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[Compliance and Ethical Management]

JW is making various efforts to practice fair and transparent compliance and ethical management based on fair and free competition.


Moving forward, we will continue to build a compliance and ethical management system that meets global standards, based on the voluntary commitment of our employees, and earn the trust of our stakeholders.

JW Ethics rules

JW has established a ethics rules governing relationships among employees of all its affiliates, with customers, partner companies, and competitors, clearly presenting the fundamental principles for practicing ethical management and workplace ethics.

JW Workplace Ethics

All employees of the company shall comply with the following workplace ethics.



- 01. Faithfully perform one's assigned duties in accordance with the company's management policies.
- 02. Carry out assigned tasks in a fair and transparent manner, and comply with all applicable laws and regulations.
- 03. Preserve and manage all tangible and intangible assets of the company and do not use them for personal purposes.
- 04. Do not disclose the company's trade secrets without authorization or use them for personal gain.
- 05. Do not promise or offer money, entertainment, or favors that exceed acceptable standards.
- 06. Do not engage in improper solicitations that violate laws or social norms.
- 07. Do not use a superior position to demand or receive money, entertainment, or favors.
- 08. Respect fellow executives and employees, and do not issue unjust work orders or make improper solicitations.
- 09. Pursue harmonious mutual development by interacting with and contributing to the local community.
- 10. Strive to prevent environmental pollution and protect nature.
- 11. Overseas business activities are conducted based on mutual trust while respecting international norms as well as the laws, cultures, and customs of foreign countries.

JW Compliance Organization

JW appoints Compliance Officers and Compliance Managers for each group company and grants them the responsibility and authority necessary to operate the compliance program.

The Audit Office of JW Holdings oversees the company-wide compliance program through close collaboration with the compliance organizations of each group company. In addition, JW maintains a reporting system under which the Head of the Audit Office, who serves as the Compliance Officer of JW Holdings, reports directly to the CEO and the Board of Directors.

Company Name	Dedicated Department	Composition
JW Holdings	Audit Office	1 Compliance Officer, 3 Compliance Managers
JW Pharmaceutical	Business Management Division – CP Team	1 Compliance Officer, 5 Compliance Managers
JW Shinyak	Business Management Department – CP Team	1 Compliance Officer, 1 Compliance Manager
JW Life Science	Business Management Division – CP Team	1 Compliance Officer, 1 Compliance Manager
Other Group Companies		1 Compliance Officer, 1-2 Compliance Managers

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JW Compliance and Ethical Management System

JW firmly establishes compliance and ethical management as part of its corporate culture based on the unwavering principle that “Sustainable growth is impossible without CP compliance.”

Compliance Program (CP)


At JW, the CP is not limited to preventing unfair customer solicitation practices that violate the Pharmaceutical Affairs Act or the Medical Device Act. Its purpose is to maintain a lawful and fair business order across all company operations. The mission and vision of CP operations have been defined, and various activities such as regular training and monitoring are being implemented to achieve these goals.

CP Mission




Contributing to the advancement of human health and culture through compliance and ethical management.

CP Vision




A healthcare compliance leader driving sustainable growth.

CP Goal



Establishing compliance and ethical management as a corporate culture.

CP Catchphrase



With us COMPLIANCE

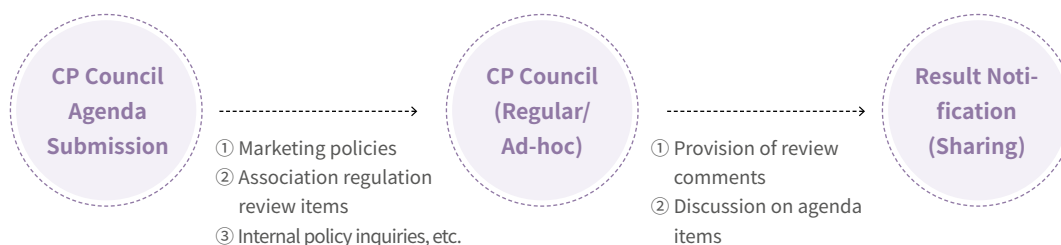
Policies	Ethics Rules	Compliance Management System Manual, etc.	CP & ABMS Operational Guidelines, etc.
Compliance and Ethics Training	Regular Training (1–2 times per year)	Special Training (as needed): for managers, job-specific, recurrence prevention	New Employee Training (for new hires)
Monitoring	Internal approval documents (consent)	Corporate card usage review	Review of reports on expenditures of economic benefits
Dedicated Team	CP Team	Compliance Officer	Compliance Manager
Operation of Committees	CP Council	Regular Meetings of JW Compliance Departments	Regular Meetings of the CP Council
Campaign Activities	JW Ethics Day	JW Ethics Month (June)	JW No Giving or Receiving Gifts (Ongoing)

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Regular Meetings of JW Compliance Departments and CP Council

To enhance the CP operational capabilities of each JW company and strengthen the competencies of Compliance Officers and Compliance Managers, regular meetings and discussions are held. Key agenda items include issues in the pharmaceutical industry, amendments to fair trade and related laws, government policies, and internal monitoring results. In addition, the CP teams of JW Pharmaceutical and JW Shinyak conduct the CP Council on a regular basis (once a month) and as needed. They receive and review items such as marketing policies, association code reviews, and internal policy proposals. Through feedback and discussions, they work to prevent potential risks in advance during business operations. As of 2025, JW Pharmaceutical held a total of 12 CP Council meetings, comprising 6 regular meetings and 6 ad hoc meetings, while JW Shinyak held 3 ad hoc CP Council meetings. In particular, JW Pharmaceutical holds a Compliance Committee attended by the CEO on a quarterly basis. This committee reviews CP-related agenda items and proceeds with follow-up actions based on the CEO's input.



Compliance and Ethics Training

JW continuously provides systematic training to instill a commitment to ethical management among its executives and employees, and to enhance their knowledge and ability to identify legal violations. In addition, special training is conducted by selecting various topics based on job characteristics and reflecting relevant laws, industry trends, and current issues in the training content. For new employees, online training is provided to promote understanding and encourage the practice of JW's compliance and ethical management.

2025	Training Participants	Employees Who Completed Training	Completion Rate	JW Holdings	JW Pharmaceutical	JW Shinyak	JW Life Science	Other Group Company
Regular training	2,109 persons	2,073 persons	98.3%	1 time	2 times	1 time	1 time	1 time
Special training	2,747 persons	2,668 persons	97.1%	3 times	17 times	5 times	0 times	7 times (JW Bioscience)
New employee training	272 persons	224 persons	82.4%	Online training and testing conducted through the JW Learning Cloud (training platform)				

Major training programs: ① Ethical Management, ② Fair Trade and Work-Related Laws and Regulations, ③ Compliance Program, ④ Compliance and Anti-Bribery Management System, ⑤ Prevention of Workplace Harassment (Case-Based Training), and ⑥ Whistleblowing System

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Submission of Compliance and Ethics Commitment Pledge

All JW employees annually pledge their commitment to compliance and ethical management during Ethics Month (June), fully understanding the intent of the company's compliance, ethical management, and anti-corruption practices, and actively participating in the company's efforts in these areas.

Year	JW Holdings	JW Pharmaceutical	JW Shinyak	JW Life Science	JW Medical	JW Bioscience	JW Living Health Care	C&C Research Laboratories	JW ChemiTown	Total
2024	160(151) persons 94%	1,125(1,104) persons 98%	205(199) persons 97%	331(324) persons 98%	73(72) persons 99%	75(75) persons 100%	30(29) persons 97%	50(50) persons 100%	30(30) persons 100%	2,079(2,034) persons 98%
2025	159(150) persons 94%	1,106(1,077) persons 97%	188(179) persons 95%	341(317) persons 93%	72(72) persons 100%	67(66) persons 99%	22(22) persons 100%	55(52) persons 100%	26(26) persons 100%	2,036(1,961) persons 96%

Designation of Compliance and Ethical Management as a Mandatory Subject for Promotion Exams

Since 2014, JW has strengthened employees' awareness of compliance and ethical management by designating these areas as mandatory subjects in promotion qualification examinations and by operating an HR system that restricts promotions for employees who fail to meet the required standards.

Year	On-site Test Applicants	Pass		Fail	
		Number of People	Pass Rate	Number of People	Fail Rate
2024	29 persons	26 persons	89.7%	3 persons	10.3%
2025	35 persons	33 persons	94.3%	2 persons	5.7%

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JW Compliance and Ethical Management System

Results of JW's 2025 Ethical Management Evaluation System

Since implementing the Ethics Management Evaluation System, JW has demonstrated a firm commitment to ethical management and has encouraged employee participation in ethics management. In cases of unethical conduct, such as violations of the CP and the five major prohibitions, strict disciplinary measures are applied by reflecting such actions in personnel evaluations to prevent recurrence.

Category	Operating Standards (Revised)	Applicable Scope
Warning to Compliance Officer	If a Compliance Officer receives two or more warnings in the same year, the case shall be referred to the Personnel Committee.	24 person
Personnel Committee's Minor Disciplinary Action	1) Ineligible for promotion in the same year	1 person
Personnel Committee's Major Disciplinary Action	2) Ineligible for appointment to a managerial position in the same year	3 person
Outstanding Performer in Ethical Management	Awarded once a year / Prize of approximately KRW 1,000,000 (Evaluated by each company's Compliance Officer and Compliance Manager)	4 person
In the event of disciplinary action by the Personnel Committee due to a CP violation, any unjustly obtained benefits shall be subject to recovery.		

JW's Acquisition of International Standard Certifications and CP Rating Evaluations

JW has established and operates compliance and ethical management systems aligned with international standards and tailored to the business environment of each group company while continuously maintaining certification through regular audits. In addition, following the legalization of compliance programs, JW has placed greater priority on compliance and ethical management by participating in initiatives to promote the Compliance Program and in CP Rating Evaluations that assess the operational status of its compliance program.

JW Holdings obtained its initial certification for the Compliance Management System (ISO 37301) in November 2023. To establish a system that meets ISO requirements and ensure efficient operation, the company conducts annual employee training, performs departmental risk assessments, and sets compliance objectives. In addition, it carries out regular monitoring and internal audits and maintains its certification through external audits that verify the conformity and effectiveness of the Compliance Management System (October 2025).

JW Pharmaceutical obtained its initial certification for the Compliance Management System (ISO 37301) in May 2022 and has established and operates compliance policies and response systems aligned with international standards to systematically manage risks that may arise across its business operations. JW Pharmaceutical continues to maintain its certification through annual audits that verify the conformity and effectiveness of its system. In addition, the company was recognized for the effectiveness of its CP operations by receiving an Excellent Company (Grade A) designation in the 2025 CP Rating Evaluation conducted by the Fair Trade Commission.

JW Shinyak obtained its initial certification for the Anti-Bribery Management System (ISO 37001) in June 2022 and establishes annual objectives for preventing corruption risks based on organizational context analysis and risk assessments. In addition, the company maintains its certification through efficient system operation and follow-up audits that verify the conformity of its Anti-Bribery Management System (ISO 37001).

Category	ISO 37301 (Compliance)	ISO 37001 (Anti-Bribery)	CP Rating Evaluation
JW Holdings	2023 (Initial certification) – Certification maintained		
JW Pharmaceutical	2022 (Initial certification) – Certification maintained	2018 (Initial certification) – 2022	2025 evaluation (Grade A)
JW Shinyak		2022 (Initial certification) – Certification maintained	

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JW Reporting System

JW operates two whistleblowing channels: the Helpline and the Cyber Whistleblower Center.

The “Helpline” is an internal channel for employees to report regulatory violations, workplace bullying and sexual harassment, bribery, suggestions for improvements to systems and work processes, and exemplary cases related to ethical management. It allows anonymous reporting to help protect whistleblowers. The “Cyber Whistleblower Center” is available to external stakeholders for reporting unfair business practices, abuse of authority, and misconduct involving JW employees. All reports submitted through this channel are handled in confidence. All reports are promptly forwarded to and reviewed by the Compliance Officer of JW Holdings. Results are communicated individually to the relevant whistleblowers, while key information is shared monthly through the CP portal bulletin board.



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Results of JW's 2025 Whistleblowing System Operations

Category	Helpline (Internal)	Cyber Sinmungo (External)	Total
JW Holdings	17	1	18
JW Pharmaceutical	46	14	60
JW Shinyak		1	1
JW Life Science	17	1	18
JW Medical	1	20	21
JW BioScience	1		1
JW Living Healthcare			
JW ChemiTown	1		1
C&C Research Laboratories			
Total	83	37	120

※ In the case of JW Holdings, the processing rate is high due to delegated operations in HR, administrative support, procurement, accounting, etc.

Report Type	Number of Cases	Resolved
Suggestions for System and Operational Improvements	80	Through close communication with relevant departments, improvements to systems and operations were implemented.
Regulatory violations and human rights infringements (e.g., workplace bullying)	28	On-site inspections and disciplinary actions for violators completed (Personnel Committee: 7 severe disciplinary actions, 2 minor disciplinary actions, 3 voluntary resignations)
Commendation	8	Reflected in ongoing evaluations and small gifts provided, etc.
Other Inquiries	4	
Total	120	

JW Ethical Management Campaign

JW has designated June 2 as “JW Ethics Day” every year since 2017 to commemorate the 10th anniversary of the introduction of the Fair Trade Compliance Program. This day serves to re-examine employees’ attitudes toward ethical management and to express both internally and externally the company’s voluntary efforts to establish a fair market order. The 8th JW Ethics Day ceremony was attended by key executives, including CEOs of JW affiliates, the Head of Corporate Planning, and the Head of Sales. The event was held under the slogan “Ethics Starts Today” and featured a variety of activities to reinforce ethical commitment among employees.

Highlights included a declaration of intent by the Chair of the Compliance Committee, awards for outstanding ethical leadership, a compliance and ethics pledge ceremony, and a special lecture on the Compliance Program (CP). Through these activities, employees were encouraged to actively reaffirm their commitment to ethical conduct.

In addition, JW designated June as “JW Ethics Month” and carried out an ethics campaign for all employees. To encourage active participation, JW organized a range of events, including quizzes and challenges related to compliance- and ethics-themed books and films, and recognized outstanding participants with awards.

Especially during holiday seasons, a “No Giving or Receiving Gifts” campaign is conducted to promote a transparent and clean management culture. Advance notification emails are sent to stakeholders, and any gifts received unavoidably are donated through the JW Lee Jong-Ho Foundation.

