

# CODE OF CONDUCT FOR LOTTE EXECUTIVES AND EMPLOYEES

Customers  
Employees  
Partners  
Stockholders  
Society

2025

# Trust is Competitiveness.



Fortunately, the world always seems to develop toward a brighter direction. Once there was a time when companies with more capital were on the up and up, but they could not win against ones equipped with outstanding talents. But from some point, companies with outstanding talents could not overtake “trusted” ones. Now, “trust” seems to have become the competitive advantage in the business community of our time.

The mobile technology revolution unfolding before us is making the world more transparent. On the other side of this transparency is the fact that today, all information is recorded and ‘never’ deleted. Things can stay hidden for a while, but as they are never gone, in the end they are revealed to the public. In the words of Mencius: “If the stream is clean, one should wash the strings of his hat; if it is not clean, he should instead wash his feet(淸斯濯纓濁斯濯足).” This means that one must first be clean and transparent if he wishes to garner the respect and recognition of others. Such change should begin with myself, with all of ourselves.

With careful and meticulous planning, you can keep the truth hidden from one person for a long time. You can also do the same with many people, but only for a shorter period. However, you can never deceive many for long. In this world of transparency, trickery and manipulation can no longer prevail. The answer lies within our becoming more transparent and honest; when everyone comes to trust our actions and beliefs, the path to our survival and prosperity will be opened. This basic principle of ‘honesty’ is what LOTTE has emphasized ever since its earliest days.

Up to this point, LOTTE has been committed to realizing ‘the affluence of humanity’. In the hard times of the past, affluence has been a matter of goods and services that people could eat, drink, rest with, and enjoy; now it seems to have become a matter of values and culture with which we can ‘trust’ one another.

The transparent and ‘affluent’ world where everyone can fully ‘trust’ one another!

This is the beautiful future that we, the LOTTE Family, should take the lead to bring about.

At the forefront shall be myself, and LOTTE.

Shin Dong-bin,  
Chairman of LOTTE Group

A handwritten signature in black ink, reading "Shin Dong-bin". The signature is fluid and cursive, with a prominent flourish at the end.

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Theme G

# General Principles

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General Principles



## G General Principles

### Target

- G1.1** We, the members of LOTTE, shall comply with the related laws, company regulations and this code of conduct which are applied in our business processes.
- G1.2** 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 would become one of the most important factors when determining whether to work with such business partners.

### Responsibility of the Company

- G2.1** Each company (the "company") within the LOTTE Group (the "Group") shall conduct any business in a fair and transparent way by complying with the related laws, company regulations and this code of conduct in order to secure the sound development of the company and customers' trust.
- G2.2** The company shall establish the basic procedure and criteria which the executives and employees should follow when conducting the business.
- G2.3** The company shall establish education courses required for the executives and employees in order to comply with the related laws, company regulation and this code of conduct. The company shall provide education on a regular basis or frequently.
- G2.4** The company shall take appropriate actions such as disciplinary action to any executives and employees violating the related laws, company regulations and this code of conduct, and shall investigate problems and prepare improvement measures in order to prevent the recurrence of the problems.

### Responsibility of the Directors

- G3.1** 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 kept.
- G3.2** The director shall help the employees be well aware of and understand the related laws, company regulations and this code of conduct and apply them in their daily work.
- G3.3** The director shall consult with other directors or the Compliance Officer of the company when he/she is unsure of a proper response in a certain situation.
- G3.4** The director shall rapidly identify and prevent illegal acts through proper precautionary measures.

### Others

- G4.1** 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 this code of conduct.
- G4.2** The company shall allow its officers and employees to report violations or concerns using their real names or on an anonymous basis, and shall keep the identity of the whistleblower and the details of the report confidential.
- G4.3** 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.

## Theme C

# Trust with Our Customers

### C1 Providing the Best Products and Services

Be the first brand in customers' hearts.

### C2 Honest Marketing Honesty is the easiest way of gaining customers' trust.

### C3 Protecting Customer Information Customer information matters the most.

### C4 Protecting Our Brand

The best way to represent our brand LOTTE to our customers is you.

Trust with Our Customers



“Making customers choose our products and services only with the brand name of **LOTTE** is the power of trust.”

## C1 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 springing up 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 brand so that those who have experienced our products and services, even once, could choose ours again without hesitation.

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

### Principle of LOTTE

We shall pursue the 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 that LOTTE is reliable. This is our mission and the purpose of our existence; to create an affluent society.

### Action Plan

- C1.1** Make utmost efforts in order for our products and services to be customers' first choice.
- C1.2** Always pursue the highest level of satisfaction for a price that our competitors can never imitate.
- C1.3** Make customers trust and use the products and services only with the brand name of LOTTE. To this end, strictly comply with all policies and procedures regarding safety, hygiene and quality at every moment.
- C1.4** Accurately identify the rapidly changing demands of customers, and be committed to meeting the expectation of customers by, for example, quickly responding to the reasonable complaints and requirements of customers.
- C1.5** Concealing product defects in order to pursue short-term profits is an unconscientious act. Specifically, report and correct problems regarding the hygiene and safety or quality of products promptly.
- C1.6** Always check if products or components supplied by our partners comply with the standards and safety regulations of the 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.
- C1.7** Domestic and foreign laws related to the safety of products are the minimum standards that we must basically comply with. In order to respond to safety problems which could occur later, establish and follow stricter in-house standards and safety criteria.

## C2 Honest Marketing

### Honesty is the easiest way of gaining customers' trust.

Today, companies and customers have a relationship through brands. A beloved brand cannot be made in a day. It is critical to build customers' trust in the LOTTE 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 the facts will end up being revealed to be false and the resulting sense of disappointment and betrayal would become the biggest reason why customers leave us.

“Pursuing honest marketing at any moment!  
This is what has cultivated the brand of LOTTE until now, and the mission and pride that we all will follow.”

### Principle of LOTTE

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 with their best efforts. We shall actively disclose any information which may significantly affect our customers, even if it is disadvantageous to us.

### Action Plan

- C2.1** Those who are responsible for the marketing of products and services and communication with customers shall be well aware of in advance and comply with the related laws and company regulations.
- C2.2** In the event of producing PR material, check if inaccurate information is included.
- C2.3** When using PR material produced by external agencies, thoroughly check if there are any factual errors or violations of intellectual property rights.
- C2.4** Refrain from the marketing plan indiscriminately criticizing competitors' products based on information which is distorted and not objective. Pay particular attention when mentioning competitors' products in order to comply with the applicable laws, including the Monopoly Regulation and Fair Trade Law (the "Fair Trade Law"), the Act on Fair Labeling and Advertising, and the Act on the Consumer Protection in Electronic Commerce, etc.
- C2.5** Refrain from using vague or exaggerated wording when producing marketing material, and use words with clear meanings.
- C2.6** When the information about a product and service changes, inform the related division of such change to ensure that the product information is accurately reflected in the related material.
- C2.7** Do not label or promote non-eco-friendly products in a way that falsely presents such products as eco-friendly.
- C2.8** When selling merchandise online, avoid causing customer mistakes or carelessness that can result in unnecessary expenditures.



## C3 Protecting Customer Information

### Customer information matters the most.

With the development of digital and information and communication technologies, there is a growing risk that customer information is leaked to the outside and abused. The security policy and system of the company shall be built above legal standards, and we shall thoroughly comply to it. 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 must observe.”

### Principle of LOTTE

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

### Action Plan

- C3.1** The principles of customer information protection are applied to all information which can identify individuals. Treat such information as the subject of first priority protection.
- C3.2** Limit the access to customers' personal information to ensure that only executives and employees involved in the applicable work are allowed to browse it.
- C3.3** The act of collecting customers' personal information indiscriminately may be the subject of punishment. Do not collect any personal information, except that which is allowed to be collected by law.
- C3.4** Personal information must be used to the extent agreed by customers or permitted by law.
- C3.5** Completely destroy the personal information of the customers which becomes no longer relevant or necessary to your business in order to ensure that such information is not recovered, according to the related regulation within the set period.
- C3.6** 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.
- C3.7** The leakage of personal information does not only occur online. The personal information of customers may be leaked in unexpected places such as on photocopiers, desks or in the boxes collecting reusable paper. Manage such information strictly.
- C3.8** Treat the customer information received from our partners at the same level with our own information.
- C3.9** In the event of entrusting our customer information to a partner company, Check if the partner company has physical, administrative and technical capabilities, enough to protect the customer information, and make sure whether it completely destroys such information after use.

## C4 Protecting Our Brand

### The best way to represent our brand LOTTE to our customers is you.

As there are various communication channels such as TV, blogs, social media and internet websites, 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; contrary to our intentions, and once published, they are very hard to be completely deleted. Specifically, when publishing the 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 once again when having an interview about our company with the media or posting information on social media."

### Principle of LOTTE

Thinking that we are the face of LOTTE, 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, SNS and Internet Websites. We shall be committed to protecting the logo, mission, trademark and brand value of our company without engaging in actions that damage them via the media.

### Action Plan

- C4.1** 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 keep our dignity.
- C4.2** 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 announced officially, or do not publish and distribute files containing photos, video and voice via the media without permission.
- C4.3** Do not slander our company and stakeholders through the media, and do not mention the accidents, complaints and slandering happening in the business process with the company and stakeholders.
- C4.4** Do not distribute false information, encourage illegal/unlawful acts, distribute pornography, make a personal insult, swear and cause sexual discrimination, etc. which all may damage the reputation of the company, stakeholders or others.
- C4.5** Consult with the related division, including a PR Officer, about the purpose and details of the interview in advance when having an interview with the media.
- C4.6** In the event of mentioning your personal opinion regarding the company, make clear that it is not the company's opinion, but your own.

## Theme E

# Trust with Our Employees

### E1 Equal Opportunity and Fair Treatment

We set apart between business and pleasure, and provide fair opportunity.

### E2 Mutual Respect among Our Members

We all are someone's precious family.

### E3 Gender Equality

LOTTE is working to create happy families and a fair workplace.

### E4 Safe Working Environment Safety is the first priority in all circumstances.

### E5 Protecting Our Assets The assets of the company are for all employees.

### E6 Protecting Our Intellectual Property Rights

We shall protect our intellectual property that we achieved by our sweat and efforts.

### E7 Preventing Information Leakage

Information leakage begins with minor carelessness.

Trust with Our Employees

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

## E1 Equal Opportunity and Fair Treatment

### **We set apart between business and pleasure, and provide equal opportunity.**

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

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

### **Principle of LOTTE**

We, the members of LOTTE, shall provide fair opportunities for all, treat all in a fair way and pursue the open organizational culture where anyone could grow as much as their ability and efforts. We did not enter the company and were not promoted through external pressure or improper solicitation, and we are responsible for handing down the clean organizational culture with no external pressure or improper solicitation over 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 an individual's unique characteristics, including gender, age, race, nationality and the region of origin, generation, religion and disability. In doing so, all executives and employees of LOTTE could trust the company's decision-making.

### **Action Plan**

- E1.1** Create a community where a specific person is not discriminated against due to personal characteristics.
- E1.2** Eliminate from the organization the discrimination against individuals due to characteristics such as gender, age, race, nationality or the region of origin, generation, religion and 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.
- E1.3** 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.
- E1.4** Be wary of anyone who claims that only those with a certain gender, age and background are able to conduct the job well.
- E1.5** Any improper solicitation regarding HR is prohibited, as it would deal a fatal blow to our community in the long term.
- E1.6** Evaluate everyone based only on their capability and performance and clearly explain our principle to those who solicit recruitment and promotion.

## E2 Mutual Respect among Our Members

### We all are someone's precious family.

We, LOTTE, 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 do not treat their colleagues in an unfair way. We shall consider the unfair treatment of our colleagues the same as that of our family. LOTTE 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 a reprimand, 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 the secret of LOTTE's growth.”

### Principle of LOTTE

Every one of LOTTE's executives and employees is valuable. We shall not allow any words and 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

- E2.1** Always respect and care for your colleagues like your family.
- E2.2** Do not judge others with your own values. Create the culture where various opinions and values of various people are recognized not as wrong, but as different and can also be understood.
- E2.3** 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.
- E2.4** 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 the balance between work and family.
- E2.5** Avoid words and actions that express violence and sadism or show the sense of repulsion or incompatibility to others. Always be careful to ensure that your thoughtless words or actions do not hurt or cause misunderstanding to others.
- E2.6** 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.
- E2.7** The above principles are applied not only to LOTTE executives and employees, but also to relationships with our customers, partners and all stakeholders. Always speak and act carefully.

## E3 Gender Equality

### **LOTTE is working to create happy families and a fair workplace.**

We will not tolerate discrimination or adverse treatment based on gender, marital status, roles within the family, pregnancy or childbirth without reasonable justification. We aim to create happy families and a fair workplace by eliminating gender discriminatory beliefs and practices in support of human dignity and respect for human rights and allowing women and men to participate and be treated equally in all fields.

“Instead of discriminating against and dividing people based on their gender, we shall work for creating a society where everyone can be respected as they are and gender equality can be widespread.”

### **Principle of LOTTE**

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

### **Action Plan**

- E3.1** 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.
- E3.2** The phrase ‘female employee’ is unnecessary, since it distinguishes employees by gender. In addition, female talents are not the subject of caring and compassion. Treat men and women equally without discrimination.
- E3.3** Ban any gender-related offensive conducts, sexual harassment and unwanted sexual contact and approach as well as any behaviors which create an uncomfortable working atmosphere due to the reason of refusing to go on a date.
- E3.4** Report to the inhouse sexual harassment prevention team if you suffered or witnessed the above behaviors.
- E3.5** 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 to another department against their will shall also be subject to punishment.
- E3.6** The protection of victims shall be a top priority, when dealing with the sexual harassment cases. Do not push victims to reach a compromise with the abuser. Fulfil the confidentiality obligation in the disciplinary process.
- E3.7** The company shall strive to prevent sexual harassment by, for example, providing the education course once a year in order to prevent sexual harassment at work.

## E4 Safe Working Environment

### Safety is the first priority in all circumstances.

We shall not allow psychological compromises from the thinking of 'it'll never happen!' in relation to safety. LOTTE has a belief that 'safety can never be overemphasized'.

"The starting point of all businesses conducted by the members of LOTTE 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."

### Principle of LOTTE

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 executives and employees, but also for our partners and all stakeholders, and actively spread the significance of safety to them. LOTTE employees shall never neglect even any familiar jobs since we know that many accidents are caused by the mind of 'it'll never happen' and 'carelessness' in our daily life, not by the lack of experience.

### Action Plan

- E4.1** 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.
- E4.2** Aggressively find out dangerous working conditions and problems threatening safety, and promptly consult with the director or safety manager to improve even minor ones.
- E4.3** Be well aware of safety-related regulations and measures in the place where you are working, and follow the user manual, safety regulations and emergency response procedure when using the equipment within the workplace.
- E4.4** Analyze the types of possible safety accidents and prepare the initial response manual for each accident.
- E4.5** Establish elaborate management plans for the safety of human/material resources regarding the continuous operating of the company such as employees, facilities and IT assets, and conduct education and training for the executives and employees on a regular basis.
- E4.6** 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.
- E4.7** Consult with management if you or your colleagues are having a hard time working normally due to health problems, psychological anxiety, etc.
- E4.8** 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.
- E4.9** If a safety accident occurs, do not cover it up; check the facts through prompt and accurate investigation so as to make relevant people responsible, and then compensate the victim properly.
- E4.10** Establish and implement measures to prevent recurrence of similar safety accidents.

## E5 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.

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

### Principle of LOTTE

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

- E5.1** 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 Web during working hours. It is the act of abusing the community's assets to use private calls and e-mailing beyond the level of common sense.
- E5.2** Protect property, data infrastructure, equipment and consumables from misuse, damage, theft or improper management.
- E5.3** The intentional damage, embezzlement and theft of the company assets are subject to the cancellation of the employment agreement and criminal punishment. The unauthorized transfer and leakage of information and false reporting about costs are also not allowed.
- E5.4** Do not conduct illegal actions such as stock trading, gambling and downloading pornographic material using the electronic equipment of the company.
- E5.5** Do not instruct or ask about private affairs, including financial work, buying a present and 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.
- E5.6** Do not use invitation cards, gift cards or giveaways for PR purposes for your private use.
- E5.7** The assets of our competitors are as important as ours. Protect the assets of our partners and competitors in a precious way.
- E5.8** 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.
- E5.9** Seek prior review from the respective Compliance Officer when entering into an agreement with a counterparty.
- E5.10** 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.



## E6 Protecting Our Intellectual Property Rights

**We shall protect our intellectual property that we achieved by 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 be paid off only when the security is maintained both internally and externally, and our competitiveness could continue only when they are preciously managed.

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

### Principle of LOTTE

We shall always value and protect the intellectual property rights of the company. We shall not disclose the intellectual property and various 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

- E6.1** All information related to the company business is the intellectual property of the company. Accurately record, report and systematically manage such information.
- E6.2** Be well aware of which information must be protected, and comply with the in-house regulations on the intellectual property rights protection.
- E6.3** Pay particular attention to comply with the regulations on intellectual property rights protection when in contact with outsiders.
- E6.4** Do not infringe other intellectual property rights by engaging in unauthorized use, reproduction, distribution and alteration. Clearly recognize that infringement of the intellectual property rights is subject to disciplinary actions or criminal punishment according to the applicable regulations or laws.
- E6.5** Know-hows or technologies produced by the executives and employees at work shall not belong to individuals, but to the assets of the company. Manage even the intellectual property rights produced by individuals in accordance with the company regulations.
- E6.6** Check national 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.
- E6.7** In the event of conducting business in cooperation with our partners, consult on and clarify in relevant documents, such as agreements, who is the owner of the intellectual property rights in advance in order to avoid disputes over the intellectual property rights.
- E6.8** The intellectual property rights of our partners and all stakeholders shall be respected. Always check whether our new products or services infringe the intellectual property rights of others.
- E6.9** When we recruit manpower 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.

## E7 Preventing Information Leakage

### Information leakage begins 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 the leakage of corporate information 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 on security as the world gets more transparent and the speed of connection gets more rapid.”

### Principle of LOTTE

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

### Action Plan

- E7.1** All electronic equipment provided by the company is only for the company's business. Check the acceptable standards if you wish to use them for purposes other than the company's business.
- E7.2** 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.
- E7.3** Frequently check whether electronic equipment such as a computer is infected with a virus, and that the firewall is active and the security software is updated to the latest standards.
- E7.4** Use only authorized software within the company. Follow the company regulations and procedures every time you upload and download data.
- E7.5** Change your PIN(Personal Identification Number) more than once every three months and do not share it with others.
- E7.6** Delete the data related to the company business saved in your personal hard disk or electronic devices in the event of leaving the company or moving to another company. The director shall strictly manage the data to ensure that illegal data leakage does not occur when an employee leaves the company or moves to another company.
- E7.7** Manage your business through the company's security system within the company. Get approval from the director if necessary since it is not allowable to leak the documents and information of the company via unauthorized storage media or e-mail to the outside without permission.
- E7.8** Always clearly designate a recipient and set a password for documents requiring confidentiality in order to prevent the leakage of the company's important information via e-mail.
- E7.9** Pay particular attention not to leak the important information of the company in offline occasions such as meetings with the executives and employees of the company, our customers and partners.
- E7.10** Ensure that the personal social media does not become a channel to leak the information about the company.
- E7.11** Because generative AI learns based on users' data, do not enter customer data or important company-related information into generative AI platforms when the company's security system is not working.

## Theme P

# Trust with Our Partners

### P1 Compliance with the Fair Trade Act

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

### P2 Respect for Our Partners

Mutual respect strengthens the relationship between us and our partners.

### P3 Fair Competition Fair competition makes us stronger.

### P4 Lawful Information Collection

Information shall be collected in a lawful way.

### P5 Prohibition of Corruption and Improper Solicitation

Every favor is followed by a price, no matter how small it may be.

Trust with Our Partners



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

## P1 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 for each other. Nothing can be done without trust that both parties would fulfill their duty as expected. Behind such trust is fairness. If either one is damaged by unfair trade, it would not make the utmost effort for its counterpart and the relationship would not continue for long. While the Fair Trade Act stipulates the 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.”

### **Principle of LOTTE**

We are taking the lead in complying with the Fair Trade Acts applicable to the 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 partners around the world. We shall aggressively correct the existing practices of unfair trade, if any, to set the culture of fair trade, and shall pursue the beautiful culture of co-existence.

### **Action Plan**

- P1.1** Do not ask our partners to conduct unfair trade or practices by abusing your position. Fully understand the Fair Trade Act, and strictly reject any unfair actions that violate this Act.
- P1.2** Select a partner publicly in accordance with the objective criteria and specified procedures such as quality, prices and financial soundness.
- P1.3** Provide an opportunity for a company, which shares LOTTE's dedication to and effort in integrity, ethics and social responsibility, to be selected as our partner.
- P1.4** Consult with and gain approval from the director since there could occur information leakage, improper solicitation or situations violating the Fair Trade Act when conducting business with our partners where the executives and employees' relatives or friends are working, or any stakeholders.
- P1.5** Frequently check and be well aware of the details to comply with 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.

## P2 Respect for Our Partners

### **Mutual respect strengthens the relationship between us and our partners.**

The segmented and specialized corporate environment is making the role of our partners greater. The excellent partnership we have with our partners will be the yardstick of the company's competitiveness. We shall put ourselves in our partners' shoes. Comparing a company which respects and trusts its partners through transparent and fair trade and a company which doesn't, it is obvious which company the 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."

### **Principle of LOTTE**

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

### **Action Plan**

- P2.1** Respect and treat the executives and employees of our partners equally and fairly like those of LOTTE.
- P2.2** Respect the management policy and the executives and employees' working hours of our partners.
- P2.3** Explain the provisions regarding LOTTE's code of conduct and other policies to the partners, and request them to agree and comply with them.
- P2.4** Treat the partners in a fair way, regardless of their size.
- P2.5** Always pay particular attention to the protection of partners' confidential information and intellectual property rights.
- P2.6** Actively provide partners with various growth opportunities, including HR development, quality improvement and technology development. The improvement of their competitiveness will be a driving force of our growth.

## P3 Fair Competition

### Fair competition makes us stronger.

Competition among companies to be able 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 would be an obstacle to securing true competitiveness, and the way of unfair competition does not befit the members of LOTTE, who are trusted by others.

Of course, collusion with the competitors also constitutes the above case. Collusion is an unfair action infringing 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.”

### Principle of LOTTE

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 the acts of undermining fair competition and shall take the lead in creating a fair and transparent world.

### Action Plan

- P3.1** It is prohibited to conduct any acts of disturbing the reasonable choice of customers through mutual agreement or connivance among companies and limiting the actual competition among companies. Do not conduct any prohibited act for immediate gains or results.
- P3.2** In order to comply with fair trade laws, never talk about competitively sensitive information, including prices, the details of bidding, costs, profits, market share, sales region, the distribution of product family, business conditions, distribution method, the allocation of regions or markets, the boycott of a specific supplier and customer, provided products or services, and the class of customers or suppliers.
- P3.3** Do not participate in meetings with the competitors where the agenda is not clear. Even if participating in the meeting with a clear agenda, clearly show your intention to refuse the discussion when a dangerous subject begins to be discussed.
- P3.4** 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 comply with the applicable laws, be fully aware of competition-related laws of each country in advance.
- P3.5** Consider the possibility of violating the laws in advance, if the company runs the joint venture or cooperates with the competitor after finding it difficult to achieve its business goal alone.
- P3.6** An illegal act such as collusion could significantly affect not only individuals, but also the company's reputation. In addition to doing an illegal act itself, do not abet, condone and assist an illegal act.

## P4 Lawful Information Collection

### Information shall be collected in a lawful way.

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

“We all could grow together only when we keep mutual trust and compete with each other in a fair way.”

### Principle of LOTTE

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

### Action Plan

- P4.1** Do not collect the information of our competitors by using your personal relationships or through our customers and partners. Include and follow the provision of 'Confidentiality' in the agreements with the partners.
- P4.2** Consult with the Compliance Officer in advance, especially since the direct collection/exchange of information with the competitors could be considered a violation of the Fair Trade Act.
- P4.3** Since it could be a problem to require the confidential information of the competitors when hiring an employee who has worked for our competitor, do not acquire the information of the competitors through such an employee.
- P4.4** In the event of acquiring the information of our competitors from anonymous sources, consult with the Compliance Officer in advance when viewing and processing such information.
- P4.5** You may be subject to punitive damages if caught taking away 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.

## P5 Prohibition of Corruption and Improper Solicitation

**Every favor is followed by 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 with price. We shall conduct our business only with our capabilities and performance in a fair way.

“Dedicating our effort to our business, not to courteous treatment, would bring about much bigger fruits to society as a whole, including our partners, public officials and us.”

### Principle of LOTTE

We shall conduct our business in a fair and transparent way. We shall not make any unfair personal profit, receive or provide improper money and valuables and entertainment treatment in our business relations. This principle is applied to all countries where we are conducting business, and we shall respect and comply with any applicable domestic and foreign anti-corruption laws, including domestic laws such as the Criminal Act, the Act on the Aggravated Punishment, Etc. of Specific Crimes, Act on Combating Bribery of Foreign Public Officials in International Business Transactions, Act on Prohibition of Improper Solicitation and Provision/Receipt of Money and Valuables, OECD Anti-Bribery Convention, Foreign Corrupt Practices Act (FCPA) and UK Bribery Act etc., in relation to our business activities in those regions.

### Action Plan

- P5.1** The executives and employees of the company shall not make improper solicitation for any public officials.
- P5.2** The executives and employees of the company shall not provide money and valuables in relation to their duty for any stakeholders. Specifically, they shall not provide money and valuables above a certain amount for public officials, regardless of job relevance.
- P5.3** Money and valuables, prohibited to be provided, include all tangible/intangible financial gains such as gifts, meals, courteous and entertainment treatment, convenience, employment, donations and sponsorship as well as cash.
- P5.4** Politely decline any money and valuables provided by stakeholders and then clearly explain the related company regulations and spirit of LOTTE.
- P5.5** Comply with the company regulations regarding gifts, meals and courteous treatment and return any gifts that exceed the threshold amount specified in the regulations. If it is difficult to return the gifts, deal with it in accordance with the related regulations through consultation with the Compliance Officer or Ethical Management Officer.
- P5.6** Even if our partners such as stakeholders who are working with us receive any impermissible money and valuables, it may be seen as our fault. Explain our regulations to the stakeholders by, for example, specifying that corruption and improper solicitation is the reason of contract cancellation, and then require them to follow the regulations.
- P5.7** Regulations or customs regarding gifts, meals and courteous treatment may vary depending on the country. Identify in advance and follow the related regulations or customs when taking a business trip or working at local offices overseas.
- P5.8** Receive advice and approval from the Compliance Officer of the company in advance for conducting business if it is unclear whether the applicable laws and this code of conduct are being violated or whether the local laws and customs are different from this code of conduct or the company regulations while working in the foreign countries.



## Theme SH

# Trust with Our StockHolders

### SH1 Improving Stockholder Value

LOTTE pursues the long-term improvement of stockholder value.

### SH2 Preventing Conflicts of Interest

We think about the interests of the stakeholders.

### SH3 Improvement of Accounting Transparency

Honest reporting makes our effort and passion more valuable.

### SH4 Prohibition of In-house Trading

We shall not make unfair profit through intercompany trading.

Trust with Our StockHolders

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



## SH1 Improving Stockholder Value

### **LOTTE pursues the long-term improvement of stockholder value.**

We shall pursue sustainable management that can contribute to the society for long 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.”

### **Principle of LOTTE**

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 stakeholder value in the long term.

We shall build the relationship of mutual trust with stockholders and guarantee the equal rights of all stockholders.

### **Action Plan**

- SH1.1** Be committed to enhancing the profit of our stockholders through efficient and reasonable decision-making and transparent and sound management activities.
- SH1.2** Modify the Internal Accounting Control regulations and systems, and actively cooperate for audits or investigations to ensure independent supervision.
- SH1.3** Respect the due right of the stockholders as much as possible, and build a relationship of mutual trust with them.
- SH1.4** Guarantee equal treatment for all stockholders, and actively guarantee the rights of minority stockholders.
- SH1.5** It is LOTTE's stockholders who have affection to and interest in LOTTE more than anyone. Carefully listen to the reasonable opinions of stockholders.

## SH2 Preventing Conflicts of Interest

### We think about the interests of the stakeholders.

In the business process, we may give into the temptation to put the interest 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 acting upon such temptation, ending up with larger losses than gains.

“In the event of a conflict of interest, we shall first consider what the best is for the stakeholders such as the company and stockholders, not for individuals.”

### Principle of LOTTE

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

- SH2.1** Do not act against the interests of the stakeholders such as the company and stockholders, including making personal gains through the position of LOTTE executives and employees. It is also prohibited to acquire personal gains indirectly through family members, friends and agents of LOTTE executives and employees.
- SH2.2** Get approval from the company in advance in the event that there may be a conflict of interest with the company, including self-dealing transactions or utilizing the business opportunity of the company.
- SH2.3** Do not become the executive or employee of another company conducting the business in the same field or do not acquire the share of such company without the approval of the company.
- SH2.4** Consult with the Compliance Officer in advance in the event that there could be a conflict of interest between the executives and employees and the company or that it is unclear whether there is a conflict of interest.

## SH3 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 it may be minor, an accounting error or arbitrary adjustment may cause not only the executives and employees, but also our stockholders and customers to make wrong decisions. Inaccurate or false reporting shall make our effort and performance in vain.

“We are well aware that transparent and honest reporting is the easiest way of drawing the accurate decisions and solutions.”

### Principle of LOTTE

We shall accurately record any 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 proven by appropriate accounting information. We shall record any matters regarding any performance and costs at the time of their occurrence in order to identify the accurate management situation. We shall not distort any data. Accurate accounting records are not an obligation simply limited to those who are responsible for accounting and finance, but the common obligation of all executives and employees.

### Action Plan

- SH3.1** Prepare and manage the accounting records in accordance with the authorized accounting standards.
- SH3.2** Not only do international and national accounting standards differ, but they are also being frequently amended. Always check the latest standards.
- SH3.3** Record the related 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.
- SH3.4** All costs incurred shall be proven by the uniform accounting data. Record time and expenses regarding the costs and submit it as a report.
- SH3.5** 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 have 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.
- SH3.6** Consult on the problem with the director when your counterparty in the transaction is suspicious of manipulating the accounting documents or suspected as an individual, company or country having untransparent business practice, and reconsider such a transaction.
- SH3.7** The director shall thoroughly check everything in accordance with 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.
- SH3.8** 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.

## SH4 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 trades 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.”

### **Principle of LOTTE**

We shall not engage in any acts that allow us, our family members, relatives or friends to gain unfair profit 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**

- SH4.1** Always pay particular attention when providing any information regarding our business. Specifically, if it is insider 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 to and interest in LOTTE the most.
- SH4.2** 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.
- SH4.3** Use of undisclosed important information in sale or purchase transactions, stock exchanges, the establishment/acquisition of the security right, securities lending transactions and other transactions are strictly prohibited.
- SH4.4** Do not provide the undisclosed important information in expectance of transactions by others or do not cause anyone to use such information in other transactions.
- SH4.5** It is prohibited to conduct trading by using the insider information that you came to know at work even after leaving the company or moving to another company.
- SH4.6** Protect the information in accordance with the same standards applied to our insider information, in the event of coming to know the insider information of your partners and competitors.
- SH4.7** 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, relatives or friends.
- SH4.8** Consult with the Compliance Officer even 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.
- SH4.9** 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.

## Theme 5

# Trust with Society

### S1 Environmental Protection

Nature is something we have borrowed from our future generation.

### S2 Creation of Social Values and Social Contribution

Sharing what is received from the society with society is our biggest pleasure.

### S3 Respect for Human Rights

Love and respect for humanity is an important value of LOTTE.

### S4 Respect for Cultural Diversity

We can earn respect only when we respect others.

### S5 Compliance with the Laws of Each Country

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

### S6 Separation of Politics and Economy

Politics and economy can fulfill their role when they are separated.

Trust with Society



“As a member of the society, a company that is trusted by the society due to its contribution and exemplary practice is a true company - that LOTTE is pursuing.”

# S1 Environmental Protection

## Nature is something we have borrowed from our future generation.

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 impact that our business could have on the environment and shall continue to encourage our partners to join our effort in protecting the environment.

We, the members of LOTTE, shall be committed to protecting the environment, starting from small things, and shall proactively prevent the unnecessary waste of resources.

“Although the results achieved by individuals’ efforts may be minimal, the efforts of all the executives and employees of the LOTTE community, once combined, could lead to tremendous results.”

## Principle of LOTTE

We shall play a leading role in 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 from the small things. With 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

- S1.1** Use natural resources only as much as needed in an efficient way and reduce the emission of environmental pollutants below the statutory level.
- S1.2** Check first whether the development of new products or the change of any processes have an adverse impact on the environment.
- S1.3** Establish the internal regulations to ensure that our activities meet the legal standards regarding the environment and regularly check if such regulations are complied with.
- S1.4** Actively seek the way of environmental protection through the change or innovation of our business, and encourage the executives and employees to do or make the related activities and efforts.
- S1.5** Require our partners and stakeholders to meet the same environmental protection standards as we do. Specify and sufficiently inform them that their contract with us may be cancelled if caught violating environment-related laws.
- S1.6** Frequently check if local environment-related laws change when working overseas, and take advance measures in response to such change.

## S2 Creation of Social Values and Social Contribution

### Sharing what is received from the 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 has the significance as a social existence only when creating profit, and the profit it has created within our society shall have greater meaning when being shared with the society.

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

We, LOTTE, have been constantly working to make a contribution to the affluent life of humankind for long. The affluent life that we have pursued shall be enjoyed by all members of our society.

“The truly affluent world that we are pursuing is a society where all members of our society could enjoy an affluent life without anyone being marginalized.”

### Principle of LOTTE

We shall not only create social values and make the world affluent via our business, but also actively conduct social contribution activities with our capabilities and resources. As a member of the 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 by, for example, participating in social service and disaster relief activities at the company level.

### Action Plan

- S2.1** The members of LOTTE are accompanied with a higher level of social responsibility than others. Each executive and employee of LOTTE shall be committed in fulfilling his/her responsibility and duty as a member of the local community to enhance the community's trust for the company.
- S2.2** Respect the culture and values of the local community and contribute to improving the quality of life in the local community.
- S2.3** Provide a positive impact on social development by actively supporting activities for public interests, including academics, art, culture and sports, which psychologically enrich humanity.
- S2.4** Active participation in social service activities as individuals or on behalf of the company is the duty and responsible action of LOTTE members. Actively participate in social service activities such as volunteer work and disaster relief.
- S2.5** Seek the plans with which our business activities can create social values and fulfill our social responsibility, and work to act on such plans.



## S3 Respect for Human Rights

### Love and respect for humanity is an important value of LOTTE.

We are well 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 human and inalienable 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 anywhere at any time.”

### Principle of LOTTE

Human rights are the basic rights and freedoms to be granted to everyone. The members of LOTTE 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

- S3.1** Regarding our business, we shall respect human rights anywhere at any time.
- S3.2** We shall follow our values and standards regarding respect for human rights and spread them to our partners.
- S3.3** We shall work to prevent a negative impact on human rights, which may be caused by our business.
- S3.4** We shall guarantee and support human rights in the local community which we belong to.
- S3.5** We shall be well aware of and comply with local laws regarding labor.
- S3.6** We shall not allow child labor in the workplace of our company and partners and shall follow the local laws and international standards regarding the minimum working age.
- S3.7** Consult with the respective Compliance Officer and check the requirements of the minimum working age in accordance with the applicable laws, when an employee below 18 is required to be employed.
- S3.8** Coercion, confinement or other forced labor, etc. shall not be allowed.

## S4 Respect for Cultural Diversity

### **We can earn respect only when we respect others.**

The affluent life that we, the members of LOTTE, are pursuing is not limited to a certain country, but applied 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 something that is 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.”

### **Principle of LOTTE**

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 preciousely 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**

- S4.1** Do not discriminate against the local executives and employees due to different culture and values.
- S4.2** Open communication is very important anywhere. Create various opportunities and channels to ensure that the opinions of the locals can be heard carefully.
- S4.3** Do not force the locals to follow our values and customs, and do learn from them first.
- S4.4** 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.
- S4.5** 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.

## S5 Compliance with the Laws of Each Country

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

Laws are the social promise 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 shall be obliged to prevent any illegal and criminal acts due to our overseas business.

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

### Principle of LOTTE

The members of LOTTE 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 the act of being involved in corruption or criminal activities for profit.

### Action Plan

- S5.1** Understand the laws applicable in the business process and conduct the business in accordance with such laws.
- S5.2** 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.
- S5.3** Thoroughly check and follow the trade laws regarding import and export, including the licensing or approval of each government, in the event of importing and exporting commodities or products.
- S5.4** It is prohibited to do businesses with countries or organizations and individuals against which trade sanctions have been imposed.
- S5.5** Consult with the Compliance Officer in advance in the event of international trade negotiations or transactions and trade with foreign governments/organizations.
- S5.6** Report the cases to the applicable department such as “Sinmungo” of the Group or each 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.

## S6 Separation of Politics and Economy

### Politics and economy can fulfill their role when they are separated.

Collusive ties between government and businesses is something that we, the members of LOTTE, shall keep away from the most. We, LOTTE, are proud of our history through which we have never been involved in politics and never borrowed the power of politics for our business since foundation.

“As with the case where history developed one step further when government and religion were separated, we believe that society would be more affluent when the government and businesses are separated to fulfill their own duty.”

### Principle of LOTTE

Politics is the process of democracy that makes the world better by gathering various opinions based on the principle of one-man one-vote for all members of the nation. We believe that the world could develop further through such processes. If a company is involved in such a fair process in an unfair way, it would become an obstacle in making a better world. We shall not restrict our employees from expressing their personal opinions regarding politics. Even if a certain politician or political organization has a favorable opinion or claim to our business, however, we shall not support or join them in an unfair way at the level of the Group, affiliates and organizations.

### Action Plan

- S6.1** The name of LOTTE shall not be used for political activities or for the interests of political parties or their candidates.
- S6.2** Do not do any acts which support or appear to support a certain politician or organization by using the resources and costs of the company.
- S6.3** Do not expose your title or position in the company to ensure that you don't look like you are supporting them at the company level, when personally attending the meetings of certain politicians or political parties. Keep in mind that our title or position may be utilized by others, regardless of our intentions.
- S6.4** Consult with the PR Officer of the company when you are likely to be exposed to the media such as newspapers or broadcasting.
- S6.5** Always pay particular attention when uploading a post or writing a comment via mass media, SNS, etc. to ensure that your wording is not misunderstood in a political way.

# Compliance Keywords of Code of Conduct for LOTTE Executives and Employees

## G. General Principles

Compliance with laws, company regulations and code of conduct	G1.1, G2.1
Actions such as disciplinary action in case of violation of laws, company regulations and code of conduct	G2.4
Director's responsibility for prevention of illegal acts, etc.	G3.4
Report on violations of laws, company regulations and code of conduct	G4.1, G4.2
Protection of reporters of violations of laws, company regulations and code of conduct	G4.2, G4.3

## C. Trust with Our Customers

Compliance with safety, hygiene and quality policies and procedures	C1.3
Quick response to reasonable complaints and requirements of customers	C1.4
No concealment of product defects or flaws	C1.5
Thorough safety inspection of partners' products	C1.6
Compliance with laws and regulations on product safety	C1.7
Compliance with marketing laws and regulations	C2.1
Pre-confirmation of non-infringement of intellectual property rights of PR materials produced by external agencies	C2.3
No use of negative marketing tactics criticizing competitors' products	C2.4
Use of words with clear meanings when producing marketing materials	C2.5
Accurate reflection of product information in marketing materials	C2.5, C2.6
First priority protection of customer information	C3.1
Limited access to customer information	C3.2
Collection of personal information to the extent permitted by law	C3.3
No use of personal information for purposes other than intended purposes	C3.4
Complete destruction of unnecessary personal information	C3.5
Understanding of privacy laws of each country	C3.6
Thorough management of personal information in offline places such as desks and fixtures	C3.7
Protection of personal information received from partners	C3.8
Inspection of partners when entrusting personal information	C3.9
Careful choice of words and actions to keep our dignity	C4.1
No unauthorized distribution of the company's confidential information	C4.2
No slandering of the company and stakeholders through the media	C4.3
No distribution of false information, encouragement of illegal acts, distribution of pornography, etc.	C4.4
Pre-consultation with relevant divisions, such as a PR Officer, when having an interview with the media	C4.5
Careful vigilance of personal opinion regarding the company	C4.6

## E. Trust with Our Employees

No discrimination due to age, race, nationality, etc.	E1.1, E1.2
No improper solicitation regarding HR	E1.5, E1.6
No work orders outside working hours	E2.4
No violent or sadistic words and actions	E2.5
No bullying in the workplace via messenger, SNS, etc.	E2.6
No discrimination against childbirth and child-rearing	E3.1
No gender discrimination	E3.2
No sexual harassment in the workplace	E3.3
Report of sexual harassment in the workplace	E3.4
Punishment of sexual harassment in the workplace	E3.5
No disadvantageous actions against victims of sexual harassment in the workplace	E3.5
Protection of victims of sexual harassment in the workplace	E3.6
Provision of education course to prevent sexual harassment in the workplace	E3.7
First priority resolution of safety issues	E4.1
Understanding of safety regulations and compliance with procedures	E4.3
Preparation of safety accident response manual	E4.4
Establishment of safety management plan and education of prevention	E4.5
Restrictions on unauthorized access to the workplace	E4.6
No drinking alcohol or possessing or taking illegal drugs at work	E4.8
Investigation and measures to be taken upon occurrence of safety accidents	E4.9
Establishment of measures to prevent recurrence of safety accidents	E4.10
No private activities (e.g., social media) during working hours	E5.1
Protection of tangible assets such as real property and equipment	E5.2
No unauthorized transfer and leakage of information	E5.3
No false reporting about costs	E5.3
No stock trading, etc. using the company's electronic equipment	E5.4
No personal instructions or requests to other executives and employees	E5.5
No use of the company's securities, giveaways, etc. for private purposes	E5.6
Protection of assets of partners and competitors	E5.7
Principle of obtaining pre-approval when using the company's assets for other purposes	E5.8
Compliance with regulations on the intellectual property rights protection	E6.2, E6.3
No infringement (e.g., unauthorized use) of intellectual property rights	E6.4
Understanding of intellectual property laws of each country	E6.6

No infringement of intellectual property rights of partners and stakeholders	E6.8
Protection of intellectual property rights when recruiting and transferring personnel	E6.9
Restrictions on the private use of electronic equipment provided by the company	E7.1
Keeping security software up-to-date	E7.3
No use of unauthorized software	E7.4
Regular change of PIN (once every three months)	E7.5
Deletion of resigning employees' work data on electronic devices	E7.6
No leak of information via unauthorized mobile storage devices or e-mail	E7.7
Password setting for confidential documents when sending materials by e-mail	E7.8
Precautions for information leakage during offline business meetings	E7.9
Precautions for information leakage due to social media	E7.10
No entry of customer information and confidential information into generative AI outside the company's security system	E7.11

### P. Trust with Our Partners

No request for unfair trade practices to partners	P1.1
Selection of partners in an objective and fair manner	P1.2
Pre-approval for transactions with stakeholders such as relatives of executives/employees (conflict of interest)	P1.4
Understanding of antitrust and fair trade laws of each country	P1.5
Respect for partners' executives and employees	P2.1
Respect for partners' management policies and working hours	P2.2
Request for partners' compliance with LOTTE's code of conduct	P2.3
Protection of partners' confidential information and intellectual property rights	P2.5
No conducts limiting competition with competitors (e.g., collusion)	P3.1, P3.2
No unnecessary meetings or meetings lacking clear agenda with competitors	P3.3
Understanding of competition-related laws of each country	P3.4
Thorough prior legal review when working with competitors	P3.5
No abetting, condoning and assisting of anti-competitive acts	P3.6
No arbitrary collection of competitor information	P4.1
No direct exchange of information with competitors	P4.2
No obtaining of competitors' confidential information by hiring competitors' employees	P4.3
No taking away of partners' technology	P4.5
No improper solicitation to public officials, etc.	P5.1
No provision of money and valuables, etc. to stakeholders	P5.2, P5.3
No acceptance of money and valuables, etc. from stakeholders	P5.4
No acceptance of gifts in violation of regulations	P5.5
Understanding of country-specific regulations on gifts, meals and courteous treatment	P5.7

### SH. Trust with Our Stockholders

Modification of Internal Accounting Control Regulations and systems	SH1.2
Equal treatment for stockholders and guarantee of minority stockholder rights	SH1.4
No pursuing of personal gains by using the position of an executive/employee	SH2.1
Restrictions on self-dealing, utilization of business opportunities, etc.	SH2.2
No employment with and acquisition of shares in the company conducting the business in the same field	SH2.3
Preparation and management of accounting records in accordance with authorized accounting standards	SH3.1
Understanding of the latest international and country-specific accounting standards	SH3.2
No manipulation of revenues or costs (fraudulent accounting)	SH3.3
Immediate reporting of instructions to manipulate accounting documents	SH3.5
Reconsideration of transaction when counterparty is suspicious of manipulating accounting documents	SH3.6
Understanding of and compliance with internal control procedures	SH3.8
No personal use of insider information	SH4.1
No stock trading, etc. using undisclosed important information	SH4.3
No provision, etc. of undisclosed important information to a third party	SH4.4
No use of insider information after resignation	SH4.5
No holding of shares of partners which have business relations with the company	SH4.7
No involvement in short stock selling, etc. for the stocks of the company and its affiliates	SH4.9

### S. Trust with Society

Compliance with standards for emission of environmental pollutants	S1.1
Requiring partners and stakeholders to comply with environmental protection standards	S1.5
Understanding of environment-related laws of each country	S1.6
Responsibilities and duties as members of the local community	S2.1
Respect for human rights	S3.1
Understanding of and compliance with labor laws of each country	S3.5
No exploitation of child labor	S3.6
No forced labor	S3.8
No discrimination based on culture	S4.1
Understanding of and compliance with laws of each country	S5.1, S5.2
No trading with countries subject to trade sanctions, etc.	S5.4
Reporting on suspicion of money laundering	S5.6
No political activities in the company's name	S6.1
No political sponsorship using the costs of the company	S6.2
No exposure of personal political activities to the company	S6.3

CODE OF CONDUCT FOR  
LOTTE EXECUTIVES AND  
EMPLOYEES

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