won, which are provided as customary practice during holidays such as Lunar New Year’s Day and Chuseok
 - ④ Support money and gifts for congratulatory events and condolences within 100,000 won
 - ⑤ Conveniences such as meals, transportation, and accommodations, provided within reasonable limits for unavoidable job performance
- 2) Executives and employees are not allowed to provide or receive “money and valuables.” However, exceptions apply to the following cases.
 - ① A gift within 50,000 won provided for a person who has an equal or subordinate rank to the gift giver.
 - ② Support money and gifts for congratulatory events and condolences of colleagues within 100,000 won
 - ③ A gift within 50,000 won that is given publicly at a meeting of Team or Department
- 3) Even within the exceptionally permitted ranges of Subparagraphs of 1) and 2), it is prohibited to provide or receive “money and valuables” when there is possibility of it being perceived as an inappropriate action according to customary social norms, for example, during, immediately before or after the progress of purchase, contract, audit, screening for promotion and performance evaluation.
- 4) The act of providing and receiving “money and valuables” through the employee's spouse, the direct lineal ascendants or descendants of the employee or his / her spouse, and relatives or acquaintances of the employee or his / her spouse shall be regarded as the employee's own conduct.
- 5) If an employee inevitably receives money and valuables that fall outside the permitted exceptions outlined in Clauses 1) through 4), they must immediately return the item(s) to the provider upon recognizing the situation. Furthermore, the employee must complete and submit a “Report on Receipt and Return of Money and Valuables” to their department head and the Head of Ethical Management within three business days. If immediate return is not feasible, the employee must still report the incident without delay at the time of recognition.
- 6) The Head of Department in charge and Head of ethical management who received the report from Clause 5 must take additional measures described below.
 - ① Once the product has been returned, it is necessary to fully explain the company's ethical management vision to the gift giver and request their cooperation in preventing similar occurrences in the future.
 - ② If the employee who received the product fails to return it, it is vital to return it without delay. It is necessary to fully explain the company's ethical management vision to the gift giver and request their cooperation in preventing similar occurrences in the future.
 - ③ If it is difficult to return the product due to extenuating circumstances (for example, the food that went rotten, and the product is unable to return to the original state because it was already used), it is required to provide a compensation for the gift in question. Afterwards, it is necessary to fully explain the company's ethical management vision to the gift giver and request their cooperation in preventing similar occurrences in the future.
- 7) The Head of ethical management must regularly report the concerned matters and actions taken pursuant to the provisions of Clauses 5) and 6) to the CEO.

8) In particular, if the involved external stakeholders are healthcare organizations, medical institutions, or healthcare professional, they must comply with relevant laws such as the Pharmaceutical Affairs Act, fair competition rules and Compliance Program. Public officials from government institutions, public institutions, and media companies must comply with the Solicitation Prohibition Act (Anti-Graft Act).



[Annex 2] Guidelines for public announcement, publication & translation activities, social media activities

- 1) The company shall not regulate the activities of the private sector of executives and employees. Nonetheless, considering that the position as a private figure and that of a public figure are combined to form each of executives and employees, all members of the company must pay special attention to maintaining both individual dignity and the company's honor when engaging in activities open to a greater public, such as public announcements, writing & translation activities, and social media activities (hereinafter referred to as "public activities").
- 2) With this in mind, if employees engage in public activities as described above, they must comply with the following matters, whether it is related to job or not.
 - ① Executives and employees take special precaution not to disclose confidential information of the company.
 - ② Executives and employees must not infringe on the honor or rights of others, use slang or vulgarity, spread false information, or create and share violent or suggestive content.
 - ③ It is prohibited to commit actions that hinder fair business performance or a sound organizational culture.
- 3) The company can appropriately change or prohibit the activities in concern (e.g. disapproval of activities, deletion of contents, etc.) when it judges that the activity in concern may lead to a leakage of the company's confidential information, damage the company's image, or hinder the employee's work performance.
- 4) When executives and employees intend to perform the public activities described above related to their job duties, the following procedures shall be followed.
 - ① Executives and employees must obtain approval by reporting the activity plan and theme of the content in advance to the Head of Department in charge and HR Department, except the cases previously determined according to laws or internal guidelines of the company, for instance, in cases of participating in discussion meeting, presentations, symposiums, seminars and lectures (hereinafter referred to as "lectures"), having an interview with the press such as newspapers, TV, radio, magazines and Internet, carrying out writing, translation and contributing articles, and engaging in activities of social media and personal Internet broadcasting.
 - ② The Head of the Department in charge and HR Department shall review the details of the activity, the time and effort required, and approve the activity if it does not violate matters to observe above mentioned. If necessary, the Departments shall seek opinions from related Departments (Medical, Legal, Public Relations, etc.).
 - ③ The HR Department shall collect the contents of these activities company-wide and reports them to the CEO on a regular basis.
 - ④ The compensation for services that an employee can receive through public activities according to above provisions must not exceed the reasonable standards customarily applied to the relevant activities.
 - ⑤ Other matters shall be decided by the Personnel Committee.



[Annex 3] Practice guidelines for donation and sponsorship

- 1) It is conducted to support and sponsor activities for charity, academic research & education, community service, industrial promotion, and public interest.
- 2) It is prohibited to use donations and sponsorships as a means to promote the interests of the company or exercise influence in favor of the organization. Unless there is a reasonable and justifiable reason, donations immediately before, during or immediately after negotiations are prohibited.
- 3) The size, item, and method of donation and sponsorship shall be determined after reviewing the relevant laws and regulations as well as internal approval regulations coinciding with the purpose of the donation and sponsorship to a reasonable level. In addition, the dedicated Department in the company shall thoroughly assure the transparent and fair execution of donation procedures and sponsorship.
- 4) Donation targets shall be limited to official donation organizations with a business registration number or a unique number such as charity institutions, political parties, and community organizations. Moreover, before conducting donation or sponsorship, it is necessary to review the appropriateness of the donation targets (legitimacy of donation organization; whether there is any issue related to irregularity and corruption). If the organization fails to meet the requirements, donation shall not be conducted.
- 5) With qualified proof of donation and sponsorship, a series of procedures shall be operated with transparency and fairness.

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