

Preamble

This Code of Ethics refers to the management philosophy of SK Group and aims to provide a set of standards to support decision making and practices necessary for the execution of management activities that promote the happiness of customers, employees, stakeholders, Business Partners, society and other stakeholders, while contributing to the economic growth of society and the happiness of mankind.

This Code of Ethics applies to SK Gas (hereafter referred to as “Company”), and the management of the Company is responsible for educating and guiding the members to comply with this Code of Ethics.

1 Basic Ethics of Members

1.1 Faithful Execution of Business

Employees shall conduct business honestly and impartially by complying with fair standards, laws and moral standards which are accepted by the conventional wisdom of society.

1.2 Prohibition of Unauthorized Use of Management Information

Employees shall understand that any leakage of corporate management information can cause serious harm to the corporation as a whole, and thus shall not provide or reveal any information related with company business to outsiders. In the case where sharing internal information is required for business purposes, relevant measures shall be taken prior to the sharing or disclosure.

Also, employees shall not discuss or reveal business subjects in any public spaces in order to prevent corporate information from being revealed to outsiders and shall take special care when handling business information.

1.3 Prohibition of Activities with Conflict of Interest

Employees shall not engage in any activity where there is a conflict of interest between themselves and the Company. Conflict of interest refers to any activities engaged in by employees that might compromise them in

carrying out their duties. Conflict of interest includes any participation in investments and associations or acquiring rights that compromise the ability to make the best decision for the Company's sake, or any situations where the maximum profit cannot be achieved due to indirect or direct connections, financial obligations or private relationships with competitors or trade counterparts.

1.4 Mutual Respect Among Employees

1.4.1 Employees shall respect others and maintain the basic decorum required as a SK member in the workplace.

1.4.2 Employees shall not discriminate others according to gender, academic background, birth place, race, nationality, religion, etc.

1.4.3 Employees shall refrain from speaking and acting with disrespect or slandering fellow employees.

1.5 Prohibition of Unfair Practices Through Abuse of Business Duties and Responsibilities

Employees shall not request special consideration for recruitment, appointment, or transactions to the personnel in charge, on the basis of having some private relationship. Also employees shall not receive or offer gifts, money or treats. Money for congratulations and condolences shall be voluntary and allowed to the extent that is accepted by the prevailing social norms.

1.6 Protection and Proper Use of Corporate Assets and Information

Employees shall protect and utilize tangible or intangible corporate assets in a fair manner.

1.6.1 Corporate assets shall not be used or transferred or rented to third parties for private purposes.

1.6.2 Business budgets shall not be used for private purposes, and shall be spent for the purpose approved by the Company and accurately documented in ledgers.

1.6.3 Employees shall protect corporate intellectual properties including patents, sales rights, trademarks, copyrights or others.

1.6.3 Employees shall cooperate with information security measures including storage and monitoring of electronic information transferred to external entities, which are carried out in accordance with internal information policies.

1.7 Prohibition on Accepting Bribes

1.7.1 Employees shall not receive money or treats, provided by any stakeholders in return for or expectation of unfair profit or advantages.

1.7.2 Employees shall not receive from, nor offer to, the stakeholders, money, gifts and other valuables, treats or favors.

1.7.3 However if the value of the gift or money is accepted according to what is considered social norms or custom, and is regarded as supporting the relationship between the parties, in the case of socially acceptable situations (promotion, moving, business opening or similar events), employees may receive from and/or offer to the stakeholders or partners money, gifts or other valuables.

1.7.4 Socially acceptable conditions may differ according to the business situation. If there is any doubt or ambiguity situation, employees shall contact his/her manager or go through the official process such as ethical management counseling and reporting to seek consultation on the situation.

2 Compliance with Regulations

Company shall establish internal policies embodying all the laws related with corporate management with regard to the environment, gas business, security, fair trade, bribery and etc. and employees shall perform their work tasks in compliance with those policies.

2.1 Observance of Quality Standards and Protection of Customer Information

2.1.1 Provision of Best Quality Product and Service

Company and employees shall do their best to provide the best quality in their products and services. To this end, Company shall

have in place a system to collect customer appeals and complaints while making sustained efforts to improve the quality of products and services.

2.1.2 Protection of Customer Information

- 1) Company shall not use customer information for any purpose other than for the rightful business purpose of the Company, nor shall it offer such information to a third party except where such use or offer was permitted by the customer or allowed under the relevant laws.
- 2) Company shall make its best efforts to protect customer information by, for example, implementing optimum IT security systems or employing customer information management experts.

2.2 Preparation and Announcement of Management Information

2.2.1 Improvement of Corporate Value

Employees shall make efforts to improve corporate values through rational decision making processes and transparent management practices. To this end, Company shall adhere to transparent management policies outlined by the board of directors, and prepare and announce public statements including financial statements in accordance with relevant laws and regulations.

2.2.2 Prohibition of Internal Trading Based on Confidential Information

Employees shall not trade securities of the Company nor recommend others to buy the securities of the Company, based on confidential information they acquired in the relevant business processes.

2.2.3 Establishment of Accounting System

The company ensures that all transactions and funds of the company proceed in accordance with the company's proper internal procedures, can keep track of the contents of the company's assets, and periodically compare existing and recorded assets to legally compare the differences. Establish and operate an accounting system that can be corrected.

2.2.4 Accounting Principle

Company shall prepare and keep all the transactions of the Company in accounting ledgers in an accurate and fair manner, and shall not tamper with or manipulate the ledgers.

2.3 Fair Trade and Coexistence

Employees shall understand that fair trade is a duty in a market economy system, and thus shall perform management practices and activities fairly and transparently, in such way to ensure all of the management practices and activities are socially and ethically acceptable.

2.3.1 Fair Trade

To conduct fair trade, Company and employees shall appreciate and comply with the local laws and Company's internal regulations for fair trade.

2.3.2 Management for Coexistence

- 1) Company shall not utilize its privileged status for unfair practices, but pursue mutual benefits and cooperative development and accompanying growth.
- 2) In selection of business partners, a set of rational and fair standards shall be applied so that those eligible for the business can be selected.
- 3) Company shall provide full support to the selected business partner(s) in such way to increase competitiveness from a long term perspective.

2.4 Society and Environment

2.4.1 Social Contribution

Company shall understand that its social responsibilities begin with voluntary services for society and shall actively participate in voluntary works and cultural development projects for the benefit of society. Company shall promote and increase the sense of unity between the Company and local communities by expanding citizens' access to welfare facilities, support for the disadvantaged, and participation of citizens in social activities.

2.4.2 Safe Working Environment

Company and employees are obligated to make the work environment safer and cleaner, and shall do their best to protect the life and assets of the members and the customers against any possible accidents by adopting accident prevention measures as the top priority policy.

2.4.3 Environmentally Friendly Management

- 1) Company and employees shall carry out business activities in environmentally friendly ways and actively participate in environment preservation activities.
- 2) Company and employees shall practice environmentally friendly management in accordance with relevant international standards, norms, laws and internal regulations.

3 Enforcement of Code of Ethics

3.1 Duties

All members of the company, including temporary workers and contract workers, must complete education related to anti-corruption and ethical management at least once a year, and the person in charge of code operation establishes and operates a training course so that employees can complete training on this code.

3.2 Reporting of Infringements

In the case of any infringements of his Code of Ethics, employees shall report to the Manager, and those who witnessed or acknowledged infringement of others shall report to the Manager as well.

3.3 Inquiry, Counseling and Reporting Regarding the Implications

In the case where there is uncertainty about possible infringements, employees shall consult the Manager prior to the execution of the relevant actions. The Manager shall implement and manage a reporting and counseling system on the Company's web site to support reporting of infringements and ethical management inquiries and counseling.

3.4 Submission of Written Oath

Employees shall read the full documentation of this Code of Ethics and shall submit a signed oath at least one time every year.

Employees in charge of high-corruption-risk tasks, such as purchasing and funds, take a separately stipulated anti-corruption oath upon assignment of their duties, and the tasks with high corruption risk are determined and operated by the head of the department in charge of anti-corruption and ethical management based on the anti-corruption management system regulations.

3.5 Disciplinary Action against Infringement

Those who directly or indirectly infringe any provisions specified in this Code of Ethics, or those who condone or permit them shall be disciplined for violation of corporate regulations. The disciplinary processes are in accordance with the relevant personnel policy of the Company.

4 Operating Ethics Counseling · Report Center

4.1 Organization Operating Ethics Counseling · Report Center

The department in charge of ethical management operates the ethics counseling and report center for consultation and reporting on matters related to the Code of Ethics, anti-corruption, and internal accounting management regulations.

4.2 Processing Procedure

4.2.1 The department in charge of ethical management may conduct additional investigations and deliberation on consultations and reports.

4.2.2 The department in charge of ethical management must keep records of consultations and reports for a certain period of time.

4.3 Protect Counselee · Whistleblower

- 4.3.1 The company prioritizes protecting the identity of the counselee and the whistleblower and the contents of the counseling and report.
- 4.3.2 Members of the department in charge of ethical management must ensure that the identity of the counselee, whistleblower, and collaborator is not exposed, and must be protected so that there are no personal and identity problems.
- 4.3.3 Members shall not take any action to find out the identity of the counselee or whistleblower with the department in charge of ethical management, and no disadvantage such as status or working condition should be given to the counselee or whistleblower who has provided a legitimate consultation or report.
- 4.3.4 If the counselee-whistleblower determines that his/her identity is exposed or there is a threat to his/her life, he/she may request the company to protect his/her identity-personality, and the company shall take necessary protective measures.

4.4 Others

- 4.4.1 Details regarding the operation and handling procedures of the ethics consultation and report center are set out in the 'Ethical Management and Internal Accounting Management System Consultation and Report Operation Bylaws'.
- 4.4.2 E-mail address of the ethics counseling and reporting center is skgas.ethics@sk.com.

Additional Clauses

This Code of Ethics takes effect as of 1st January in 2009.