

Hotel Lotte Code of Ethics

Hotel Lotte Co., Ltd. will pursue a fair and transparent corporate culture and foster socially responsible management to grow into one of the best world-class companies, along with its customers. To this end, Hotel Lotte Co., Ltd. enacts the Code of Ethics to provide the basic principles that all executives and employees must abide by at any time and from anywhere and pledges its implementation.

Chapter 1 - General Provisions

Article 1 (Purpose)

1. The purpose of this Code is to set the standards for proper behavior and value judgment of Hotel Lotte's executives and employees and to establish and promote the basis of ethical management activities by contributing to strengthening the awareness of ethical management practices.

Article 2 (Scope of Application)

1. This Code shall be applied to all executives and employees who perform the duties of Hotel Lotte (hereinafter the "Company") as well as executives and employees of partner companies and dispatched employees (hereinafter "employees, etc.").

Article 3 (Definition of Terms)

1. The definition of terms used in this Code are as follows.
 - ① Money and goods: Cash, securities, goods, and other economic benefits
 - ② Entertainment and hospitality: Meals, alcohol, sports, entertainment, leisure, and other benefits

- ③ Convenience: Provision of accommodation and transportation, tourist information, event support, debt exemption, granting of privileges, etc.; excludes money, goods, entertainment, and hospitality
- ④ Cases of not violating social rules: An act that is acceptable in light of social ethics or conventional wisdom with the legitimacy of the motive or purpose of the act, the substantiality of the means or method, proportionality, etc., such as demanding relief of infringement on rights in accordance with the procedures prescribed by public institutions and offering money and goods from a legitimate source of rights
- ⑤ Stakeholder: A person who has a legal or factual interest in the actions or decision-making of the Company and its employees, etc.
- ⑥ Partner: An individual and a corporation that has a business relationship with the Company

Article 4 (Organization)

1. The Company may establish the Ethics Committee separately for the application of this Code.
2. The Company shall establish a department in charge of compliance or internal audit affairs (hereinafter “department dedicated to ethical management”) for the execution of this Code.

Article 5 (Application)

1. The violation of this Code shall be handled in accordance with the regulations of the Human Resources Committee in principle and matters not specified in the relevant regulations may be subject to separate provisions of this Code.

Chapter 2 - Trust with Customers

Article 6 (Respect for Customers)

1. The Company and employees, etc. shall protect the rights and interests of customers by making all judgments and actions of customers the highest standard and the most prioritized value of business activities.
2. Companies and employees, etc. shall always respect the opinions of customers, understand customers, and create values that help the development of customers.
3. Companies and employees, etc. shall do their best for the convenience and safety of customers.

Article 7 (Customer Satisfaction)

1. The Company and employees, etc. shall do their best to provide the best products and services in order to become the customers' first choice.
2. The Company and employees, etc. shall understand the needs of customers precisely and respond to and handle complaints and suggestions promptly and accurately.

Article 8 (Customer Trust)

1. The Company and employees, etc. shall not provide false or exaggerated information to customers and provide honest and accurate information only.
2. The Company and employees, etc. shall tell only the truth to customers and always honor their commitments to customers.
3. The Company and employees, etc. shall never divulge customer information to outsiders and shall not use it for any purpose other than the work promised in advance.

Chapter 3 - Trust with Executives and Employees

Article 9 (Compliance with Norms)

1. The Company and employees, etc. shall behave properly in accordance with social norms, company rules, and high ethical standards as well as actual laws.
2. Employees, etc. shall not engage in unethical acts that may be criticized by society in relation to their daily life and work.
3. Employees, etc. shall keep social responsibility in mind, actively address opportunities and risks, and act and take the lead in accordance with international standards for corporate management.
4. The Company shall provide mandatory sexual harassment prevention education at least once a year to prevent sexual harassment in the workplace. Employees, etc. must complete these courses. The Company shall impose strong sanctions when undesirable behavior is uncovered.
5. Employees, etc. shall not commit sexual harassment as in each of the following subparagraphs.
 - ① An act of using obscene language or forcing drinking or dancing at company dinners
 - ② An act of viewing pornography on the Internet or through other media at work
 - ③ An act of making sexual analogies or evaluations of a coworker's body
 - ④ An act of making unnecessary physical contact
6. Employees, etc. shall not cause physical and/or mental harm to other employees, etc. or contribute to the detriment of the working environment beyond the appropriate scope of their work by taking advantage of superiority in position or relationship at work.
7. Specific workplace harassment prohibited by the Company is as follows.
 - ① An act of assaulting or intimidating a person
 - ② Persistent or repeated use of abusive or violent language
 - ③ An act of insulting a coworker in front of other employees or online or defaming him or her by spreading rumors about his or her personal affairs
 - ④ An act of ordering a coworker to run personal errands repeatedly without justifiable reasons

- ⑤ An act of refusing to acknowledge or ridiculing a coworker's work abilities or performance without justifiable reasons
 - ⑥ An act of bullying as a group, not sharing important information related to work, or excluding or ignoring a coworker in the decision-making processes without justifiable reasons
 - ⑦ An act of ordering a coworker to perform tasks unrelated to the work specified in the employment contract etc., or ordering a coworker to complete chores unrelated to the work specified in the employment contract etc. for a considerable period without justifiable reasons
 - ⑧ An act of giving little work for a considerable period of time without justifiable reasons
 - ⑨ Other acts that cause physical and/or mental harm to other employees that go beyond the appropriate scope of work or deteriorates the work environment
8. Employees, etc. shall not engage in acts deemed unethical according to social norms other than the acts prescribed in this Code.

Article 10 (Faithful Performance of Duty)

1. Employees, etc. shall perform all duties honestly with transparency, and always strive to create a fair corporate culture.
2. Employees, etc. shall actively prevent any risk that may occur because of their own decisions and actions and fulfill their responsibilities when problems arise.
3. Employees, etc. shall record and report all information precisely and honestly and shall not falsify documents or coefficients or make false reports.
4. Employees, etc. shall maintain and manage the Company's assets appropriately and shall not engage in any illegal activities such as money laundering.
5. Employees, etc. shall not be allowed for concurrent or dual employment while in office.
6. Employees, etc. shall increase the efficiency of their work through active cooperation and smooth communication between colleagues and related departments.
7. Employees, etc. shall not abuse their position in work, shall not impede the fairness of work for personal purposes, and shall not exchange any form of economic benefits, such as the reception of money and goods, gifts, entertainment, hospitality, or convenience, in exchange for improper business requests.

8. The acts defined in Paragraph 7 are prohibited in principle, and in the case of exceptions, they shall not go beyond relevant laws or socially acceptable standards.
9. A monetary gift for family events of other employees, etc. shall be voluntarily offered, shall not exceed the acceptable amount by social norms, and shall not impose unreasonable burdens on employees and partners.
10. The Company, employees, etc. shall respect individuals' suffrage and political will, but shall not engage in political activities within the Company and shall not use the Company's funds, facilities, workforce, etc. for political purposes.
11. Employees, etc. shall not engage in joint and mutual guarantees.
12. Employees, etc. shall not play addictive games, access unwholesome websites, or gamble during working hours.

Article 11 (Self-Development)

1. Employees, etc. shall establish the concept of desirable talent by themselves and strive to realize the concept of talent through continuous self-development.
2. Senior officials shall provide support to subordinates to help improve their abilities by considering their aptitudes and talents.
3. The company shall encourage employees, etc. to continue self-development and actively support them to enhance capabilities necessary to performing their duties.

Article 12 (Mutual Respect)

1. Employees, etc. shall respect each other, establish healthy relationships with their coworkers, and strive to create a workplace where members understand and cooperate with each other.
2. Employees, etc. shall not discriminate on the basis of academic background, gender identity, religion, age, race, nationality, etc.
3. Employees, etc. shall not form factions or private organizations that cause discomfort within the organization.
4. Employees, etc. shall not speak or behave in any way that impairs healthy relationships with their coworkers, such as sexual harassment, verbal abuse, or violence.
5. Employees, etc. shall not engage in mutual financial transactions or joint investment.

Article 13 (Protection of Company Property and Information)

1. Employees, etc. shall not use the Company's properties for any purpose other than business-related affairs and shall not misappropriate or embezzle public funds.
2. Employees, etc. shall not divulge internal intellectual property (IP) or confidential information to the outside without prior permission or approval, or disclose it to a third party.
3. Employees, etc. or their family members or acquaintances shall not take unfair profits by using insider information acquired over the course of their duties.
4. Employees, etc. shall thoroughly secure and manage Company's IP rights as they are the foundation of the Company.

Article 14 (Establishment of Labor-Management Relations)

1. Employees, etc. shall promote mutual development based on trust and harmony between labor and management.

Chapter 4 - Trust with Partners

Article 15 (Fair Trade)

1. All trade with partners shall be transparent and consistent with the contents of the contract and shall be carried out based on fair principles.
2. The Company shall give partners a fair opportunity to participate, provide information for trade equitably, and sufficiently discuss the terms of the transaction.
3. The Company and employees, etc. shall comply with the laws and regulations related to fair trade.

Article 16 (Pursuit of Mutual Development)

1. The Company and employees, etc. shall recognize partner companies as partners for common interests and pursue mutual development by solidifying mutual trust and cooperative relationships.
2. The Company shall strengthen its competitiveness with partners and pursue mutual

development through legal support.

3. Employees, etc. shall not collect confidential information of partners or competitors through personal relationships or customers.
4. Employees, etc. shall disseminate and promote the Company's Code of Ethics to partners and actively support them to participate.

Article 17 (Prohibition of Unethical Acts against Partners)

1. Employees, etc. shall not receive money, goods, entertainment, hospitality, or convenience from partners in relation to their work. Provided, that the same shall not apply to the cases where they do not violate social norms.
2. In addition to the acts prescribed in Paragraph 1, employees, etc. shall not engage in the following unethical acts.
 - ① An act of conducting the proxy payment or the repayment of credit card payments, credit payments or loans, receiving the repayment or loan guarantees, and receiving, demanding, or promising the property benefits, such as movable property, real estate, securities, business rights, and membership rights, to/from a partner company in connection with business
 - ② An act of borrowing, demanding, or promising money to/from a partner company
 - ③ An act of leasing assets or receiving collateral for individual executives and employees from a partner company in connection with the business
 - ④ An act of purchasing or leasing movable property or real estate from a partner company at a price lower than the normal price in connection with business to obtain substantial profits
 - ⑤ An act of making remarks that cause sexual humiliation or using violent or abusive language to partners' executives and employees
 - ⑥ An act of unreasonably requesting information from partners or using the information for other purposes
 - ⑦ Other unethical acts against partners using one's superior position

Chapter 5 - Trust with Shareholders

Article 18 (Enhancing Shareholder Value)

1. The Company and employees, etc. shall protect the shareholders' assets by conducting business based on honesty and transparency and do their best to increase shareholder value in the mid to long term through creativity and innovation.
2. The Company and employees, etc. shall enhance shareholders' interests through efficient and rational decision-making, transparent and sound management activities, and actively listening to shareholder's legitimate opinions.

Article 19 (Prevention of Conflicts of Interest)

1. Employees, etc. shall not engage in acts that are contradictory to the interests of the Company, shareholders, and other stakeholders—such as taking advantage of their position for personal gain—and shall obtain approval from the Company in advance if a conflict of interest with the Company may occur.

Article 20 (Enhancing Accounting Transparency)

1. Employees, etc. shall prepare and disclose the management data of the Company in accordance with related laws and corporate accounting standards.
2. Employees, etc. shall not intentionally falsify or alter documents or coefficients contrary to the facts to obscure the judgment of superiors or related departments or to cause them to make a misjudgment.

Article 21 (Prohibition of Insider Trading)

1. Employees, etc. shall not divulge information obtained through their position or business authority to the outside and shall not take advantage of it for personal gain.

Article 22 (Listening to the Opinions of Small-Scale Shareholders and Protecting Their Rights)

1. The Company shall listen to the opinions of small-scale shareholders and strive to protect their rights when changing the ownership structure, such as physical division.

Chapter 6 - Trust with Society

Article 23 (Sound Corporate Activities)

1. The Company and employees, etc. shall respect the laws and regulations of the nation and local governments and right social values, and carry out reasonable and sound corporate activities.
2. The Company and employees, etc. shall reject absurdities that hinder sound corporate activities.

Article 24 (Social Contributions)

1. The Company shall fulfill its corporate social responsibilities through social contribution activities such as education, culture, scholarship, and welfare projects.
2. The Company shall contribute to social development by encouraging employees, etc. to participate in community service activities.
3. The Company and employees, etc. shall humbly accept the legitimate needs of each class of society and the local community.
4. The Company shall contribute to national development by continuously creating jobs.

Article 25 (Environmental Protection)

1. The Company and employees, etc. shall continue to practice and endeavor to preserve the global environment in the future.
2. The Company and employees, etc. shall comply with environmental laws and regulations and actively implement measures for climate change prevention and greenhouse gas reduction.
3. The Company and employees, etc. shall have the necessary facilities for preventing and improving environmental pollution and continuously manage them.

Article 26 (Respect for Diversity)

1. The Company and employees, etc. shall be familiar with and comply with the laws and regulations of each country and region in relation to their work and pay respect to the values and customs of the countries in which they operate.

Article 27 (Separation of Politics and Economy)

1. The Company shall not aid or support certain politicians or political groups on an organizational or Company level.

Article 28 (Prohibition of Improper Solicitation to Public Officials, Etc.)

1. Employees, etc. shall not act upon improper solicitation to public officials, public service workers, etc.
2. Employees, etc. shall not provide or promise to provide public officials, public service workers, etc. with money, goods, entertainment, hospitality, convenience, etc. related to their duties or more than a certain amount.
3. Employees, etc. shall not engage in or aid acts of corruption, such as bribery, money laundering, and providing or receiving payments for speeding up the process. To this end, executives, etc. shall comply with the Anti-Corruption Policy of Hotel Lotte and notify the relevant matters prior to the commencement of business with partners or customers.

Article 29 (Safety Management and Accident Prevention)

1. The Company shall protect the safety of executives and employees, partners, and customers in conducting business and define the same as an important management matter.
2. The Company and employees, etc. shall prevent safety accidents by complying with international standards, related statutes, internal regulations, etc. related to safety.
3. The Company and employees, etc. shall conduct education and training regularly to prevent safety accidents and to promptly respond in the event of a disaster.
4. The Company and employees, etc. shall thoroughly inspect the safety of various facilities and make every effort to prevent various safety accidents by discovering and improving upon hazardous workplaces.

Chapter 7 - Handling of Violations of the Code of Ethics

Article 30 (Reporting on Violations and Protection of Reporters)

1. Employees, etc. shall report to the Company when they become aware of various acts that violate this Code or when they receive a report on the violation from a third party, and the Company shall guarantee the anonymity of employees, etc. when reporting the violation.
2. The department dedicated to ethical management shall conduct a fact-checking investigation on the reported matters without delay and shall promptly and clearly answer the reporter's inquiries during the investigation.
3. The Company shall guarantee the confidentiality of the person making the report and the contents of the report, and ensure that the reporter shall not be disadvantaged by the report.
4. A person who retaliates against a reporter on the grounds of such facts may be subject to aggravated disciplinary action within the scope prescribed by the internal regulations.
5. Consultation and reporting channels are as follows:
 - ① LOTTE HOTEL
 - Ethical management: hotelaudit@lotte.net
 - Fair trade: hotelantitrust@lotte.net
 - ② LOTTE DUTY FREE
 - LDFSETHICS@lottedfs.co.kr
 - ③ LOTTE WORLD
 - worldsmg@lotte.net
 - ④ LOTTE RESORT
 - resort_ethics@lotte.net

Article 31 (Treatment of Violators)

1. If a violation of this Code is uncovered, the relevant department shall prepare the relevant documents and the details of the investigation in writing and immediately notify the

department dedicated to ethical management.

2. The department dedicated to ethical management shall review the notified facts and request the convening of the Ethics Committee or the Human Resources Committee.
3. The Company shall take appropriate measures for the partners involved in consideration of the severity of the matter and compensation measures for the loss of the Company.

Chapter 8 - Ethics Committee

Article 32 (Composition of Ethics Committee)

1. The composition and appointment of the Ethics Committee shall apply *mutatis mutandis* to the relevant regulations of the Human Resources Committee.

Article 33 (Holding of Ethics Committee Meetings)

1. In the event of any corruption related to work ethics, the management team or the relevant department shall prepare the relevant evidence and specific facts in writing and immediately notify the executive secretary of the Committee.
2. The executive secretary of the Committee shall review the notified matters and determine whether to convene the Ethics Committee.

Article 34 (Reward and Discipline)

1. The Company shall reward employees, etc. who have contributed to ethical management activities according to the opinions of the Ethics Committee or the Rewards Committee, and the level and procedures of the reward shall be governed by the relevant regulations of the Company.
2. A person who commits an act that violates this Code may be disciplined according to the deliberation of the Ethics Committee, and matters concerning the disciplinary grade and punishment shall be governed by the relevant regulations of the Company.