

# Ethical Management

## Governance

### Ethical Management Policy

SK Gas applies its Code of Ethics and Anti-Corruption Management System Regulations as the primary standard for decision-making across all business activities and operations. These policies apply to all executives and employees at domestic and overseas business sites, including contract and dispatched workers. Subsidiaries operate under their own separate codes of ethics. In addition, SK Gas has established and applies the SK Gas Partner Code of Conduct and accompanying Guidelines for all partners, including contract security service providers.

The Code of Ethics consists of guidelines for employee conduct, compliance with laws and business policies, and the operation of the ethics system. It also includes related documents such as a whistleblowing system, budget and expense usage guidelines, a leadership FAQ, and an ethics pledge.

The Anti-Bribery Management System Regulations define roles and procedures related to anti-bribery and anti-corruption policies. The procurement management guidelines and related procedures also present ethical and evaluation standards for partners.

### [Anti-Bribery Management System Certificate]



### Ethical Management System

SK Gas manages ethical risks fairly and systematically, strengthening the independence of the internal audit department under the supervision of the Audit Committee of the Board of Directors.

#### Audit Committee

The Audit Committee reviews and approves the audit plan of the internal audit department. It also audits internal control systems and the company's financial activities and monitors overall ethical management performance, annual plans, and assessment results. Audit performance is regularly reported to the Board. The Audit Committee has the authority to consent to the appointment and dismissal of the head of the internal audit department, ensuring independent operations.

### [Ethical Management Organization]



### CEO

Under an enterprise risk management framework structured around the process of “Prevention, Detection and Response”, the CEO oversees all ethical and compliance-related risks. The CEO reports anti-corruption and ethics performance and plans annually to the Audit Committee through the head of the internal audit department, with quarterly updates on ethical management activities.

### Audit Group

The Audit Group, part of the Legal Office reporting directly to the CEO, serves as the lead department for anti-corruption and ethical management. The group is responsible for conducting ethics training for employees, administering ethical management surveys, and supporting the Audit Committee in its oversight functions.

### [Key Responsibilities of the Audit Group]

- Conduct anti-corruption and compliance reviews, including internal audits and self-monitoring systems
- Provide ethics training and workshops for all employees, including those at subsidiaries
- Conduct ethical management surveys for both internal employees and partners
- Receive and handle consultations and reports related to ethical management and internal control issues
- Obtain and maintain ISO 37001 (Anti-Bribery Management System) certification

# Ethical Management

## Strategy

### Ethics Education for Employees

SK Gas provides ethics training to all employees, including those at domestic and international subsidiaries, as well as contract and dispatched workers, to promote a culture of anti-corruption and ethical management.

The education covers basic topics such as sexual harassment prevention and workplace bullying, as well as practical case-based modules on the misuse of company assets and dual employment standards. In 2024, 100% of the 892 participants, including subsidiary employees, completed the ethics training and signed the ethics pledge.

New project leaders (PLs) also received specialized training on ethical management principles, violations of the Anti-Graft Act, and internal reporting systems, with an emphasis on transparent execution of budgets and expenses.

#### [Contents of Ethics Education for Employees (Including contract Employees)]

Category	Topic	Content
All employees	Basic ethics for employees	Practical standards for moonlighting, information protection, and compliance with working hours
	Improper use of company assets	Education on cases of misuse of corporate cards and company assets (promotional expenses, welfare expenses)
	False reporting	Education on cases of performance and data manipulation/concealment
Leaders	Regulation compliance	Ethical management system, ethical management FAQ for leaders, law on prohibition of illegal requests, etc.
Procurement employees	Proper procurement practices	Introduction of recent diagnostic cases, management of partners, contracts, price verification, etc.

### Ethical Practice Workshops

SK Gas holds annual Ethical Practice Workshops led by executives at the department/group level. In 2024, the workshop involved 892 participants, including those from subsidiaries. The sessions focused on enhancing trust in reporting channels and reinforcing whistleblower protection. In addition, the company facilitated discussions between leaders and employees on real-world scenarios related to issues identified in the 2023 Ethical Management Survey such as mutual respect among employees (e.g., workplace bullying, personal boundary violations) and misuse of corporate credit cards.

#### [2024 Ethical Practice Workshop Status]

Category	Performance Results			Remarks (Implementation Date)
	Target	Performed	Performance Rate	
SK Gas	44	44	100%	7/4~8/23
Subsidiaries	21	21	100%	
Total	65	65	100%	

#### [Ethical Management Education Status]

Category	Content		Unit	2022	2023	2024
Training hours per person	General ethics training		Hours	2	2.2	2.8
	Sexual harassment prevention, workplace bullying prevention training <sup>1)</sup>			1.5	2.7	2.4
	Total <sup>2)</sup>			3.5	4.9	5.2
Number of participants <sup>3)</sup>	SK Gas	Regular	Persons	548/552	573/574	604/604
		Non-regular		43/43	48/48	38/38
		Total		591/595	621/622	642/642
	Subsidiaries	Regular		165/165	221/223	230/230
		Non-regular		16/16	21/21	20/20
		Total		181/181	242/244	250/250
	Total			772/776	863/866	892/892
Participation Rate		%	99.5	99.7	100	

1) Sexual harassment prevention and workplace bullying prevention training for SK Gas, a domestic corporation, and its domestic subsidiaries2) Re-calculation of training hours per person for 20233) Re-calculation of the number of participants in training for 2022 and 2023 in accordance with changes in calculation standards

### Ethical Management Support for Business Partners

SK Gas promotes ethical management not only among employees but also across its business network. The company communicates its Partner Code of Conduct, which includes ESG, ethics, and human rights standards, and requires all partners to submit an Ethics Pledge as a mandatory part of the procurement contract process. Through its dedicated procurement IT system, SK Gas collects ethics pledges from partners on an annual basis and provides detailed fair trade and ethical management guidelines, including holiday-specific ethics guidance for major holidays, such as Lunar New Year and Chuseok.

In addition, SK Gas actively supports ethical management among partners through an annual Ethical Management Survey, which communicates key expectations such as the company's gift policy, whistleblower protection and reporting channels, examples of improper bidding behavior, and the Partner Code of Conduct. These materials are updated annually to ensure continued awareness and compliance.

### Ethics Education Program for Partners

Since April 2025, SK Gas has been implementing an ethics training program for partners to promote anti-corruption practices and a culture of ethical management throughout the supply chain. The company supports partners in completing this training through its transaction platforms (e-LPG and withus), offering access to the following training content.

#### [Ethics Education Program for Partners]

Category	Topic	Course Name
1	Importance of Ethical Management	Ethics Education Prologue
2	Integrity in Job	Coordination is Key to Success
3	Performance	Save Me~ Ethics
4		Trust Me Once, Dad
5	Prevention of Power Abuse (Gapjil)	Still Troubled by Power Abuse?
6		Don't Call Us Family
7	Ethics Reporting Guide	Wise Reporting Life

# Ethical Management

## Risk Management

### Anti-Bribery Management System

In April 2020, SK Gas obtained ISO 37001 (Anti-Bribery Management System) certification, establishing a system that aligns with global anti-bribery standards. The scope of certification includes the entire LPG business, covering import, storage, and supply, as well as company-wide prevention, detection, and response to bribery risks<sup>1)</sup>.

In 2023, the company extended its certification for an additional three years following an audit of 40 departments covering 31 risk control criteria. In 2024, the company maintained certification through an assessment based on 35 criteria.

SK Gas operates a company-wide anti-bribery management system that includes policy maintenance, compliance, ethics training, and reporting mechanisms. Under its self-monitoring framework, the company continuously identifies, evaluates, reviews, and improves bribery-related risks. The risk management status is regularly reported to the CEO and Audit Committee for review and approval.

1) Anti-bribery risk assessments are conducted at 100% of SK Gas's domestic business sites (headquarters, Ulsan and Pyeongtaek terminals, Central, Eastern, and Western regional offices), with improvement actions and regular monitoring implemented for all identified risks

#### [Internal Audit Status for the Past 3 Years]

Year	Corruption Risk Audit Details	Company-Wide Organization									
		LPG Domestic Business Organization		Import, Trading Organization		LNG/Power Generation Business Organization		Management Support Organization		Technical Support Organization	
		Audit	Key Points	Audit	Key Points	Audit	Key Points	Audit	Key Points	Audit	Key Points
2022	1. Company-wide Business Audit (SK Group Audit) 2. Company-wide Expense Audit 3. HR Business Audit	○	All Areas, Expenses	○	All Areas, Expenses	○	All Areas, Expenses	○	All Areas, Expenses, HR	○	All Areas, Expenses
2023	1. Company-wide Expense Audit 2. Field Procurement Business Audit 3. IT Information Security Audit	○	Expenses	○	Expenses	○	Expenses	○	Expenses, Procurement (IT), Security (IT)	○	Expenses, Procurement (R&D Center)
2024	1. Company-wide Expense Audit 2. Company-wide Investment Company Management Audit 3. Company-wide Receivables (Other Receivables) Audit 4. G.Hub (Lubricant Storage Business) Audit	○	Expenses, Investments, Receivables	○	Expenses, Investments, Receivables	○	Expenses, Investments, Receivables	○	Expenses, Investments, Receivables	○	Expenses, Investments, Receivables

### Internal Audit

#### Internal Audit Policy

To prevent ethical risks and corruption, SK Gas conducts regular audits of all business sites and organizations at least once every three years. The internal audit department selects audit priorities by considering the results of its self-monitoring system risk assessments, ethical management surveys, and reviews from the SK Group and external institutions. Based on these priorities, it establishes and executes a rolling three-year audit plan. Annual compliance audits are conducted on expense management, while procurement and receivables compliance audits are performed every other year.

In 2024, audits were conducted on expense management, receivables, investment management, and the G.Hub (lubricant storage business). For 2025, the company plans to audit expense management, procurement compliance, and import/trading operations, as well as conduct audits of overseas subsidiaries.

Additionally, in partnership with the SK Group Autonomous Responsibility Management Support Team, the company performs anti-corruption management audits across all business sites and organizations every few years. The most recent audit was conducted in 2022.

### Reporting and Monitoring of Audit Results

Audit results are reported quarterly to the CEO and the Audit Committee (with four reports completed in 2024 and four planned for 2025). Findings from ad-hoc audits are reported as needed. Identified issues are addressed by recommending improvement measures to relevant departments, and ongoing follow-up monitoring is conducted to ensure resolution.

#### [Key Audit Activities and Reporting Status for the Past 3 Years]

Category	Corruption Risk Audit Details	Remarks	Reporting
2022	Company-wide management diagnosis (including cost, procurement, accounts receivable compliance)	SK Group regular audit	Reported to CEO and Audit Committee
	Human resources management <sup>2)</sup>	Overall operations	
2023	Expense execution compliance	Regular audit	
	IT/R&D center procurement process <sup>2)</sup>	Overall Procurement	
	Implementation audit on company-wide management diagnosis ('22)	SK Group Implementation Audit	
	Financials, human resources, sales asset management <sup>2)</sup>	Implementation Audit of Internal Audit	
2024	Expense execution compliance	Regular audit	
	Investment company management audit	Regular audit	
	Other accounts receivable management audit	Regular audit	
	G.Hub task audit	Regular audit	
	IT/R&D center procurement process, sales asset management, etc.	Implementation Audit of Internal Audit	

\* Key internal audit tasks selected by year

# Ethical Management

## Risk Management

### Ethics Consultation and Reporting System

SK Gas operates a consultation and reporting system to address ethical management violations, including corruption and unfair trade practices. Stakeholders can report violations—anonynously or by name—via the company website, phone, mail, or email. Reports may include unethical demands, the exchange of gifts or entertainment, and other breaches of the Code of Ethics. Dedicated personnel within the internal audit and ethics teams manage the reporting system. The operation manual outlines procedures and protections for whistleblowers, and the SK Group's Autonomous Responsibility Management Support Team oversees the fairness and transparency of the system.

In 2024, a total of eight reports were received. Among them, three were dismissed after preliminary review due to lack of validity or relevance, four were transferred to relevant departments and resolved, and one case underwent a full investigation and was closed with final reporting and follow-up. The company also launched an ethical management bulletin board to improve accessibility for employees, featuring FAQ and Q&A sections to support early issue detection and prevention.

#### [Ethical Management Counseling, Reporting, and Action Status]

Category		Unit	2022	2023	2024
Ethical Management Report Reception (Per Informant)	Employees	Cases	0	1	1
	Partners	Cases	2	3	0
	Customers	Cases	4	4	3
	Others	Cases	1	1	4
Processing Results	Investigation (Audit)	Cases	1	1	1
	Transferred to Relevant Departments	Cases	1	1	4
	Others (Dismissal etc.)	Cases	5	7	3

### Ethical Management Survey

To assess awareness and implementation of ethical management, SK Gas conducts an annual Ethical Management Survey targeting all employees, including those at subsidiaries. In 2024, 874 out of 878 employees (99%) participated. The company-wide average ethical practice score was 3.91 out of 5.00, comparable to the SK Group average. The survey identified “reporting” and “follow-up communication on reports” as relatively weak areas. To address these gaps, SK Gas plans to conduct targeted voice-of-employee sessions, encourage leadership by example, and expand company-wide promotion and training on ethical practices.

At the end of each year, SK Gas also administers an anonymous survey to construction and service partners to evaluate SK Gas employees’ adherence to ethical standards. The results are shared with relevant departments to raise awareness. Subsidiaries participate in the survey as well, incorporating the findings into their own self-assessments and internal audits. For non-responding partners, follow-up interviews are conducted to identify additional concerns and gather feedback to improve ethical practices.

## Metrics & Targets

### Ethical Management Goals

SK Gas is committed to fostering a fair and transparent society free from corruption. The company has established three key goals for ethical management and anti-bribery: zero cases of bribery or corruption resulting in criminal conviction, zero disciplinary actions for ethical violations, and five hours of ethics training per employee annually. To achieve these goals, SK Gas is actively working to enhance external evaluation standards, promote a strong ethical culture, expand system implementation, and improve its consultation and reporting channels.

#### [2025 Ethical Management Goals]

Key Tasks	Details
Enhancement of External Evaluation Standards	<ul style="list-style-type: none"><li>Group ethics management measurement system evaluation</li><li>Support for subsidiary ethical management system improvement</li></ul>
Ethical Culture Promotion	<ul style="list-style-type: none"><li>Planning and operation of proper cost usage education</li><li>Ethics education utilizing external professional instructors (including respect for personality education)</li><li>Online ethics management education and workshops</li><li>Activities to improve ethical practice organizational culture</li><li>Ethical management survey for employees and partners</li></ul>
System Implementation Expansion	<ul style="list-style-type: none"><li>Response to ISO 37001 certification maintenance audit</li><li>Expansion of anti-corruption self-inspection using IT inspection system to subsidiaries</li></ul>
Improvement of Consultation and Reporting Channel	<ul style="list-style-type: none"><li>Company-wide announcement of reporting channels, addition of reporting channel education for new employees</li><li>Development/utilization of AI-based ethics regulation Q&amp;A chatbot</li></ul>