

# Issue 3. Expanding Ethical and Compliance Management

As the demand for sustainable growth and corporate social responsibility continues to rise, the importance of ethical management and compliance management is being increasingly emphasized. In particular, due to the strengthening of domestic and international regulations, growing expectations from stakeholders, and rising demand for corporate transparency and responsible management, ethical and compliance management is no longer an option but a necessity. These elements are now recognized as key factors in securing both corporate sustainability and competitiveness. Accordingly, Hanmi Pharm embraces ethical and compliance management as core values in our operations and is striving to establish a fair and transparent corporate culture.

We implement a systematic compliance system designed to ensure that all our employees comply with the regulations, make responsible decisions based on high ethical standards, and reinforce internal controls through continuous training programs aimed at putting ethical management into practice.

We will not stop simply complying with laws and regulations in the future but will actively practice corporate social responsibility and create a sustainable future based on solid ethical management.

## Key Achievements in 2024

CP rating  
(5 consecutive years)  
**AAA**  
grade maintained

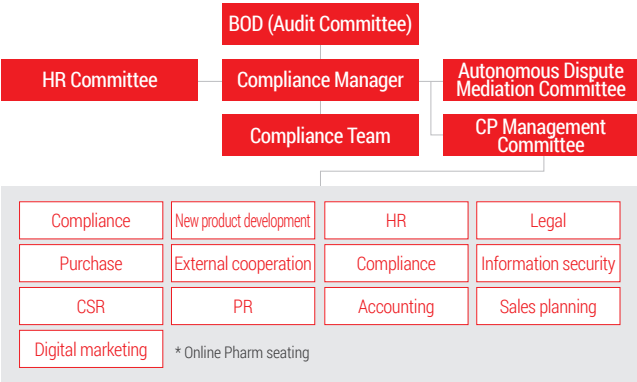
Certification acquisition  
Acquired integrated certifications  
**ISO 37001**  
&  
**ISO 37301**

## I. Governance

### Decision-making Structure

Hanmi Pharm strengthens our ethical and compliance management by appointing compliance officers approved by the board of directors (Audit Committee) and operating a Compliance Team that is responsible for overseeing the implementation of the compliance program. To establish a fair and transparent corporate culture, we also operate a systematic compliance program.

The Audit Committee, as an internal audit body within the board of directors, continuously monitors and supervises CP operations and internal accounting practices so as to uphold sound management and maintain social trust. To support the efficient audit operation of the Audit Committee, the Compliance Team conducts regular audits, ad-hoc audits, special audits, and CP operations while regularly reporting the results to the Audit Committee.



### Ethics and Compliance Management Committee

Type	Operating cycle	Roles
HR Committee	Once a month	· Investigation of and implementation of disciplinary actions against employees who violated the CP. · Presentation of awards to employees who have voluntarily complied with the fair-trade principles.
CP Management Committee	Once a month	· Sharing and dissemination of the status of CP operations to each department. · Checks on the CP operation of each department. · Sharing of CP-related internal and external information. · Reporting on major issues related to CP operation.
Autonomous Dispute Mediation Committee	Twice a year	· Support for rapid and fair resolution of disputes. · Analysis of the causes of disputes and prevention of their recurrence.

### Roles of the Dedicated Organization

Type	Roles
BOD (Audit Committee)	· Determining the organization responsible for implementing the compliance and anti-corruption management system and assigning accountability. · Accounting and business audits. · Management of compliance program performance. · Appointment of the compliance manager.
Compliance Manager	· Reporting on performance and plans to the CEO and the BOD (Audit Committee) (at least once per quarter). · Reporting of the management review results to the BOD (at least once year). · Planning and operation of the voluntary compliance program. · Preparation and implementation of the CP standards and procedures. · Evaluation of CP operation effectiveness and execution of improvement measures.
Compliance Team	· Pre-work consultation (CP monitoring). · Operation of a compliance training program. · Checking changes in CP-related laws and application of policies. · Application and operation of the compliance & anti-corruption management system. · Provision of CP incentives and implementation of disciplinary measures.

## Training to Strengthen Ethics and Compliance Management Expertise

Hanmi Pharm enhances expertise in ethical and compliance management by providing the CEO, key department executives, and members of the CP Management Committee with training on fair trade regulations, the latest trends, the results of CP monitoring, and relevant case studies. Additionally, to strengthen the professional capabilities of the dedicated CP Department (Compliance Team), we continuously offer training opportunities at external professional institutions.

Type	Target	Period	Roles
Training for HR Committee	Attendance by the CEO is mandatory.	Once per month	Conduct of comprehensive compliance training that covers the principal fair trade regulations (Monopoly Regulation and Fair Trade Act, Fair Transactions in Subcontracting Act), as well as the Pharmaceutical Affairs Act, Medical Service Act, Medical Devices Act, Fair Competition Code for Pharmaceutical Transactions, Fair Competition Code for Pharmaceutical Transactions, and Fair Competition Code for Medical Device Transactions, and compliance and anti-corruption management system.
Training for CP Management Committee	CP Management Committee members	Once per month	

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## II. Strategy\_Identifying Risks and Opportunities

Hanmi Pharm identifies key risks and opportunities that could have a significant impact on our stakeholders and sustainability concerning ethical and compliance management based on the results of the IRO (Impacts, Risks, and Opportunities) analysis, and strives continuously to develop effective response strategies based on the findings.

RISK	OPPORTUNITY
Damage to Shareholders and Corporate Values due to Unfair Trade Practices such as Non-compliance with the Monopoly Regulation and Fair Trade Act	Establishing a Company-wide Compliance System, including a Fair Trade Voluntary Compliance Program
<div>Characteristics of impactActual impact</div>	<div>Characteristics of impactActual impact</div>
<div>Affected stakeholdersShareholders and investors, customers</div>	<div>Affected stakeholdersShareholders and investors, customers</div>
<div>Severity of impact on society/environmentScale <div><div></div><div></div><div></div><div></div><div></div></div> Scope <div><div></div><div></div><div></div><div></div><div></div></div> Recoverability <div><div></div><div></div><div></div><div></div><div></div></div></div>	<div>Severity of impact on society/environmentScale <div><div></div><div></div><div></div><div></div><div></div></div> Scope <div><div></div><div></div><div></div><div></div><div></div></div></div>
<div>Expected financial impactPossibility of occurrence <div><div></div><div></div><div></div><div></div><div></div></div> Scale <div><div></div><div></div><div></div><div></div><div></div></div></div>	<div>Expected financial impactPossibility of occurrence <div><div></div><div></div><div></div><div></div><div></div></div> Scale <div><div></div><div></div><div></div><div></div><div></div></div></div>
<div>Impact on corporationA lack of managerial transparency due to violations of the Monopoly Regulation and Fair Trade Act and deficiencies in internal accounting controls may lead to a decline in the corporate brand image and pose legal and regulatory risks.</div>	<div>Impact on corporation<ul style="list-style-type: none"><li>Enhancement of corporate credibility and establishment of a foundation for sustainable management.</li><li>Acquisition of ISO 37001 and ISO 37301 certifications to secure global standards.</li><li>Enhancement of corporate value by efficiently operating fair trade voluntary compliance programs such as a review of the CP grade "AAA" evaluation criteria.</li></ul></div>
<div>Corporation's response<ul style="list-style-type: none"><li>Improvement of transparency by operating internal control systems such as the internal accounting management system.</li><li>Establishment of an independent and effective compliance management system based on the Monopoly Regulation and Fair Trade Act.</li></ul></div>	<div>Legal risks are prevented in advance while the foundation for sustainable management is strengthened through the internal monitoring system and effectiveness evaluations, which contribute to enhancing the trust of shareholders and investors.</div>

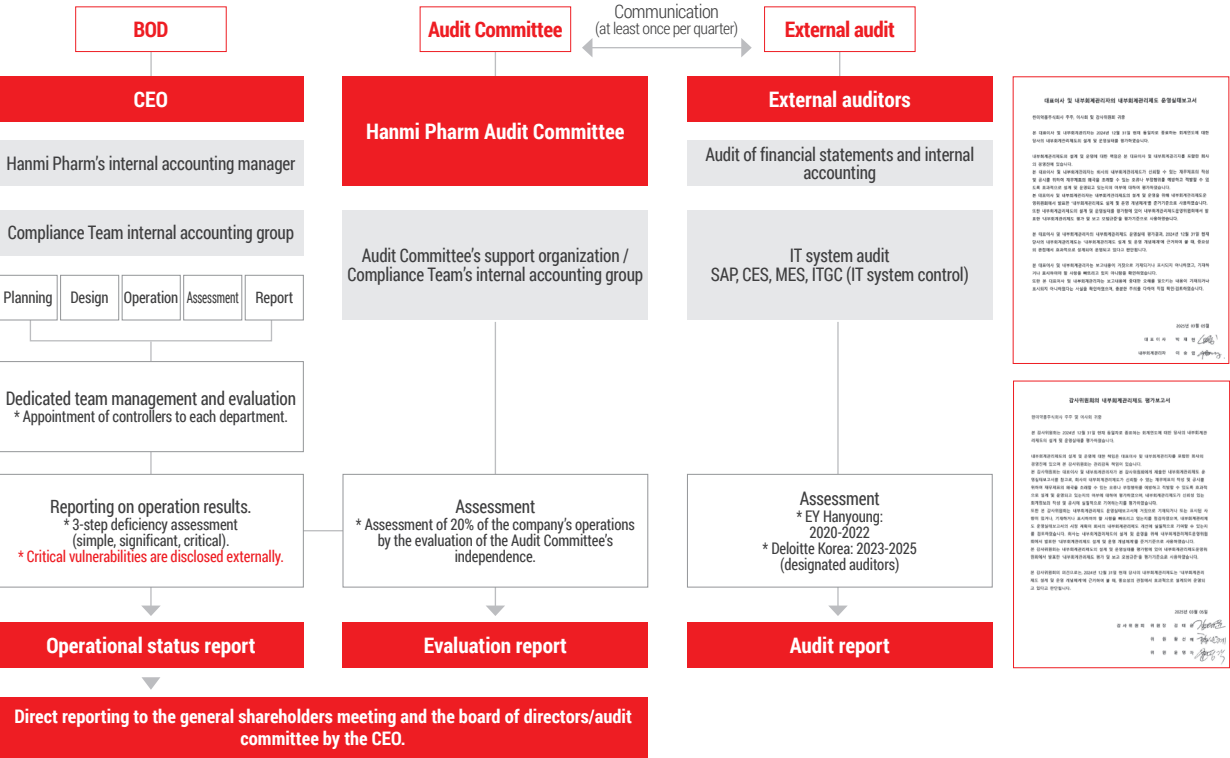
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## II. Strategy\_Risk and Opportunity Response Plan

### Internal Accounting Management System

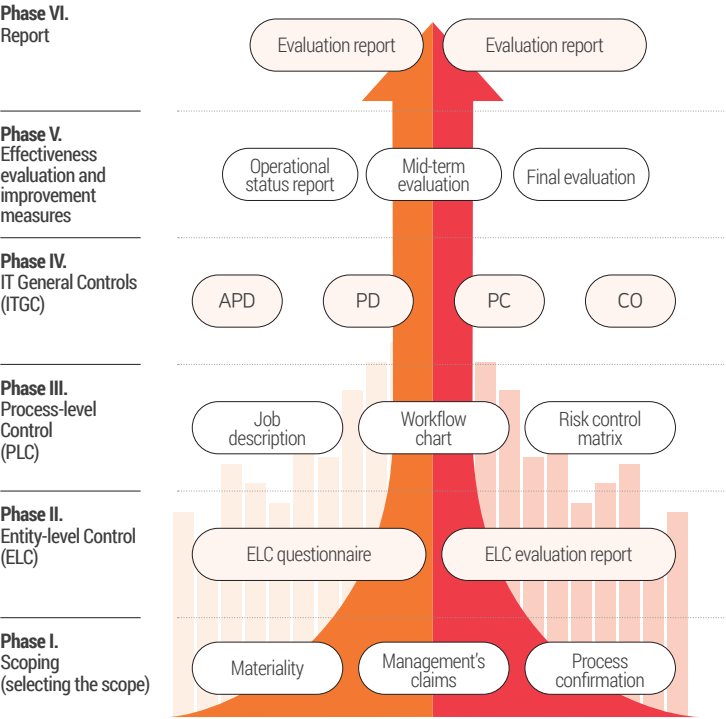
Hanmi Pharm effectively manages financial reporting risks by designing and operating internal control regulations for each business process, ensuring that accurate and reliable financial statements are prepared and disclosed, and thereby giving stakeholders a reasonable level of confidence in their integrity. Since January 2020, we have strengthened our internal accounting management system. The CEO and the chairman of the Audit Committee attend board meetings and regular general shareholder meetings to report on the operational status of the internal accounting management system in accordance with the internal accounting regulations.

Additionally, we prepare and disclose reports on operational status and reports on evaluations of the internal accounting management system and attach them to our business report along with the auditor's opinion. The 2024 evaluation, which was based on the "Conceptual Framework for the Design and Operation of the Internal Accounting Management System," concluded that the system was effectively designed and operated from a materiality perspective. Meanwhile, the Audit Committee, after receiving and reviewing this assessment, reached the same conclusion, while the external auditor also issued the opinion that the system was of the "appropriate" standard.



\* The details of the CEO's report can be delegated to the internal accounting manager. (However, the reason must be documented and submitted to the audit.)

### Process of Establishing the Internal Accounting Management System



Hanmi Pharm enhances the reliability and transparency of the information provided to users and prevents the dissemination of false information and errors by operating our internal accounting management system under three categories: Process Level Control (PLC), Entity Level Control (ELC), and IT General Control (ITGC).

Additionally, the Internal Accounting Department has established the Risk Control Matrix (RCM) which systematically documents procedures for identifying potential risks in each area and evaluating control activities. Every fiscal year, we conduct change management, risk assessments, design evaluations, and operational assessments, and also identify deficiencies and implement improvement measures on a regular basis to manage internal accounting risks more effectively.

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### Compliance Management System

Hanmi Pharm's Compliance Team aims to ensure that all employees prioritize ethical management as a core value while engaging in fair and transparent corporate activities, thus contributing to sustainable growth and the company's advancement as a global enterprise. To this end, we have established an ethical code of conduct, which is publicly available on our website for easy access by employees. Additionally, we have strengthened our compliance foundation by requiring employees to sign compliance policies and various pledges.

#### Our Code of Ethics

Ethics Management Website

While the ethical code of conduct does not always provide answers to the question "What is the right thing to do?" it does serve as a fundamental guideline that helps employees to uphold proper behavior and exercise sound ethical judgment. The ethical code is built around compliance with the applicable laws and ethical standards, ensuring that employees maintain their personal integrity and safeguard the company's reputation.

- Ethics Ch.1  
Basic Ethics of Employees
- The Mission of Hanmi Employees
  - Hanmi Employees' Commitment to Fair Business Practices
  - Hanmi Employees' Commitment to Preventing Corruption

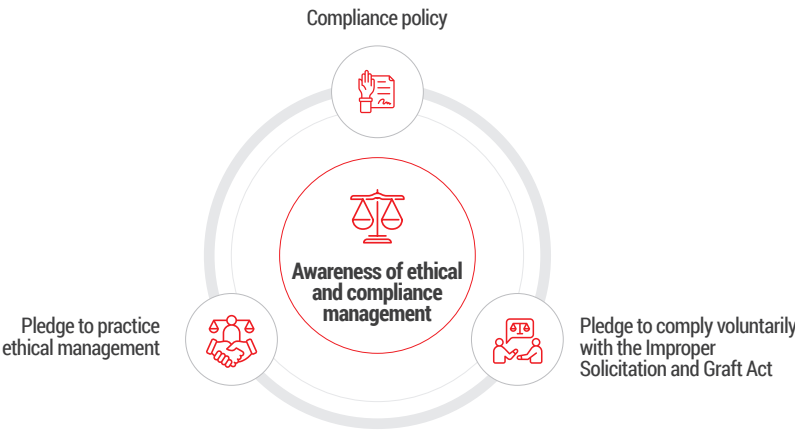
- Ethics Ch.2  
Fair Competition & Trade
- Hanmi Employees' Commitment to Fair Competition and Trade

- Ethics Ch.3  
Ethics re. Customers
- Hanmi Employees' Commitment to Customers
  - Hanmi Employees' Commitment to Shareholders & Investors
  - Hanmi Employees' Commitment to Transparency and Trust of Financial Management

- Ethics Ch.4  
Bioethics
- Hanmi Employees' Commitment to Protecting Human Dignity and Values
  - Hanmi Employees' Commitment to the Safety of Pharmaceutical Products

- Ethics Ch.5  
Supplementary Rules
- Duties & Obligations, Rewards & Disciplinary Actions, and Reporting Violations & Counseling
  - Establishment of a Department and Committee for Ethical Management

In addition to the Code of Ethics, Hanmi Pharm has established the following policies in order to raise awareness of ethical management and compliance management among all employees throughout the company.



The Fair Trade Compliance Handbook includes various case studies and a Q&A related to legal compliance, which are structured to help employees respond effectively to the kinds of potential risks that may arise during business operations.



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In order to operate our Compliance Program (CP) more effectively and strengthen our capabilities, Hanmi Pharm has established a systematic implementation plan, as well as conducted regular internal reviews and carried out improvement activities. To achieve this, we also formulate strategies to promptly respond to changes in the laws and regulations, enhance our ethical management education, and reinforce our internal control systems, thereby improving our responsiveness on a continuous basis.

In 2007, Hanmi Pharm became the first company in the pharmaceutical industry to introduce a Fair Trade Compliance Program. This program is a self-regulated system that businesses voluntarily adopt and operate to ensure compliance with fair trade laws. We fully meet all eight CP implementation requirements outlined in the “Regulations on CP Operation and Incentives” (hereafter referred to as the “CP Regulations”) and strive to improve the program every year.

1



Preparation and enforcement of the CP standards and procedures

2



CEO's commitment to voluntary compliance and support

3



Appointment of a voluntary compliance manager in charge of CP operation

4



Production and utilization of the Voluntary Compliance Manual

5



Continuous and systematic voluntary compliance training

6



Internal monitoring systems

7



Sanctions on employees who violate fair trade regulations

8



Evaluation of effectiveness and improvement measures

Item	Activity status and plan
Establishment of a policy by the CEO for introducing and operating the CP	<ul style="list-style-type: none"><li>· CEO's expression of commitment to CP implementation (New Year's speech, Voluntary Compliance Day, newsletter, etc.).</li><li>· Voluntary disclosure of performance and operation plan (electronic disclosure system).</li></ul>
CEO's budget and human resources support	<ul style="list-style-type: none"><li>· Clarification of the role of the Compliance Team in CP regulations.</li><li>· Operation of the CP Management Committee and Autonomous Dispute Mediation Committee.</li></ul>
Provision of CP operating standards, etc.	<ul style="list-style-type: none"><li>· Production and distribution of the Fair Trade Voluntary Compliance Handbook in the form of a booklet and an electronic file.</li><li>· Distribution of ethics management guidebook, handbook, newsletter (including case studies, case law, and FAQ)</li></ul>
Promotion of CP training	<ul style="list-style-type: none"><li>· Implementation of intensive training for high-risk departments and low CP capacity personnel</li><li>· Provision of training by annual phases and regional divisions.</li><li>· Collection of feedback/opinions after training.</li></ul>
Promotion of the pre-monitoring system	<ul style="list-style-type: none"><li>· Reporting of CP operational status to the CEO, BOD, and Audit Committee.</li><li>· Pre-work consultation system.</li><li>· Establishment of risk assessment procedures within the ABMS/CMS regulations.</li></ul>
Establishment of a disciplinary action and incentive system	<ul style="list-style-type: none"><li>· Establishment of a disciplinary action process for each violation together with the HR Committee.</li><li>· Preparation of internal reporting and processing procedures.</li><li>· Provision of incentives for excellent regions/parts and risk assessment groups.</li></ul>
Evaluation of the effectiveness of CP operations	<ul style="list-style-type: none"><li>· Conduct of annual evaluations according to the guidelines for evaluating CP effectiveness.</li><li>· Surveys, regular audits, internal audits.</li><li>· Use of ethical management internal-inspection indicators.</li></ul>

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### Compliance Day

Each year Hanmi Pharm designates April 1st as "Compliance Day" in celebration of Fair Trade Day as a part of our effort to disseminate a culture of ethical and compliance management throughout the company.

During the 2024 Compliance Day event, all 2,723 employees pledged their commitment to ethical management. We also produced and distributed a promotional video to reinforce awareness of ethical practices. Additionally, 1,072 employees participated in the 'CP Catch Mind' event, further enhancing their understanding of and engagement in ethical management.

Ethical management practice pledge

\* 2,723 out of 2,723 made the pledge

Distribution of ethical management promotional video

Domestic business division's "pledge of ethical management practice"

1,072 people participated in the "CP Catch Mind" event

### Business Stakeholders' Compliance

Hanmi Pharm supports the ethical management of our partner companies by operating a Business Stakeholder Compliance Website, where it publishes the Fair Trade Compliance Handbook, compliance policies, and quarterly newsletters. This website is hosted within our official website, allowing business stakeholders to report ethical and compliance-related issues through the "Report Channel".

In 2024, we conducted two mentorship program CP training sessions for key partner companies to foster mutual growth. During these sessions, we shared our ESG management policies, the status of supply chain inspection laws at home and abroad, and case studies of corporate responses worldwide. Additionally, to assist partner companies in establishing their own ESG management frameworks, we provided a Self-Assessment ESG Guidebook as a concrete reference material. Furthermore, there were no instances in which contracts with business stakeholders were terminated or not renewed due to corruption.



### Compliance Training

Hanmi Pharm is committed to systemizing our Compliance Program (CP) training and reinforcing education at different organizational levels. We conduct monthly regular training for employees in the Domestic Business Division (Sales/Marketing), providing tailored education based on job function, hierarchy, region, and years of service. Additionally, supplementary training is offered to individuals subject to disciplinary action, those who have not completed regular training, and employees with low scores on the CP test, ensuring continuous enhancement of CP capabilities. Separately, we provide education on the importance of CP to our affiliated companies, subsidiaries, and key representatives and practitioners of partner companies.

	Type	No. of training	No. of trainees
1. Compliance program	Training for the BOD	2	14
	Training of domestic business department	12	7,249
	Training for domestic business division managers	2	96
	Training for affiliates (subsidiaries)	2	194
	Training for new employees	10	338
	Training for CP capacity improvement	1	30
2. Unfair conduct	Training for the CP Management Committee	12	156
	Training for the HR Committee	11	95
	Marketing training	7	154
3. Major CP violations	Training by CP organization (planning/strategy/operation)	1	24
	Local visit training	58	735
4. Work-related anti-bribery activities	Partner training	1	54
	Training for ISO 37001 internal auditors	2	30
5. Ethical management and compliance management	Ethical management training	3	103
	Internal control training	14	144
	External training	1	240
	Legal Team CP training	3	36
6. Internal whistleblowing	Cumulative	142	9,692



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### CP Ratings and Major Awards

#### Awarded the “AAA” CP rating for 5 consecutive years

Hanmi Pharm has participated in the Fair Trade Commission’s CP rating evaluation since 2013, achieving the highest rating of “AAA” in 2020, 2022, and 2023. We are the first domestic company to maintain this rating for five consecutive years. The CP rating system grants grades based on operational performance when companies that have introduced CP for more than one year apply for an evaluation, and provides incentives to excellent businesses to encourage faithful CP operation.

Moreover, we are recognized as a model company for ethical management based on fair trade and mutual prosperity. We have received multiple commendations from government institutions for our contributions to the spread of CP culture.

In particular, we received an award from the Chairman of the Fair Trade Commission in 2024 for our continuous efforts to establish a CP culture, including maintaining the highest CP rating of “AAA” for five consecutive years based on our strengthened CP capabilities. Going forward, we will continue to practice ethical management and strive to become a company trusted by all citizens.



Year	Grade	Period of validity
2013	BBB	Jan. 01 - Dec. 31, 2014
2014	A	Jan.01 - Dec. 31, 2015
2015, 2017, 2019	AA	Jan. 01, 2016 - Dec. 31, 2020
2020, 2022, 2023	AAA	Jan 01, 2021 - Dec. 31, 2025



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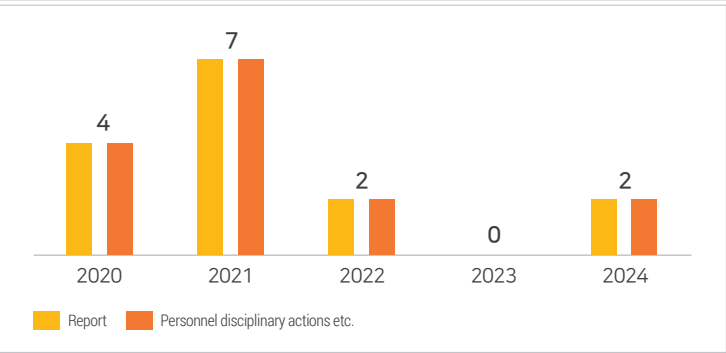
## II. Strategy\_Risk and Opportunity Response Plan

### Reporting and Processing of Internal & External Violations

Hanmi Pharm operates separate regulations and guidelines to detect violations of key laws in the pharmaceutical and bio industry—such as the Monopoly Regulation and Fair Trade Act, Fair Transactions in Subcontracting Act, Pharmaceutical Affairs Act, Fair Competition Code, and internal CP operation regulations—at an early stage and to protect whistleblowers. Through various channels, including the Clean Management Shinmungo on the company’s intranet (CES), the official website, and QR code submissions via the Ethics Management newsletter, not only employees but all stakeholders can report violations without access restrictions. All reports can be submitted anonymously. The submitted reports will be directly checked by the Compliance Manager and, if necessary, reported to the CEO. If an investigation is required, the Compliance Team conducts the investigation and presents the findings to the HR Committee, which may impose disciplinary actions or take appropriate action. We actively inform reporting channels through education and promotion, form an Investigation Team with a limited number of personnel within the Compliance Team to maintain the confidentiality of internal reports, and guarantee the independence of the team to ensure fair processing.

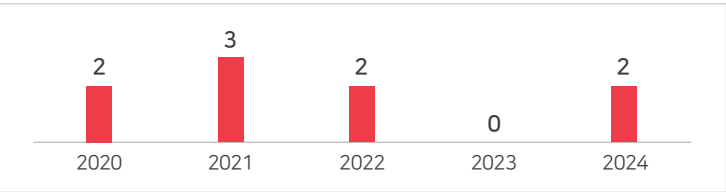
#### Reporting & Personnel Disciplinary Actions, etc.

Unit: cases



#### Personnel Subject to Disciplinary Actions

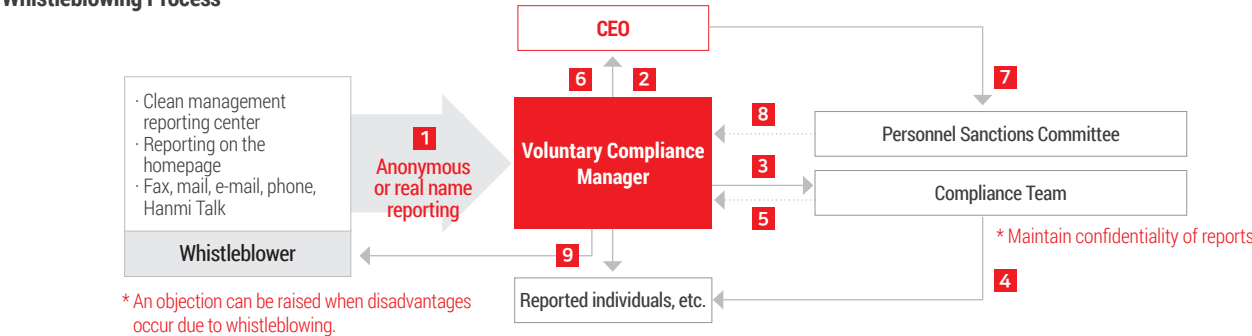
Unit: persons



### Whistleblowing Channels

Classification	Clean management Shinmungo (CES Intranet)	In-company messenger (Hanmi Talk)	Clean management newsletter / Ethical management newsletter	Reporting on the company website	Mail, Fax, Email	Wire/ Wireless call			
Internal/external	Internal		Internal & external	External	External	External			
Subject	Employees			Employees, parties related to business, customers (healthcare professionals), etc.					
Accessibility	- Accessible at all times (mobile, PC, wire/wireless calls, mail, fax, and email).								
Anonymity	- Anonymity guaranteed during the whole process.								
Whistleblower requirements	- No limitations regarding whistleblower requirements.								
Others	- Clean management newsletter (for employees) PR on whistleblowing and access to the internal system via QR scan (enhanced accessibility). - Clean management newsletter (for parties related to business) PR on whistleblowing and access to the internal system via QR scan (enhanced accessibility). - Voluntary reporting can be made regarding acts related to fair trade violations (voluntary reporting system for bribes and gifts received).								

### Whistleblowing Process



No.	Process	Remarks
1	Receive report via various channels.	* Information on the whistleblower is known only to the voluntary compliance manager (selected by the whistleblower).
2	Report to the CEO.	
3	Order the Compliance Team to investigate.	* The identity of the investigator is kept secret (anonymity) to prevent external pressure, improper solicitation.
4	Audit (e.g., reported individuals)	

No.	Process	Remarks
5	Report the results of the investigation.	* Rewards are limited to real-name informants.
6	Report to the CEO.	
7	Submit report to the Personnel Sanctions Committee	
8	Determine the appropriate punishment.	
9	Send disciplinary action document and notify results.	



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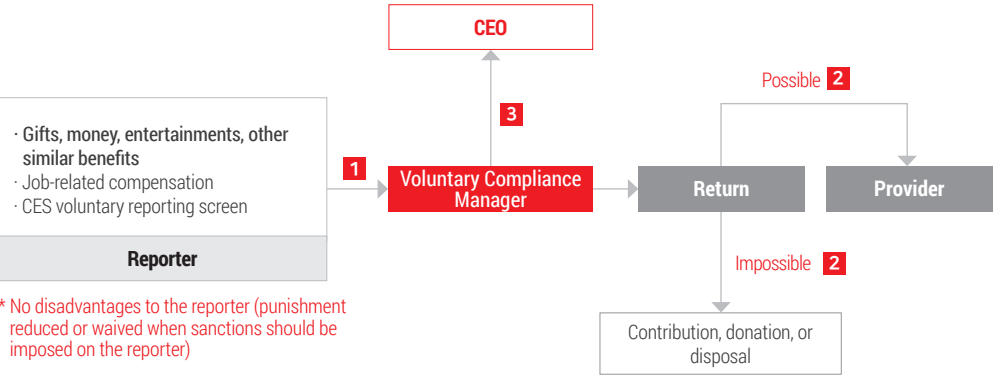
## II. Strategy\_Risk and Opportunity Response Plan

### Voluntary Reporting of Receipt of Bribes and Entertainment

Hanmi Pharm prohibits our employees from receiving and accepting money, gifts, entertainment, hospitality, etc. (hereinafter referred to as 'financial benefits') from individuals with whom they have a business relationship. In the event of violations, we operate a separate process that allows employees to voluntarily report such incidents. Employees can report voluntarily through the Compliance Manager or via the "Voluntary Reporting of Acceptance of Financial Benefits and Entertainment" page in the Cyber CP Zone on the company's intranet (CES). If an employee voluntarily reports receiving financial benefits, the company may reduce or even waive disciplinary measures for the violation.

Employees who receive financial benefits must return them immediately. However, if returning them is not possible, they must follow the procedures outlined in the "Guidelines for Voluntary Reporting of Acceptance of Financial Benefits and Entertainment." The Compliance Officer then informs the provider of the financial benefits of the company's handling of the matter to prevent recurrence. These measures aim to eliminate covert and customary business solicitations, clearly communicating our commitment to compliance and ethical business practices not only to our employees but also to our partners and stakeholders.

#### Process for Voluntary Reporting of Bribes and Entertainment Received



No.	Process	Remarks
1	Voluntary reporting of gifts and bribes.	Regulations prohibiting disadvantages to reporter
2	Check whether gifts, etc. can be returned (return to provider, contribute or donate).	Dispose of gift, etc. if contribution or donation is not possible.
3	Report the processing results.	

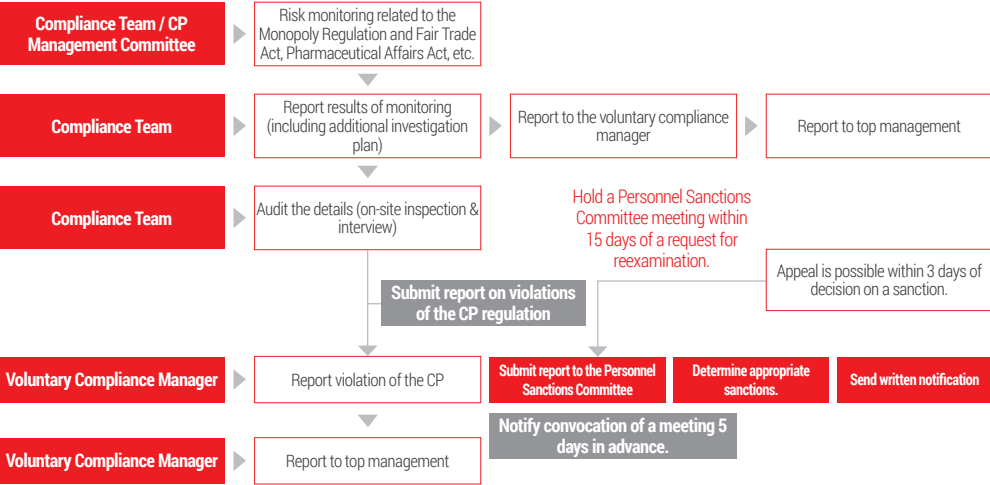
### Disciplinary Actions and Incentives for Employees Related to Fair Trade Laws

Hanmi Pharm enforces fair and consistent disciplinary measures against employees who violate laws related to fair trade or internal CP regulations, in accordance with the 'Employment Rules' and the "Guidelines for Employee Disciplinary Actions and Reward Management."

We are continuing preventive activities to prevent recurrence by identifying violations through various channels such as monitoring, special audits, and internal reporting, implementing appropriate personnel sanctions, and providing education. Disciplinary actions taken against employees follow the procedures outlined by the Personnel Sanctions Committee, ensuring compliance with the established disciplinary process, and all disciplinary actions are documented. However, if a violation is minor and can be corrected immediately, corrective and preventive measures (such as training) are taken first.

In addition, we continuously implement various programs, such as incentives for outstanding employees and CP events, to encourage employees' participation in and commitment to ethical management.

#### Personnel Sanctions Committee Sanction Process



Year	2020	2021	2022	2023	2024
HR Sanctions	69 persons	16 persons	15 persons	2 persons	48 persons <sup>1)</sup>
Incentives	Top: 4 persons; Excellent: 16 persons.	Top: 4 persons; Excellent: 16 persons.	Top: 4 persons; Excellent: 16 persons; Event: 30 persons.	Top: 4 persons; Excellent: 14 persons; Event: 50 persons.	Top: 6 persons; Excellent: 8 persons; Event: 100 persons.
	12 teams	12 teams	12 teams	12 areas	15 teams

1) 48 people = 37 warnings, 5 reprimands, 6 demotions or more severe

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## III. Risk Management

Hanmi Pharm integrates the risk and opportunity management process related to ethical and compliance management into the company-wide Enterprise Risk Management (ERM) system in order to manage overall corporate risks effectively while maximizing potential opportunities, thus promoting sustainable growth.

Risk and opportunity monitoring	Monitoring period	Monitoring target	Monitoring method	Management and supervision
Risk assessment by department	Once a year	All departments	<div><div>· Interviews with the Compliance Team and each group.</div><div>· Identification of all risks that may arise while performing work and checking of the management method.</div></div>	Compliance Team
Pre-work consultation	Ongoing	All departments	<div><div>· Advance consultation with the Compliance Team regarding illegal risks before performing work.</div><div>· Coordination with Sales/Marketing Teams in the field via telephone and review of draft documents.</div></div>	Compliance Team
Clean Management Shinmungo Voluntary reporting of acceptance of financial benefits and entertainment	Ongoing	Employees	<div><div>· Provision of a user's guide and reporting channels on the website.</div><div>· Reporting to the Compliance Manager and processing according to the regulations.</div><div>· Protection of whistleblowers' identities through strict anonymity procedures.</div></div>	Compliance Team
Inspection of partner companies	Once a year	Partners	<div><div>· Inspection of major partner selection and CP operation.</div><div>· Operational evaluation and survey.</div><div>· Guidance on compliance policies and submission of a written pledge.</div></div>	Compliance Team
Analysis of internal and external CP environments	Ongoing	-	<div><div>· Monitoring related laws and regulations such as the Monopoly Regulation and Fair Trade Act, Fair Transactions in Subcontracting Act, Pharmaceutical Affairs Act, Fair Competition Code, etc.</div><div>· Attendance at seminars held by the Korea Biotechnology Industry Organization and the CP Forum and understanding of ethical management trends.</div><div>· Disclosure of ethical management performance (voluntary disclosure, CP performance report, ESG report).</div></div>	Compliance Team

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## IV. Indicators and Goals

Hanmi Pharm has successfully obtained certifications for the Compliance Management System and the Anti-Bribery Management System, audited by ISO. Based on these certifications, we have strengthened our internal controls and ethical management.

To internalize compliance awareness among our employees, we have increased the frequency of CP training and quantified and analyzed the results of CP monitoring. In particular, the key evaluation criteria now include provisions in the fair trade laws that prohibit improper customer inducements (such as rebate bans). We have also introduced effectiveness assessments to measure the tangible impact of training and monitoring, and, based on the results, have established a framework for continuous improvement and goal setting. Through these initiatives, we have enhanced our corporate competitiveness and strengthened trust externally.

Key indicator	2024 Target	2024 performance	Achievement status	2025 target	Mid- to-long term plan (after 2026)
Strengthening the compliance management system	<ul style="list-style-type: none"><li>Obtain ISO 37001 surveillance audit certification.</li><li>ISO 37301 First audit.</li></ul>	<ul style="list-style-type: none"><li>Completed the ISO 37001 and 37301 certifications simultaneously. (The CEO attended the award ceremony.)</li></ul>	Achieved	<ul style="list-style-type: none"><li>Renew ISO 37001 and ISO 37301 certifications.</li></ul>	<ul style="list-style-type: none"><li>Intensively manage risks related to fair trade laws.</li><li>Strengthen the ethical and compliance management capabilities of partner companies.</li></ul>
100% completion of risk assessment	<ul style="list-style-type: none"><li>Conduct risk assessments by department (all departments).</li></ul>	<ul style="list-style-type: none"><li>Achieved a 100% implementation rate across all business sites (Headquarters, Paltan and Pyeongtaek business sites, R&amp;D Center).</li><li>Awarded excellent risk assessment groups (3 groups).</li></ul>	Achieved	<ul style="list-style-type: none"><li>Achieve a 100% risk assessment implementation rate.</li></ul>	<ul style="list-style-type: none"><li>Achieve a 100% risk assessment implementation rate.</li></ul>
Promoting CP training	<ul style="list-style-type: none"><li>Newly provide training sessions for each business site.</li><li>Promote on-site and face-to-face training (more than 100 sessions conducted).</li></ul>	<ul style="list-style-type: none"><li>Conducted training for sales/planning and marketing/strategy department.</li><li>Conducted on-site training for the Paltan/ Pyeongtaek business sites, R&amp;D Center.</li><li>Conducted 118 on-site training sessions (compared to 84 sessions in the previous year).</li></ul>	Achieved	<ul style="list-style-type: none"><li>Provide customized training by department.</li><li>Systemize and re-implement annual training.</li><li>Increase on/offline training.</li></ul>	<ul style="list-style-type: none"><li>Promote training (by year, by department, by region, etc.).</li><li>Strengthen self-correction measures for CP compliance.</li></ul>
Increasing monitoring	<ul style="list-style-type: none"><li>Operate the CP Points System.</li><li>Promote pre-work consultations.</li></ul>	<ul style="list-style-type: none"><li>Awarded excellent regions/department based on CP scores.</li><li>Conducted pre-work consultations on sales/ marketing programs (3,799 cases in the first half, 3,958 cases in the second half).</li></ul>	Achieved	<ul style="list-style-type: none"><li>Plan and establish a system to monitor the use of corporate credit cards by office workers.</li></ul>	<ul style="list-style-type: none"><li>Establish an internal control monitoring system.</li></ul>