

Hotel Lotte
Human Rights Management Policy

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1. Understanding of Human Rights Management

A. Background

Hotel Lotte Co., Ltd. (hereinafter “Hotel Lotte”) aims to pursue “human rights management” that can positively change not only the lives of customers but our society and contribute to the prosperous lives of human beings.

B. Scope of Application

This human rights policy will apply to members of Hotel Lotte from customers to all stakeholders throughout the business. Partners in all business relationships who research and contemplate customer services are included in the scope of application, which covers not only regular and non-regular employees in Korea but also workers of subsidiaries, local employees of overseas branches, expatriates, partner companies, entrusted entities, and workers in special employment relationships. In addition, this regulation is strictly applied to all members. Even if an affiliate is not obliged to apply the regulation, its members should actively encourage and spread it to enforce it as a standard of behavior.

C. Compliance

This human rights labor policy complies with international standards and norms on human rights, including the Universal Declaration of Human Rights by the United Nations (UN), UN Guiding Principles on Business and Human Rights by the UN Human Rights Council, UN Convention on the Rights of the Child, and other international human rights principles and norms.

2. The Principle of Human Rights Management

A. Respect for Human Rights

Hotel Lotte shall respect the dignity and value of all human beings and strive to prevent any acts that constitute human rights violations.

B. Freedom of Association

All executives and employees shall be given sufficient opportunities to communicate for the sound development of the organization. Freedom of association and the right to collective bargaining are

guaranteed under the labor laws of each country and region, and no disadvantageous treatment is given for forming or joining a labor union or participating in the union activities.

C. Prohibition of Forced Labor

No employee shall be forced to work against their will through the constraint of mental or physical freedom such as assault, intimidation, imprisonment, etc. Furthermore, workers' personal documents, such as identification cards or labor permits issued by the government, shall not be kept on the condition of employment. In addition, the access and use of toilets, drinking water, resting facilities, and external medical facilities shall not be restricted.

D. Prohibition of Child Labor

Hotel Lotte shall not employ children under the age of 15 (or any individual declared underage by the labor laws of each country or region) and shall verify the age of all new employees for this purpose. In the case of hiring workers under the age of 18, these individuals shall not be given harmful work in terms of safety and health, and constant checkups will be conducted to ensure whether the restrictions on night work and overtime work are complied with.

E. Prohibition of Discrimination

Any discrimination in recruitment, hiring, promotion, education, wages and benefits, and other personnel matters based on grounds such as an individual's sex, race, nationality, skin color, age, religion, political beliefs, gender identity, disability, marital status, pregnancy, and the like without any justifiable reason shall be prohibited. In addition, Hotel Lotte strives to eliminate discrimination and build an organizational culture that respects diversity.

F. Prohibition of Sexual Harassment and Harassment in the Workplace

All acts that cause sexual humiliation at work shall be prohibited, and all acts of harassment that inflict physical or mental harm by taking advantage of an individual's superiority in position or relationship at work shall be prohibited. Education on the prevention of sexual harassment and harassment in the workplace shall be provided, and a channel for reporting the occurrence of such incidents shall be established. When an incident occurs, immediate measures shall be taken to protect the victim as well as disciplinary actions against the offender, and the necessary measures shall be prepared to prevent recurrence.

G. Compliance with Working Conditions

Hotel Lotte shall comply with the standards under the labor laws of each country and region regarding working hours, overtime hours, rest hours, and holidays. Overtime work requires consent from workers and overtime pay shall be provided. All employees' wages shall be determined to exceed the minimum level under the law and paid along with the salary statement.

H. Protection of Customer Human Rights

All executives and employees shall put the highest priority on protecting customers' lives, health,

and properties in providing products and services and strive to protect personal information collected through business activities.

I. Guarantee of Occupational Safety

The safety and health of all executives and employees shall be regarded as a high priority, and the best working environment for workers shall be created.

J. Responsible Supply Chain Management

Hotel Lotte shall pursue mutual development with partners as equals in a relationship and support and cooperate with partners to practice human rights management.

K. Guarantee of Environmental Rights

Hotel Lotte shall comply with environmental laws at home and abroad and strive to achieve carbon neutrality, environmental conservation, and resource circulation.

3. Human Rights Management System for Stakeholders

A. Human Rights Management Governance

In order to respect and protect the dignity of human beings in all business operation processes, Hotel Lotte shall review human rights management and manage potential risks through committees or management meetings participated in by decision makers from partaking major departments, as well as working-level meetings hosted by decision makers from departments in charge of human rights management. In order to make decisions on human rights management, organizations dedicated to Environmental, Social, and Governance (ESG) management, human resources (HR), employee relations (ER), ethical management, and legal affairs are established to manage human rights-related risks, identify tasks for improvement, and monitor human rights issues related to each task. The scope of implementation covers the following: 1) review of the enactment and revision of human rights policies; 2) establishment of an action plan for human rights management; 3) response to human rights risks; 4) operation of grievance handling process; and 5) internal education. In particular, Hotel Lotte has a dedicated organization (a grievance handling committee, a dedicated department, etc.) for each business division to prevent human rights violations that occur within the divisions, such as harassment in the workplace and sexual harassment, and discuss specific remedies for reported cases of human rights violations.

※ Human rights management organization: CEO / related departments (ESG-dedicated organization, HR, ER, organizations in charge of ethical management, compliance management, etc.)

B. Human Rights Management Education

Hotel Lotte shall provide education on human rights management for the purpose of raising employees' understanding and awareness of human rights and delivering internal directions related to human rights management and action plans. All executives and employees shall receive regular education (on the Code of Conduct for the members of Lotte, improvement of awareness of people with disabilities, prevention of sexual harassment and harassment in the workplace, occupational safety and health, personal information protection, etc.) at least once a year, thereby prohibiting discrimination among executives and employees and encouraging them to actively report cases of human rights violations and risks found.

C. Reporting Channel and Grievance Handling Process

Hotel Lotte operates a channel that can receive reports from executives and employees, as well as other persons and organizations that are infringed on human rights or are aware of human rights risks. Through regular meetings and compulsory education, Hotel Lotte monitors and prevents risks, conducts thorough investigations, and establishes the appropriate measures to prevent possible recurrences when receiving reports of incidents. In particular, Hotel Lotte prevents and responds to harassment and sexual harassment in the workplace by establishing and regulating relevant rules so that employees (including employees of partner companies) can work safely.

Report Handling Procedure

1. Reception of reports
2. Confirmation of details
3. Conduct of investigation
4. Completion of investigation
5. Measures established to prevent recurrence

Report Channel

1. LOTTE HOTEL: hotelaudit@lotte.net
2. LOTTE DUTY FREE: LDFSETHICS@lottedfs.co.kr
3. LOTTE WORLD: worldsmg@lotte.net
4. LOTTE RESORT: resort_ethics@lotte.net