



LOTTE BIOLOGICS

Code of Conduct

Possibilities Beyond Limits



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LOTTE BIOLOGICS

I. General Principles

Possibilities Beyond Limits



1. Target (Aim)
2. Responsibility of the Company
3. Responsibility of the Directors
4. Others

I. General Principles

Possibilities Beyond Limits

1. Target (Aim)

- ① We, the members of LOTTE BIOLOGICS, shall comply with the related laws, company regulations and code of conduct which are applied in our business processes.
- ② We expect our business partners, including distributors, suppliers and consultants, to comply with the standards similar to our code of conduct. Compliance with such standards shall be one of the most important factors when determining whether to work with such business partners.

2. Responsibility of the Company

- ① The company shall conduct all business in a fair and transparent way by complying with the related laws, company regulations and code of conduct in order to secure sound development of the company and the customers' trust.
- ② The company shall establish the basic procedures and criteria which the executives and employees should follow when conducting business.
- ③ The company shall establish education courses required for the executives and employees in order to comply with the related laws, company regulation and code of conduct. The company shall provide education on a regular basis.
- ④ The company shall take appropriate actions such as disciplinary action, against any executives and employees violating the related laws and company regulations and shall investigate problems and prepare improvement measures in order to prevent recurrence.

3. Responsibility of the Directors

- ① The director shall be a role model who upholds the strict ethical standards, and shall create and maintain a culture where trust, honesty, morality and respect for others are practiced.
- ② The director shall help the employees be well aware of and understand the related laws, company regulations and code of conduct and apply them in their daily work.
- ③ The director shall consult with other directors or the Compliance Officer of the company when he/she is unsure of the proper response in a certain situation.
- ④ The director shall rapidly identify and prevent illegal acts through proper precautionary measures.

4. Others

- ① The executives and employees of the company shall report any violations or suspicions to the whistle-blowing department, known as "Sinmungo", of the Group or each subsidiary company when noticing any violations of or suspicions of violation of the related laws, company regulations or code of conduct.
- ② The company shall take no retaliatory action on the executives and employees who report such violations or suspicions of violation. Failure to comply may result in disciplinary action or punishment in accordance with the related regulation.

**"Making customers choose our products and services
with only the brand name of LOTTE BIOLOGICS is the power of trust"**



1. Providing the Best Products and Services
 - Be the first brand in customers' hearts
2. Honest Marketing
 - Honesty is the easiest way of gaining customers' trust
3. Protecting Customer Information
 - Customer information matters the most
4. Protecting Our Brand
 - The best way to represent our brand, LOTTE BIOLOGICS, to our customers is through you

II. Trust with Our Customers

Possibilities Beyond Limits

1. Providing the Best Products and Services

– Be the first brand in customers' hearts

The reason why a specific product or service is chosen by customers out of many is because it provides the best satisfaction for customers. We shall always be committed to giving our customers the belief that our products and services are the best. We shall provide the best products and services at reasonable prices.

In recent days, when a lot of products and services are arising at a rapid pace, it is getting harder to compare every product and service to choose one over others. Accordingly, brand value, which is another way of showing trust, is rising in importance.

We shall keep customers' trust in the LOTTE BIOLOGICS brand so that those who have experienced our products and services, even once, can choose ours again without hesitation.

LOTTE BIOLOGICS' Principle

We shall pursue a quality and service which our competitors can never imitate and shall always make utmost efforts to this end. The quality and completeness of products and services to be used by customers shall be our most important value. Through our products and services, we shall build and maintain the trust in LOTTE BIOLOGICS' reliability. This is our mission and the purpose of our existence; to create a prosperous society.

Action Plan

- ① Make utmost efforts in order for our products and services to be customers' first choice.
- ② Always pursue the highest level of satisfaction at a price that our competitors can never imitate.
- ③ Make customers trust and use the products and services using only the brand name of LOTTE BIOLOGICS. To this end, strictly comply with all policies and procedures regarding safety, hygiene and quality at every moment.
- ④ Accurately identify the rapidly changing demands of customers and be committed to meeting the expectation of customers by, for example, by quickly responding to the reasonable complaints and requirements of customers.
- ⑤ Pursuing short-term profits or concealing products' defects is a dishonest act. Specifically, report and correct problems regarding the hygiene and safety or quality of products promptly.
- ⑥ Always check if products or components supplied by our partners comply with the standards and safety regulations of our company. Since even a minor component could largely affect the whole product, components or materials not meeting the standards, or with defects, shall be strictly excluded.
- ⑦ Domestic and foreign laws related to the safety of products are the minimum standards that we must comply with. In order to respond to safety problems which could occur later, establish and follow stricter in-house standards and safety criteria.
- ⑧ Comply with research protocols as well as ethical, medical, and scientific standards for the safety and health of patients and other customers.
- ⑨ Adhere to regulations within the pharmaceutical industry and strive to ensure the safety, quality, and efficacy of our products for customers.
- ⑩ All products must satisfy the laws of each country and internationally recognized standards. Manage all aspects of product manufacturing, packaging, and distribution through a quality management system for this purpose.

II. Trust with Our Customers

Possibilities Beyond Limits

2. Honest Marketing

– Honesty is the easiest way of gaining customers' trust

Today, companies and customers form a relationship through brands. A beloved brand cannot be made in a day. It is critical to build customers' trust in the LOTTE BIOLOGICS brand so that customers can trust and choose us at the moment of choice. We shall provide only accurate information for customers in order to build strong trust. Information that distorts fact will end up being revealed to be false and the resulting sense of disappointment and betrayal will become the biggest reason why customers leave us. Pursuing honest marketing at every moment! This is what has cultivated the brand of LOTTE BIOLOGICS until now, and the mission and pride that we all will follow.

LOTTE BIOLOGICS' Principle

We shall provide only honest and truthful information in order to create the right customer values. We shall keep in mind that providing customers with false or exaggerated information for short-term sales growth or profits would in one moment, destroy customers' trust which our colleagues have built through their best efforts. We shall actively disclose any information which may significantly affect our customers, even if it is disadvantageous to us.

Action Plan

- ① Those who are responsible for the marketing of products and services and communication with customers shall be made aware of in advance and shall comply with the related laws and company regulations.
- ② When producing PR material, ensure that no inaccurate information is included.
- ③ When using PR material produced by external agencies, thoroughly check to ensure that there are no factual errors or violations of intellectual property rights.
- ④ Refrain from the marketing plans that indiscriminately criticize competitors' products based on information which is distorted and is not objective. Pay particular attention when mentioning competitors' products in order not to violate the Fair-Trade Acts, etc.
- ⑤ Refrain from using vague or exaggerated wording when producing marketing material and use words with clear meanings.
- ⑥ When information about a product or service changes, inform the related divisions of such changes to ensure that the product information is accurately reflected in the related material.
- ⑦ Consider the safety of patients and other customers, provide accurate information, and market products appropriately and ethically.
- ⑧ Comply with high levels of ethical and medical standards and engage in marketing activities in accordance with industry standards.
- ⑨ Provide healthcare professionals and customers with clear and scientifically validated product and service information based on rigorous evidence.

II. Trust with Our Customers

Possibilities Beyond Limits

3. Protecting Customer Information

– Customer information matters the most

With the development of digital, information and communication technologies, there is a growing risk that customer information could be leaked or abused. The security policy and system of the company shall be established on higher than the legal standards, and we shall thoroughly comply with them. The responsibility of protecting customer information is not limited to only related divisions. The protection of customer information is the basic obligation that every executive and employee of LOTTE BIOLOGICS must observe, regardless of rank.

LOTTE BIOLOGICS' Principle

Damage done by the leak of confidential company information is borne by our company, but the damage caused by the leakage of customer information is directly passed on to our customers who trust us. Therefore, our company handles and manages customer information at a level beyond our company's confidentiality. We shall set the internal standards regarding customer information protection higher than the legal standards and shall collect and manage customer information in accordance with such standards.

Action Plan

- ① The principles of customer information protection are applied to all information which can identify individuals. We will treat such information as the first priority for protection.
- ② Limit access to customers' personal information to ensure that only executives and employees involved in applicable work are allowed to access it.
- ③ The act of indiscriminately collecting customers' personal information may be subject to punishment. Do not collect any personal information, except that which is allowed by law.
- ④ Use personal information only for the business with which the customers agreed. Completely destroy customers' personal information when it becomes no longer relevant or necessary for your business, in order to ensure that such information is not recovered, according to the related regulation within the set period.
- ⑤ Be fully aware of the personal information-related laws of each country, since the level of regulations regarding personal information may vary depending on country.
- ⑥ The leak of personal information does not only occur online. Customers' personal information may be leaked in unexpected places such as photocopiers, on desks or in boxes collecting reusable paper. Manage such information strictly.
- ⑦ Treat the customer information received from our partners with the same level of concern as our own information.
- ⑧ In the event of entrusting our customer information to a partner company, check if the partner company has sufficient physical, administrative and technical capabilities to protect the customer information, and make sure whether it completely destroys such information after use.

II. Trust with Our Customers

Possibilities Beyond Limits

4. Protecting Our Brand

– The best way to represent our brand, LOTTE BIOLOGICS to customers is you

As there are various communication channels such as TV, blogs and social media, allowing active communication, the ripple effect and significance of the media is increasingly getting bigger.

Such contents are likely to become public and be published as news articles; despite our intentions, and once published, it is very hard for them to be completely deleted. Specifically, when publishing information regarding the company, pay particular attention not to leak our company's confidential or personal information, and make sure that our words and actions do not negatively affect our company.

We shall consider the position of our company and stockholders when having an interview about our company with the media or posting information on social media.

LOTTE BIOLOGICS' Principle

Remembering that we are the face of LOTTE BIOLOGICS, we shall first consider the position of our company and the profit of our customers before speaking about our company's business through media such as TV, blogs, Twitter, Facebook and Internet Websites. We shall be committed to protecting the logo, mission, trademark and brand value of our company without damaging them via the media.

Action Plan

- ① Keep in mind that the behavior of each executive and employee is directly connected with the image of the company, and work to be careful in our words and actions to maintain our dignity.
- ② Do not mention any confidential information regarding the company (financial, sales, customers, partners, employee information and intellectual property rights, etc.) and the policy, accidents and rumors which the company has not officially announced, do not publish and distribute files containing photos, video and voice recordings via the media without permission.
- ③ Do not slander our company and stakeholders through the media, and do not mention any accidents, complaints or slander happening in the business process with the company and stakeholders.
- ④ Do not distribute false information, encourage illegal/unlawful acts, distribute pornography, make a personal insults, swear or cause sexual discrimination, etc. all which may damage the reputation of the company, stakeholders or others.
- ⑤ Consult with the related divisions, including a PR Officer, about the purpose and details of the interview in advance when having an interview with the media.
- ⑥ In the event of mentioning your personal opinion regarding the company, make clear that it is not the company's opinion, but your own.
- ⑦ The method of managing the company's documentation affects our business and reputation. Protect personal information, keep up-to-date records, and collect information in an appropriate manner.
- ⑧ Protect personal information and intellectual property through proper record-keeping, and comply with legal, financial, and administrative obligations.
- ⑨ Strive to maintain data integrity by managing information accurately and properly. Conduct the company's business activities based on reliable data and information.

**"Those who we are spending as much time with as our family!
Those who we are hand in hand with and sweating together toward one purpose!
Those who are as precious to each other as another family!
It is trust that binds us together as one."**



LOTTE BIOLOGICS

III. Trust with Our Employees

Possibilities Beyond Limits

1. **Equal Opportunity and Fair Treatment**
 - We separate business and pleasure, and provide fair opportunity
2. **Mutual Respect among Our Members**
 - We are all someone's precious family
3. **Gender Equality**
 - LOTTE BIOLOGICS is working to create happy families and a fair workplace
4. **Safe Working Environment**
 - Safety is first priority in all circumstances
5. **Protecting Our Assets**
 - The assets of the company are for all employees
6. **Protecting Our Intellectual Property Rights**
 - We shall protect our intellectual property that we achieved through our sweat and effort
7. **Preventing Information Leaks**
 - Information leaks begin with minor carelessness



LOTTE BIOLOGICS

III. Trust with Our Employees

Possibilities Beyond Limits



1. Equal Opportunity and Fair Treatment

– We separate business and pleasure, and provide fair opportunity

LOTTE BIOLOGICS shall never allow a specific person be provided with more opportunities and making better evaluations for him/her due to personal, regional, or school relations. Providing fair opportunities for all and fairly evaluating them based only on their capabilities and performance, is the source of strong motivation and excellent performance, and the basic principle which helps LOTTE BIOLOGICS executives and employees trust in and work for the company.

Do you want to be treated fairly? If so, it would be better to treat the executives and employees in a fair way first.

LOTTE BIOLOGICS' Principle

We, the members of LOTTE BIOLOGICS, shall provide fair opportunities for all, treat everyone in a fair way and pursue an open organizational culture where anyone can grow to meet their ability and efforts. We did not enter the company nor promoted through external pressure or improper solicitation, and we are responsible for handing down a clean organizational culture with no external pressure or improper solicitation to our junior employees. We shall only reflect fair factors such as the characteristics of our business, capabilities and performance in the HR affairs. All HR-related decisions shall exclude discrimination based on personal characteristics, including gender, age, race, nationality and the region of origin, generation, religion or disability. In doing so, all executives and employees of LOTTE BIOLOGICS can trust the company's decision-making.

Action Plan

- ① Create a community where a specific person is not discriminated against due to personal characteristics.
- ② Eliminate from the organization discrimination against individuals due to characteristics such as gender, age, race, nationality or region of origin, generation, religion or disability, most of which cannot be personally changed. Do not discriminate against individuals due to their unique characteristics in the processes of recruitment, promotion, placement, salary, compensation, welfare benefits and education, etc.
- ③ Laws or policies regarding working conditions may vary depending on country. If this results in a difference between the HR regulation or policy of the local corporation and the policy of LOTTE Group, stipulate such regulation and policy and reasonably explain its difference from the Group policy.
- ④ Be wary of anyone who claims that only those with a certain gender, age and background are able to conduct the job well.
- ⑤ Any improper solicitation regarding HR is prohibited, as it would deal a fatal blow to our community in the long term.
- ⑥ Evaluate everyone based only on their capability and performance and clearly explain our principle to those who solicit recruitment and promotion.



LOTTE BIOLOGICS

III. Trust with Our Employees

Possibilities Beyond Limits



2. Mutual Respect among Our Members

– We are all someone's precious family

We, LOTTE BIOLOGICS, consist of people with various values. Therefore, there may be different opinions and sometimes, work performance may not meet expectations. Even in such a case, the executives and employees of LOTTE BIOLOGICS will not treat their colleagues in an unfair way. We shall consider the unfair treatment of our colleagues the same as if they were our family. LOTTE BIOLOGICS is pursuing a community where everyone always respects and treats one another like their own family members.

Of course, everyone shall fulfill his/her duty without any problem. When anyone needs to be reprimanded, he/she should be reprimanded, and when anyone needs encouragement, he/she should be encouraged. However, such reprimands and encouragement shall pursue the growth of each other and shall be based on the respect of personality. Such culture is the best way of maximizing the growth of us all and is the secret of LOTTE BIOLOGICS' growth.

LOTTE BIOLOGICS' Principle

Every one of LOTTE BIOLOGICS' executives and employees is valuable. We shall not allow any words or actions to undermine our respect and dignity. We shall reject any words or actions that undermine the dignity and class of our community and shall not create a working environment which is threatening, insulting, hostile or unpleasant.

Action Plan

- ① Always respect and care for your colleagues like your family.
- ② Do not judge others by your own values. Create a culture where various opinions and values of various people are recognized not as wrong, but as different and can also be understood.
- ③ The head of the department can only exist if there are members of the department. Since the members of the department are talents whom we entrusted to you to treat and foster with loving care, do your best to support them.
- ④ Employees shall do as they wish outside working hours. The director shall avoid making work orders outside working hours and ensure that the members strike a balance between work and family.
- ⑤ Avoid words and actions that express violence and sadism or show a sense of repulsion or incompatibility with others. Always be careful to ensure that your thoughtless words or actions do not hurt or cause misunderstanding with others.
- ⑥ In addition to words and actions, create a working environment devoid of bullying in the workplace by eradicating the acts of using improper wording or posting and sending improper content via communication systems such as telephone, messenger, social media, e-mail.
- ⑦ The above principles are to be applied not only to LOTTE BIOLOGICS executives and employees, but also to relationships with our customers, partners and all stakeholders. Always speak and act carefully.



LOTTE BIOLOGICS

III. Trust with Our Employees

Possibilities Beyond Limits



3. Gender Equality

– LOTTE BIOLOGICS is working to create happy families and a fair workplace

We are aware that both childbirth and child-rearing require the understanding and support from the society as well as individuals. We intend to create a workplace where nobody needs to worry about suffering unfair disadvantages due to childbirth and child-rearing and can fully fulfill his/her role as a parent.

We shall not discriminate against our employees based on their gender and shall strictly ban any behavior which could bring hatred. Instead of discriminating against and dividing people based on their gender, we shall work towards creating a society where everyone can be respected as they are and gender equality can be widespread.

LOTTE BIOLOGICS' Principle

The phrase "the members of LOTTE BIOLOGICS" includes the qualification and rights to be equally respected and treated. LOTTE BIOLOGICS shall not discriminate against anyone due to gender and shall strictly ban words and actions expressing displeasure or hatred regarding gender.

Action Plan

- ① Childbirth and child-rearing are very important issues. Welcome and congratulate the maternity/paternity leave of your colleagues. Firmly eradicate any HR-related discrimination or inconvenience in connection with childbirth and child-rearing.
- ② The phrase "female employee" is unnecessary, since it distinguishes employees by gender. In addition, female talents should not only be the subject of caring and compassion. Treat men and women equally without discrimination.
- ③ Ban any gender-related offensive conducts, sexual harassment and unwanted sexual contact and approaches as well as any behaviors which could create an uncomfortable working atmosphere due to the reason of refusing to go on a date.
- ④ Report to the in-house sexual harassment prevention team if you suffered or witnessed the above behaviors.
- ⑤ Anyone who commits sexual harassment will be strictly punished regardless of rank and the intention of their behaviors. Taking disadvantageous actions, including firing or placing the victim of sexual harassment in another department against their will shall also be subject to punishment.
- ⑥ The protection of victims shall be a top priority when dealing with sexual harassment cases. Do not push victims to reach a compromise with the abuser. Fulfill the confidentiality obligations in the disciplinary process.
- ⑦ The company shall strive to prevent sexual harassment, for example, by providing an educational course once a year in order to prevent sexual harassment at work.



III. Trust with Our Employees

Possibilities Beyond Limits



4. Safe Working Environment

– Safety is first priority in all circumstances

We shall not allow psychological compromises from the assumption that 'it'll never happen!' in relation to safety. LOTTE BIOLOGICS has the belief that 'safety can never be overemphasized'. The starting point of all business conducted by the members of LOTTE BIOLOGICS is to establish and strictly follow safety regulations beyond the level required by the law under the belief that every safety accident in the world can be prevented.

LOTTE BIOLOGICS' Principle

We shall not only strictly comply with all laws regarding safety and hygiene but also establish and follow even stricter in-house regulations to prevent any safety accidents. We shall be committed to providing a safe working environment, not only for LOTTE BIOLOGICS executives and employees, but also for our partners and all stakeholders, and actively spread the significance of safety to them. LOTTE BIOLOGICS employees shall never neglect even any familiar jobs since we know that many accidents are caused by the mindset of 'it'll never happen' and 'carelessness' in our daily life, not by the lack of experience.

Action Plan

- ① Prioritize safety more than other values, and do not hesitate to address or correct safety-related problems due to costs, delivery date and practice, etc.
- ② Aggressively identify dangerous working conditions and problems threatening safety and promptly consult with the director or safety manager to improve even minor ones.
- ③ Be aware of safety-related regulations and measures in the place where you are working, and follow the user manual, safety regulations and emergency response procedures when using the equipment within the workplace.
- ④ Analyze the possible types of safety accidents and prepare an initial response manual for each accident.
- ⑤ Establish comprehensive management plans for the safety of human/material resources regarding the continuous operations of the company such as employees, facilities and IT assets, and conduct education and training for the executives and employees on a regular basis.
- ⑥ The executives and employees shall not allow unauthorized access to the workplace of the company, proactively inform partners and stakeholders of the significance of safety and hygiene and request them to follow the regulations.
- ⑦ Consult with management if you or your colleagues are having difficulties working normally due to health problems, psychological anxiety, etc.
- ⑧ Do not drink too much alcohol to interfere with your performance at work, and do not produce, use, sell, possess any illegal drugs or work after taking such drugs.
- ⑨ If a safety accident occurs, do not cover it up; check the facts through thorough investigation so as to hold to relevant people responsible, and then compensate the victim properly.
- ⑩ Establish and implement measures to prevent recurrence of similar safety accidents.



III. Trust with Our Employees

Possibilities Beyond Limits



5. Protecting Our Assets

– The assets of the company are for all employees

The assets of the company are not for one individual, but for all executives and employees of our community. As even the smallest asset is a basic resource for the survival and prosperity of all LOTTE executives and employees, the assets shall be used only for related businesses. The assets of the company not only include tangible ones but also intangible ones such as working hours.

The worth of tangible and intangible assets of the company can only be proven to be worth when we use and protect them appropriately.

LOTTE BIOLOGICS' Principle

We shall be committed to protecting the company's assets and use them for the intended purposes only. We shall actively protect not only tangible assets such as buildings, lands, communication equipment, funds, system, tickets for PR and vehicles, but also intangible assets such as information, technologies, working hours, especially trademarks and copyrighted works.

Action Plan

- ① The working hours of each employee also constitute the assets of the company. Avoid using private phone-calls, personal e-mail, social media and surfing the Internet during working hours. It is an act of abusing the community's assets to use private calls and e-mailing beyond the level of common sense.
- ② Protect property, data infrastructure, equipment and consumables from misuse, damage, theft or improper management.
- ③ The intentional damage, embezzlement and theft of company assets are subject to the cancellation of the employment agreement and are subject to criminal punishment. The unauthorized transfer and leakage of information and false reporting about costs are also not allowed.
- ④ Do not conduct illegal actions such as stock trading, gambling and downloading pornographic material using the electronic equipment of the company.
- ⑤ Do not instruct or ask about private affairs, including financial work, buying a present or searching for information, other than the official business of the company to other executives and employees. The waste of employees' working hours caused by your instructions is also the abuse of the company's assets.
- ⑥ Do not use invitation cards, gift cards or giveaways for PR purposes for your private use.
- ⑦ The assets of our competitors are as important as ours. Protect the assets of our partners and competitors in a conscientious way.
- ⑧ Consult with and get an approval from the director when using the company's assets for external use or for any purpose other than as intended.
- ⑨ Seek prior review from the respective Compliance Officer when entering into an agreement with a counterparty.
- ⑩ Agreements that offer sole or exclusive rights, or that excessively constrain the company's rights, might limit the company's ability to manage or conduct its business. Make sure the Compliance Officer's review opinion is reported to the highest decision-making authority to ensure they are fully informed of the situation.

III. Trust with Our Employees

Possibilities Beyond Limits

6. Protecting Our Intellectual Property Rights

– We shall protect our intellectual property that we achieved through our sweat and efforts

Intellectual property rights of design and information, etc. as well as various technologies possessed by us are valuable assets of our community. Such assets are the source of innovative products and services which our competitors cannot imitate. The value of intellectual property rights can only pay off when the security is maintained both internally and externally, and our competitiveness can continue only when they are conscientiously managed.

We shall respect and protect the intellectual property rights of not only our partners, but also our competitors. This is because we can only expect further development of our society when we compete with each other in a fair way.

LOTTE BIOLOGICS' Principle

We shall always value and protect the intellectual property rights of the company. We shall not disclose the intellectual property or various other information of the company to the outside without prior permission or due procedure. The range of intellectual property rights include not only trademarks, patent rights, copyright, design rights and utility model rights, but also the business and technical secrets of the company which are yet to be disclosed to the outside.

Action Plan

- ① All information related to the company business is the intellectual property of the company. Accurately record, report and systematically manage such information.
- ② Be aware of which information must be protected and comply with the in-house regulations on the intellectual property rights protection.
- ③ Pay particular attention not to violate the regulations on protection of intellectual property rights when in contact with outsiders.
- ④ Clearly recognize that any unauthorized use, reproduction, distribution and alteration which infringes on intellectual property rights are subject to disciplinary actions or criminal punishment according to related regulations or laws.
- ⑤ Know-hows or technologies produced by the executives and employees at work shall not belong to the individuals, but to the assets of the company. Manage even the intellectual property rights produced by individuals in accordance with the company regulations.
- ⑥ Check for international differences and ensure that the intellectual property of the company is also protected overseas, since the laws on intellectual property rights may vary depending on country.
- ⑦ In the event of conducting business in cooperation with our partners, consult on and clarify who is the owner of the intellectual property rights in advance in order to avoid disputes over the intellectual property rights.
- ⑧ The intellectual property rights of our partners and all stakeholders shall be respected. Always check whether our new products or services infringe on the intellectual property rights of others.
- ⑨ When we recruit employees from our competitors and vice versa, verify and manage the entrance/resignation procedures of the company so as to check whether the intellectual property rights of others or our company are infringed.



III. Trust with Our Employees

Possibilities Beyond Limits



7. Preventing Information Leaks

– Information leaks begin with minor carelessness

The development of digital and communication technologies is helping our working environment become more convenient. However, behind the convenience is a risk that corporate information leaks becomes easier. Now is the time when we need to pay more particular attention to the use of digital and communication equipment.

In a world where information is power, we shall raise awareness about, and step-up countermeasures for security as the world gets more transparent and the speed of connection gets more rapid.

LOTTE BIOLOGICS' Principle

We shall properly use communication equipment where needed at work and ensure that information leaks do not occur by strictly following the company regulations on the protection of information.

Action Plan

- ① All electronic equipment provided by the company is only for use in company business. Check the acceptable standards if you wish to use them for purposes other than for company business.
- ② The company is obliged to check and record how the executives and employees use communication and services through electronic equipment in order to protect information.
- ③ Frequently check whether personal computers are infected with viruses, that the firewall is active and the security software is updated to the latest standards.
- ④ Only use authorized software within the company. Follow the company regulations and procedures when uploading and downloading all data.
- ⑤ Change your PIN (Personal Identification Number) more than once every three months and do not share it with others.
- ⑥ In the event of leaving the company or moving to another company, delete all data related to company business saved on your personal hard disks or electronic devices. When an employee leaves the company or moves to another company, the director shall strictly manage the data to ensure that illegal data leaks do not occur.
- ⑦ Manage your business through the company's security system within the company. When necessary, get approval from the director since it is not allowable to distribute documents and information of the company via unauthorized storage media or e-mail to the outside without permission.
- ⑧ Always clearly designate a recipient and set a password for documents requiring confidentiality in order to prevent leaks of the company's important information via e-mail.
- ⑨ Pay particular attention not to leak the important information of the company during offline situations such as meetings with company executives and employees, our customers and partners.
- ⑩ Ensure that personal social media does not become a channel to leak information about the company.

**"Those who are united as one with partners through trust
and those who are trusted by competitors are us,
the members of LOTTE BIOLOGICS."**



LOTTE BIOLOGICS

IV. Trust with Our Partners

Possibilities Beyond Limits



- 1. Compliance with the Fair-Trade Act**
 - Fairness and trust is the power binding us and our partners as one team
- 2. Respect for Our Partners**
 - Mutual respect strengthens the relationship between us and our partners
- 3. Fair Competition**
 - Fair competition makes us stronger
- 4. Lawful Information Collection**
 - Information shall be collected in a lawful way
- 5. Prohibition of Corruption and Improper Solicitation**
 - Every favor comes at a price, no matter how small it may be



LOTTE BIOLOGICS

IV. Trust with Our Partners

Possibilities Beyond Limits



1. Compliance with the Fair-Trade Act

– Fairness and trust is the power binding us and our partners as one team

We and our partners are one team, working together toward a common purpose. In order for different companies to form a team, the top priority is trust in each other. Nothing can be done without the trust that both parties will fulfill their duty as expected. Behind such trust is fairness. If either one is affected by unfair trade, it would not make every effort for its counterpart, and the relationship would not continue for long. While the Fair-Trade Act stipulates the standards for relationships with competitors and partners, we shall pursue standards beyond what is specified in the law.

Fair trade that can always be trusted is the way for the co-existence of us and our partners.

LOTTE BIOLOGICS' Principle

We are taking the lead in complying with the Fair-Trade Acts applicable to our subject regions around the world. The principles of equality, fairness and openness are the most important principles which have grown our society. We shall consider these principles as the very basic principles in our relationship with all our partners around the world. We shall aggressively correct any existing practices of unfair trade to set a culture of fair trade and shall pursue a beautiful culture of co-existence.

Action Plan

- ① We will not ask our partners to conduct unfair trade or practices by abusing our position. Fully understand the Fair-Trade Act and strictly reject any unfair actions that violate this Act.
- ② Select partners publicly in accordance with the objective criteria and specified procedures such as quality, prices and financial soundness.
- ③ Provide opportunities for companies, who shares LOTTE BIOLOGICS' dedication to and effort in implementing integrity, ethics and social responsibility, to be selected as our partners.
- ④ In the event that business is conducted with partners where the executives or employees' relatives and friends are working or are stakeholders, consult with and gain approval from the director since information leaks could occur, improper solicitation or situations violating the Fair-Trade Act.
- ⑤ Frequently check and be aware of the details to avoid violations of the Fair-Trade Act since the laws and policies regarding fair trade may vary depending on country and the details of the Fair-Trade Act are changing as times and the world change.



LOTTE BIOLOGICS

IV. Trust with Our Partners

Possibilities Beyond Limits



2. Respect for Our Partners

– Mutual respect strengthens the relationship between us and our partners

A segmented and specialized corporate environment is making the role of our partners greater. The excellent partnership we have with our partners will become the yardstick for the company's competitiveness. We shall put ourselves in our partners' shoes. When comparing a company which respects and trusts its partners through transparent and fair trade with a company that doesn't, it is obvious which company potential partners would want to work with and do their best for.

Without the active assistance of our partners, it is hard to achieve the sustainable growth of our company. Our partners also cannot continue to grow without our assistance. We shall grow together with our partners through mutual respect and cooperation.

LOTTE BIOLOGICS' Principle

We shall value our cooperation and relationships with all partners and treat them in an equal and fair way. All the principles of the code of conduct that we observe shall also be applied to the relationships with our partners.

Action Plan

- ① Respect and treat the executives and employees of our partners equally and fairly like those of LOTTE BIOLOGICS.
- ② Respect the management policy and the executives and employees' working hours of our partners.
- ③ Explain the provisions regarding LOTTE BIOLOGICS' code of conduct and other policies to the partners and request them to agree and comply to them.
- ④ Treat the partners in a fair way, regardless of their size.
- ⑤ Always pay particular attention to the protection of partners' confidential information and intellectual property rights.
- ⑥ Actively provide partners with various growth opportunities, including HR development, quality improvement, and technology development, to ensure we team up with the best possible partners. The improvement of their competitiveness will be the driving force of our growth.
- ⑦ Support partners in following proper procurement procedures and obtaining approval according to the relevant decision-making process.
- ⑧ The Procurement team should enhance competitiveness by collaborating with partners through legal means of support and established procedures.



LOTTE BIOLOGICS

IV. Trust with Our Partners

Possibilities Beyond Limits



3. Fair Competition

– Fair competition makes us stronger

Competition among companies to enrich the life of customers and stakeholders is getting increasingly fierce. If such competition is inevitable, we shall join the competition in a fair way as it is the LOTTE way. Dirty play which presents us with victory for a while will become an obstacle to securing true competitiveness, and unfair competition does not befit the members of LOTTE BIOLOGICS, who are trusted by others.

Of course, collusion with the competitors also constitutes the above case. Collusion is an unfair action infringing on the customers' right of choice and undermining the development of the industry as a whole.

The most desirable way for the development of our customers, the society and ourselves is to cultivate our capabilities through competition in good faith and fair competition.

LOTTE BIOLOGICS' Principle

We shall compete in a fair way based on the creativity of the company for the proper development of the national economy. We shall discourage acts undermining fair competition and shall take the lead in creating a fair and transparent world.

Action Plan

- ① It is prohibited to conduct any acts that disrupt the reasonable choice of customers through mutual agreement or connivance among companies and limiting the actual competition among companies. Do not conduct any prohibited acts for immediate gains or results.
- ② Never discuss with competitors anything against the Fair-Trade Acts, including prices, the details of bidding, costs, profits, market share, sales region, the distribution of products, business conditions, distribution methods, the allocation of regions or markets, the boycott of a specific supplier or customer, provided products or services, and the class of customers or suppliers.
- ③ Do not participate in meetings with the competitors where the agenda is not clear. Even if participating in a meeting with a clear agenda, clearly state your intention to refuse the discussion when a dangerous subject begins to be discussed.
- ④ While an act, which is allowed in a certain country, may be illegal in another country, our competitors in a certain country may become our partners in another country. In order to prevent the violation of laws in such a case, be fully aware of competition-related laws of each country in advance.
- ⑤ Minimize the possibility of violating laws in advance, if the company runs a joint venture or cooperates with the competitor after finding it difficult to achieve its business goal alone.
- ⑥ An illegal act could significantly affect not only individuals, but also the company's reputation. In addition to doing an illegal act itself, do not abet, condone or assist in any illegal acts.



IV. Trust with Our Partners

Possibilities Beyond Limits



4. Lawful Information Collection

– Information shall be collected in a lawful way

It is sometimes required to collect our competitors' information in order to create better customer values. Even in such a case, we shall only use legitimate and fair methods. It is possible to sufficiently secure the competitors' information through information presented in the analysis reports or public announcement of specialized agencies without using illegal and unfair methods. Our rights can only be protected when we keep and protect the rights of our competitors. Success achieved by unfair methods will never be sustainable.

Trust is very important in the relationship with our competitors. We can only all grow together when we maintain mutual trust and compete with each other in a fair way.

LOTTE BIOLOGICS' Principle

We shall collect and secure our competitors' information in a legitimate and fair way. We shall not take or misuse technologies belonging to our partners by using our status in the business process and shall strive to enhance a win-win cooperation relationship with our partners.

Action Plan

- ① Do not collect our competitors' information by using personal relationships or through our customers and partners. Include and follow the provision of "Confidentiality" in agreements with the partners.
- ② Consult with the Compliance Officer in advance, especially since the direct collection/exchange of information with competitors could be considered a violation of the Fair-Trade Act.
- ③ Since it could be a problem to require confidential information of our competitors when hiring an employee who has worked for a competitor, do not acquire the information of the competitors through such an employee.
- ④ In the event of the acquisition of our competitors' information from anonymous sources, consult with the Compliance Officer in advance when viewing and processing such information.
- ⑤ You may be subject to punitive damages if caught taking or misusing the technical materials of partners, such as our subcontractors. Do not require our partners to provide their technologies and related materials without any fair reasons.



LOTTE BIOLOGICS

IV. Trust with Our Partners

Possibilities Beyond Limits



5. Prohibition of Corruption and Improper Solicitation

– Every favor comes at a price, no matter how small it may be

We shall keep in mind that the acts of providing and receiving gifts, entertainment and courteous treatment are always accompanied by a price. We shall conduct our business with only our capabilities and performance in a fair way. Dedicating our effort to our business, not to courteous treatment, will provide better benefits to society as a whole, including our partners, public officials and us.

LOTTE BIOLOGICS' Principle

We shall conduct our business in a fair and transparent way. We will not make any unfair personal profit, receive or provide improper money or valuables and entertainment treatment in our business relations. This principle is applied across all countries where we are conducting the business, and we shall respect and comply with any applicable domestic and foreign anti-corruption laws, including OECD Anti-Bribery Convention, Foreign Corrupt Practices Act (FCPA) and UK Bribery Act, in relation to our business activities in those regions.

Action Plan

- ① The executives and employees of the company shall not make improper solicitation to any public officials.
- ② The executives and employees of the company shall not provide money or valuables the execution of their duties to any stakeholders. Specifically, they shall not provide money or valuables above a certain amount to public officials, regardless of job relevance.
- ③ Prohibited money and valuables, include all tangible/intangible financial gains such as gifts, meals, courteous and entertainment treatment, convenience, donations and sponsorship as well as cash.
- ④ Politely decline any money and valuables provided by stakeholders and then clearly explain the related company regulations and spirit of LOTTE BIOLOGICS.
- ⑤ Comply with the company regulations regarding gifts, meals and courteous treatment and return any gifts that go against the regulations. If it is difficult to return the gifts, resolve it in accordance with the related regulations through consultation with the Compliance Officer or Ethical Management Officer.
- ⑥ Even if our partners, such as stakeholders, who are working with us receive impermissible money or valuables, it may be perceived as our fault. Explain our regulations to the stakeholders by, for example, specifying that the violation of the Anti-Corruption Laws is a reason for contract cancellation, and then require them to follow the regulations.
- ⑦ Regulations or customs regarding gifts, meals and courteous treatment may vary by country. Identify in advance, and follow the related regulations or customs when on a business trip or working at local offices overseas.
- ⑧ Receive advice and approval from the Compliance Officer of the company in advance for conducting business if it is unclear whether the domestic laws and code of conduct are being violated or whether the local laws and customs differ from this code of conduct or the company regulations while working in the foreign countries.
- ⑨ Employees have a responsibility to cooperate with the government and comply with all relevant laws as well as adhering to all regulations related to corruption and bribery.

"Members of LOTTE BIOLOGICS, who grow together with LOTTE BIOLOGICS, make and are committed to protecting the assets of stockholders and enhance the mid to long-term values through the business process based on honesty and transparency."



LOTTE BIOLOGICS

V. Trust with Our Stockholders

Possibilities Beyond Limits

- 1. Improving Stockholder Value**
 - LOTTE BIOLOGICS pursues the long-term improvement of stockholder value
- 2. Preventing Conflicts of Interest**
 - We think about the interests of the stockholders
- 3. Improvement of Accounting Transparency**
 - Honest reporting makes our effort and passion more valuable
- 4. Prohibition of In-house Trading**
 - We shall not make unfair profit through intercompany trading



LOTTE BIOLOGICS

V. Trust with Our Stockholders

Possibilities Beyond Limits



1. Improving Stockholder Value

– LOTTE BIOLOGICS pursues the long-term improvement of stockholder value

We shall pursue sustainable management that can contribute to society long-term through qualitative and quantitative growth. Such sustainable management is hard to be achieved without various stakeholders such as stockholders. We shall seek ways to grow together with stockholders in the long term by respecting their rights and listening to them.

LOTTE BIOLOGICS' Principle

By establishing effective internal control systems, we shall work to monitor and constantly improve the performance of the company on behalf of the stockholders and to enhance long-term stakeholder value. We shall build a relationship of mutual trust with stockholders and guarantee the equal rights of all stockholders.

Action Plan

- ① Be committed to enhancing the profit of our stockholders through efficient and reasonable decision-making and transparent and sound management activities.
- ② Modify the Internal Accounting Control regulations and systems and actively cooperate with audits or investigations to ensure independent supervision.
- ③ Respect the due rights of the stockholders as much as possible and build a relationship of mutual trust with them.
- ④ Guarantee equal treatment of all stockholders and actively guarantee the rights of minority stockholders.
- ⑤ It is LOTTE BIOLOGICS' stockholders who have affection for and interest in LOTTE BIOLOGICS more than anyone. Carefully listen to the reasonable opinions of stockholders.

V. Trust with Our Stockholders

Possibilities Beyond Limits

2. Preventing Conflicts of Interest

– We think about the interests of the stakeholders

In the business process, we may give into the temptation of putting the interests of individuals before that of stakeholders such as the company and stockholders. However, we shall keep in mind that we would lose the trust of the stakeholders if we acted upon such temptation, resulting in larger losses than gains. In the event of a conflict of interest, we shall first consider what is the best for the stakeholders such as the company and stockholders, not for individuals.

LOTTE BIOLOGICS' Principle

If there is a conflict of interest between individuals and the company, we shall work to meet the interest of the stakeholders such as the company and stockholders. If there is, or is feared to be, a conflict of interest, we shall report the situation to and get approval from the company to ensure that our personal interests do not confuse the reasonable decision-making.

Action Plan

- ① Do not act against the interests of the stakeholders such as the company and stockholders, including making personal gains through the position of LOTTE BIOLOGICS' executives and employees. It is also prohibited to acquire personal gains indirectly through family members, friends and agents of LOTTE BIOLOGICS' executives and employees.
- ② Obtain approval from the company in advance in cases where there may be a conflict of interest, such as profiting personally either directly or indirectly through inside information acquired in the course of performing your duties, including self-dealing, taking advantage of the company's business opportunities for personal gain, or purchasing or leasing assets that the company intends to purchase or lease, or recommending that someone else do the same.
- ③ Do not become the executive or employee of another company conducting the business in the same field or do not acquire the shares of such company without the approval of the company.
- ④ Consult with the Compliance Officer in advance if there is a potential conflict of interest between the company and its executives or employees, or if it's unclear whether a conflict exists, and obtain company approval if needed.



V. Trust with Our Stockholders

Possibilities Beyond Limits



3. Improvement of Accounting Transparency

– Honest reporting makes our effort and passion more valuable

We are obliged to accurately inform the stakeholders of the company's management situation. No matter how minor it may be, an accounting error or arbitrary adjustment may not only cause the executives and employees, but also our stockholders and customers to make wrong decisions. Inaccurate or false reporting would make our effort and performance in vain. We understand that transparent and honest reporting is the easiest way of coming to accurate decisions and solutions.

LOTTE BIOLOGICS' Principle

We shall accurately record all matters regarding the performance and financial position of the company in accordance with related laws, accounting standards and internal regulations. All accounting records shall be supported by appropriate accounting information. We shall record all matters regarding performance and costs immediately as they occur in order to identify an accurate management situation. We will not distort any data. Accurate accounting records are not an obligation limited only to those who are responsible for accounting and finance, but the mutual obligation of all executives and employees.

Action Plan

- ① Prepare and manage the accounting records in accordance with the authorized accounting standards.
- ② Not only do international and national accounting standards differ, but they are also being frequently amended. Always check the latest standards.
- ③ Record applicable data within the proper accounting period. Do not record any revenues or costs in advance or later in order to exaggerate the short-term performance or temporarily avoid a reprimand.
- ④ All costs incurred shall be proven through uniform accounting data. Record time and expenses regarding the costs and submit it as a report.
- ⑤ In the event that a person in charge manipulates the accounting documents according to the instruction of his/her supervisor, both he/she and his/her supervisor shall assume the civil/criminal responsibilities. In the event that the supervisor instructs the manipulation of documents, the person in charge shall immediately consult with the compliance officer.
- ⑥ Consult the director regarding the problem when the counterpart in the transaction is suspected of manipulating the accounting documents or it is suspected that an individual, company or country having untransparent business practice, and reconsider such a transaction.
- ⑦ The director shall thoroughly check everything in accordance with LOTTE BIOLOGICS' principles in order to provide accurate and transparent information and shall monitor the data on a regular basis in order to prevent the manipulation of accounting documents.
- ⑧ Please be aware of, and comply with, the internal control/oversight procedures to ensure the reliability of the company's financial reporting and support accounting transparency in both processes and outcomes.

V. Trust with Our Stockholders

Possibilities Beyond Limits

4. Prohibition of In-house Trading

– We shall not make unfair profit through intercompany trading

We shall not make any personal gains by utilizing undisclosed and insider information since it constitutes an act of deceiving not only our colleagues, but also our stockholders and customers. This principle is also applied to our family members, relatives or friends as well as ourselves. In society, those who violate the laws regarding insider trading shall take civil/criminal responsibilities. In the world which is getting more transparent, such a dishonest act will be revealed in the end and may incur losses beyond the earned gains.

LOTTE BIOLOGICS' Principle

We shall not make any unfair profit for ourselves, our family members or friends by utilizing undisclosed and insider information. We shall be committed to protecting the profit of our stockholders through efficient and reasonable decision-making and transparent and sound management activities.

Action Plan

- ① Always pay particular attention when providing any information regarding our business. Specifically, if it could be considered inside information, providing such information to others and using it for personal use are all illegal. In addition, it may harm the due rights of the stockholders who have affection for and interest in LOTTE BIOLOGICS the most.
- ② Insider information includes data regarding management performance, the transfers of executives, restructuring, mergers, acquisition, new product development, new patents, information regarding large-scale investments and the investment plans for a certain region. Manage the information in accordance with the same standards as insider information, if it is unclear whether the information that you are handling is insider information.
- ③ All trades such as transactions using the undisclosed important information and stock exchanges, the establishment/acquisition of the security right and securities lending transactions are strictly prohibited.
- ④ Do not provide the undisclosed important information in anticipation of transactions by others or do not recommend anyone to be involved in the other transactions by using such information.
- ⑤ It is prohibited to conduct stock trading by using the insider information that you came to know through work even after leaving the company or moving to another company.
- ⑥ Protect information in accordance with the same standards applied to our company's inside information, in the event of coming to know inside information of partners and competitors.
- ⑦ In principle, it is prohibited to own the stocks of our partners which have business relations with our company. The same applies to the case of acquiring the stocks of our partners in the name of your family members and relatives.
- ⑧ Consult with the Compliance Officer if you have owned the stocks of our partners before entering our company, since there may be a conflict of interest, including providing unfair convenience in the business process.
- ⑨ It is prohibited to be involved in the trading of derivatives such as hedge trading and short stock selling for the stocks of our company and its affiliates and the related options and swaps.

LOTTE BIOLOGICS is pursuing the development of a sincere company that is trusted by members of society due to its contributions and exemplary practices.



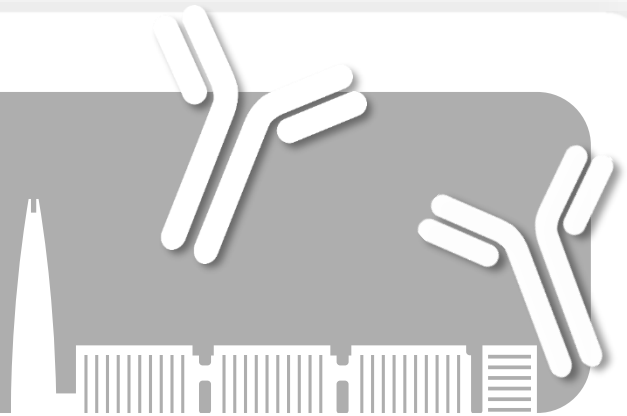
1. **Environmental Protection**
 - Nature is something we have borrowed from our future generations
2. **Creation of Social Values and Social Contribution**
 - Sharing what is received from society, with society, is our biggest pleasure
3. **Respect for Human Rights**
 - Love and respect for humanity is an important value of LOTTE BIOLOGICS
4. **Respect for Cultural Diversity**
 - We can earn respect only when we respect others
5. **Compliance with the Laws of Each Country**
 - We work to abide by the laws of each country and prevent illegal activities
6. **Separation of Politics and Economy**
 - Politics and economy can only fulfill their roles when they are separated



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



1. Environmental Protection

– Nature is something we have borrowed from our future generations

Environmental problems are directly related to the survival of humankind, and now we are living in a world where companies not considering the environment cannot continue to survive.

We shall consider the potential impact that our business could have on the environment and shall continue to encourage our partners to join our efforts in protecting the environment.

We, the members of LOTTE BIOLOGICS, shall be committed to protecting the environment, beginning with small things, and shall proactively prevent the unnecessary waste of resources. Although the results achieved by an individual's efforts may be minimal, the efforts of all the executives and employees of the LOTTE community, once combined, can lead to tremendous results.

LOTTE BIOLOGICS' Principle

We shall play a key role across every type of business for environmental protection. We shall always think of the impact that our business could have on the environment and shall be committed to protecting the environment, starting with the small things. Through the responsibility of environmental protection, we shall establish and strictly meet the standards beyond the level required by the environmental laws of each country, not only within our country, but also in every country where we are operating our business.

Action Plan

- ① Efficiently use only as much as we need of natural resources and reduce the emission of environmental pollutants below the statutory level.
- ② Check first whether the development of new products or the change of any processes could have an adverse impact on the environment.
- ③ Establish internal regulations to ensure that our activities meet the legal standards regarding the environment and regularly check whether such regulations are being complied with.
- ④ Actively seek environmental protection methods through the change or innovation of our business and encourage the executives and employees to undertake the related activities and efforts.
- ⑤ Require our partners and stakeholders to meet the same environmental protection standards that we do. Specify and sufficiently inform them that contracts with us may be cancelled if partners or stakeholders are caught violating environment-related laws.
- ⑥ Frequently check changes to local environment-related laws when working overseas and proactively take measures in response to such changes.



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



2. Creation of Social Values and Social Contribution

– Sharing what is received from society with society is our biggest pleasure

The purpose of a company's existence is to make larger investments with profit created by its activities and to create more jobs. A company only has significance as a social existence when creating profit, and the profit it has created within our society shall have greater meaning when it is shared with society.

In addition, we shall commit to connecting our business activities with the creation of social values.

We, LOTTE BIOLOGICS, have been constantly working to contribute to the long-term prosperity of humankind. The prosperity that we have pursued shall be enjoyed by all members of our society. The truly prosperous world that we are pursuing is a society where all members of our society can enjoy a prosperous life without anyone being marginalized.

LOTTE BIOLOGICS' Principle

We shall not only create social values and make the world prosperous via our business, but also actively conduct social contribution activities utilizing our capabilities and resources. As a member of society, we shall participate in the problem-solving activities in the local community and take the lead in developing the local community. We shall actively encourage the social service activities of each executive and employee and be committed to contributing to society, for example, by participating in social service and disaster relief activities at the company level.

Action Plan

- ① The members of LOTTE BIOLOGICS are accompanied by a higher level of social responsibility than others. Each executive and employee of LOTTE BIOLOGICS shall be committed to fulfilling his/her responsibilities and duties as a member of the local community to enhance trust in the company.
- ② Respect the culture and values of the local community and contribute to improving quality of life in the local community.
- ③ Provide a positive impact on social development by actively supporting activities for public interests, including academics, art, culture and sports, which psychologically enrich humanity.
- ④ Active participation in social service activities as individuals or on behalf of the company is the duty and responsibility of LOTTE BIOLOGICS members. Actively participate in social service activities such as volunteer work and disaster relief.
- ⑤ Identify plans with which our business activities can create social values and fulfill our social responsibility, and work to act on such plans.
- ⑥ We must continuously verify whether we are in compliance with laws, as well as our own standards and procedures in the process of fulfilling our corporate social responsibilities.



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



3. Respect for Human Rights

– Love and respect for humanity is an important value of LOTTE BIOLOGICS

We are aware that freedom, justice and peace, which are the common goals of humanity, can be achieved only when we accept the dignity and value of humans and their indisputable rights.

We shall be committed to creating a workplace culture where members of the company can exercise their potential without any prejudice, pressure or illegal discrimination and where they can respect one another.

We shall conduct our business in a way that respects human rights and shall respect every one of our executives and employees everywhere and at all times.

LOTTE BIOLOGICS' Principle

Human rights are the basic rights and freedoms granted to everyone. The members of LOTTE BIOLOGICS shall support and respect the United Nations Guiding Principles on Business and Human Rights declared internationally and guarantee human rights in places where we are conducting our business.

Action Plan

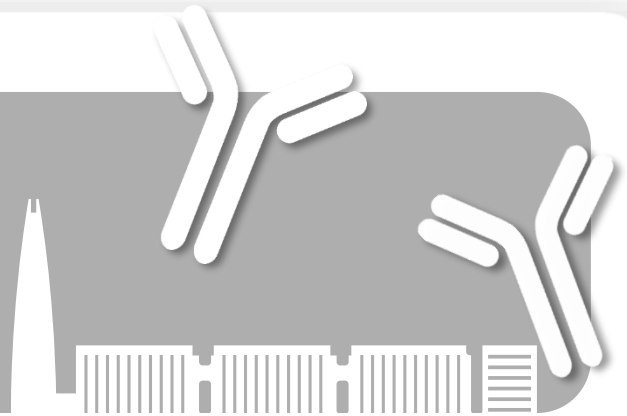
- ① Regarding our business, we shall respect human rights everywhere and at all times.
- ② We will follow our values and standards regarding respect for human rights and distribute them to our partners.
- ③ We shall work to prevent negative impacts on human rights, which may be caused by our business.
- ④ We shall guarantee and support human rights in the local community which we belong to.
- ⑤ We shall be aware of and comply with local laws regarding labor.
- ⑥ We will not allow child labor in the workplace of our company or partners and shall follow the local laws and international standards regarding the minimum working age.
- ⑦ In the case an employee under 18 years is required to be employed, consult with the Compliance Officer and check the requirements for the minimum working age in accordance with the related laws.
- ⑧ Coercion, confinement or other forced labor, etc. shall not be allowed.



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



4. Respect for Cultural Diversity

– We can earn respect only when we respect others

The prosperous life that we, the members of LOTTE BIOLOGICS, are pursuing is not limited to a certain country, but applies to all humankind. We have been making our own values and procedures in order to survive and prosper in the given environment of regions and nations. These are not wrong, but different. If we want to be respected and treated properly, we shall first respect the culture, traditions and laws of other countries.

Our understanding of and respect for their values and customs may become the most powerful competitive advantage.

LOTTE BIOLOGICS' Principle

We shall accept the values and customs of each country as much as possible, to live up to the reputation of Global LOTTE, and shall embrace various cultures and opinions of people around the world with an open mind. We shall be obliged to preciously protect and develop the resources and human resources of the countries where we are conducting our business, since we borrowed these resources from those countries.

Action Plan

- ① Do not discriminate against the local executives and employees due to different culture and values.
- ② Open communication is very important everywhere. Create various opportunities and channels to ensure that the opinions of the locals can be heard fully.
- ③ Do not force the locals to follow our values and customs; instead, learn from them first.
- ④ There are different laws, customs and manners depending on countries and regions. Pay particular attention when working overseas or on a business trip, since a behavior that is not a problem at home may cause trouble in foreign countries.
- ⑤ The principle of trust is applied all around the world. Always check things that the locals value and value them as well so that the locals can trust us.



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



5. Compliance with the Laws of Each Country

– We work to abide by the laws of each country and prevent crimes

Laws are social promises and the basic matter which society requires from us. We shall first follow the related laws and their purposes in our business process.

In addition, as a global company, we are obliged to prevent any illegal and criminal acts that arise due to our overseas business.

We shall be committed to yielding the best results within the allowable extent of the laws.

LOTTE BIOLOGICS' Principle

The members of LOTTE BIOLOGICS are working to respect the laws all around the world. We shall be fully aware of and understand the related laws and company regulations applicable in our business process and shall regularly check whether the related regulations are complied with in our daily work. Especially, we shall firmly exclude corruption or criminal activities for profit.

Action Plan

- ① Depending on the region, there may be restrictions or prohibitions on transactions with specific countries, governments, public officials, institutions, and individuals. Comply with the rules of the relevant region and country regarding not just financial transactions but also products, services, equipment, software, and technology transfers.
- ② If dispatched to an overseas workplace, fully understand the related laws of other countries which could affect your business as well as the country where you are dispatched.
- ③ In the event of importing and exporting commodities and products, thoroughly check and follow the trade laws regarding import and export, including the licensing or approval of each government.
- ④ It is prohibited to do businesses with countries, organizations and individuals against which trade sanctions have been imposed.
- ⑤ Consult with the Compliance Officer in advance in the event of international trade negotiations or transactions and trade with foreign governments/organizations.
- ⑥ Report cases to the applicable department such as "Sinmungo" of the Group or company in the event that there is suspicion of money laundering such as purchasing a large number of vouchers unnecessarily and turning them into cash.



LOTTE BIOLOGICS

VI. Trust with Society

Possibilities Beyond Limits



6. Separation of Politics and Economy

– Politics and economy can only fulfill their role when they are separated

Collusive ties between government and businesses are something that we, the members of LOTTE BIOLOGICS, shall stay away from. We, LOTTE BIOLOGICS, are proud of our history — throughout which we have never been involved in politics and never used political power for our business since our foundation. Historically, society advanced when government and religion were separated. Likewise, we believe that society will become more prosperous when government and businesses remain independent and faithfully fulfill their respective roles.

LOTTE BIOLOGICS' Principle

Politics is the democratic process that improves the world by gathering diverse opinions based on the principle of one person, one vote. We believe that the world can progress through such fair processes. If a company intervenes in these processes unfairly, it becomes an obstacle to building a better world. We shall not restrict our employees from expressing personal political opinions; however, even if a certain politician or political organization holds views favorable to our business, LOTTE BIOLOGICS, its affiliates, and its organizations shall not provide or engage in unfair political support.

Action Plan

- ① The name of LOTTE BIOLOGICS shall not be used for political activities or for the benefit of political parties or candidates.
- ② Do not use company resources or funds to support or appear to support specific politicians or organizations.
- ③ When personally attending political gatherings or meetings, do not mention your company title or position to avoid implying that you are representing or supporting them on behalf of the company. Always remember that your title or position may be misused regardless of your intention.
- ④ Consult with the company's PR Officer before any potential exposure to the media, including newspapers or broadcasting.
- ⑤ Exercise caution when posting or commenting on social media to ensure that your statements cannot be politically misunderstood.