

2023 LOTTE PROPERTY & DEVELOPMENT SUSTAINABILITY REPORT

LANDMARK OF THE GREEN FUTURE



About this report

Ever since the initial release of our sustainability report in 2021, LOTTE P&D has been unwavering in its commitment to ESG management, aiming for sustainable growth that benefits both the environment and society. In the coming years, we will ensure transparent communication of our results of key activities and plans, all underpinned by our systematic ESG management, with our stakeholders through these reports.

Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, a universally acknowledged benchmark for sustainability reporting

Reporting Scope

The quantitative figures of financial performance included in this report encompass LOTTE P&D's consolidated subsidiaries. As for qualitative activities and non-financial performance, they pertain to a separate corporation, LOTTE P&D's domestic head office, and its overseas business sites. Data limited to some business sites are clarified with notes and explanations to define their scope.

Reporting Frequency and Period

This report covers activities and progress from January 1, 2022, through December 31, 2023. Some overarching data include the first quarter of 2024. As opposed to the annual business report, the sustainability report is issued biennially. When necessary, notes and explanations are provided to inform of major changes.

Data Assurance

To ensure the reliability and integrity of the reporting process and its data, we have had this report verified by a third-party verifier, the Korean Standards Association.

Issued by

LOTTE P&D

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Cover Story


The continuous consideration and efforts of the companies for the LOTTE WORLD TOWER have culminated in the building becoming not just an architectural landmark, but also a symbol of a well-developed and futuristic Korea, and a new culture of citizens. The cover of this report has the theme of LOTTE WORLD TOWER in spring to convey not only the image of LOTTE WORLD TOWER's challenge and advancement but also the warmth of companionship and coexistence with citizens.


Interactive User Guide

This report is published in an interactive PDF format that includes links to related pages or websites to give readers more convenience.

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ESG FACTBOOK

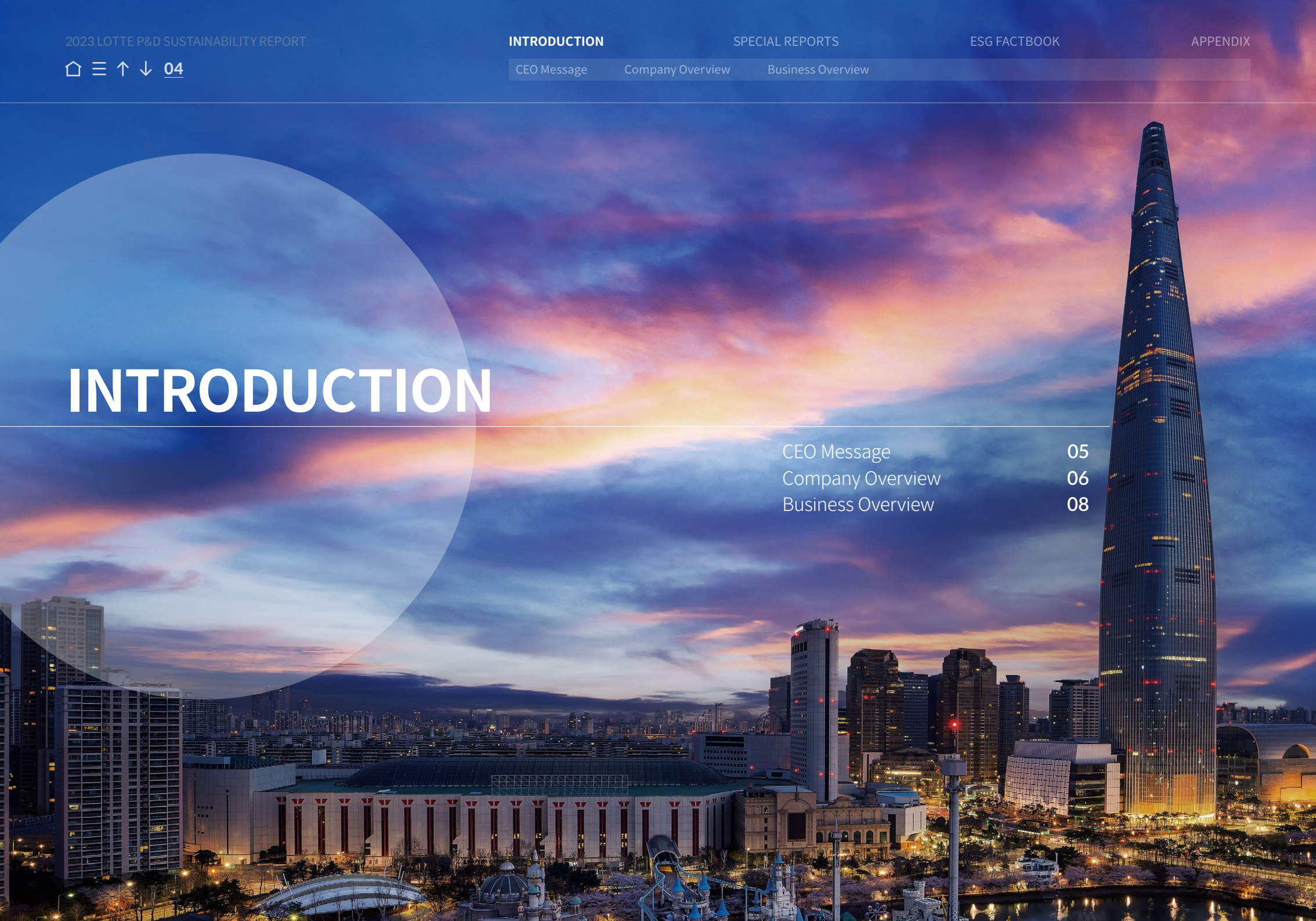
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CEO Message



66 **LOTTE P&D aims to evolve into a comprehensive global real estate company based on the know-how in developing and operating LOTTE WORLD TOWER.** 99

Dear esteemed stakeholders.

LOTTE Property & Development (LOTTE P&D) has successfully constructed and operated the tallest building in Korea, the LOTTE WORLD TOWER, which stands at 555 meters, and has accumulated capabilities in large-scale complex real estate development and property management. The competitive edge gained from this experience has propelled us towards significant progress amidst an uncertain business climate derived from geopolitical and societal changes over the past years. As a result, we have seen remarkable progress in our recent performance, posting an operating profit margin of 20.5% in 2023, and a 23% increase in the number of visitors to the LOTTE WORLD TOWER & MALL, reaching 55 million people compared to the previous year.

In the coming years, LOTTE P&D will evolve into a global integrated real estate firm on the strength of our stable business operations. We are committed to achieving sustainable, innovative growth while focusing on creating the place of joy and happiness for future generations and stakeholders, guided by the following commitments.

Recognizing our environmental and societal responsibilities, we are committed to elevating our ESG management to a higher level.

The launch of an ESG Committee under the Management Committee in 2022 marked the start of our journey towards robust ESG management. Since then, we have built a solid foundation for a company-wide ESG management approach, including environmental management indicators and material issues. Leveraging this foundation, in 2023, we developed a system to manage ESG KPIs and data as part of the effort to advance our ESG management from a mid- to long-term perspective.

Furthermore, we strive to embody ESG management that goes beyond mere declarations and translates into genuine action. The tightening regulations and potential physical damage require more intensified climate action in the real estate and building sector. In response to this, we have established a roadmap to achieve net-zero emissions by 2040, and we monitor our progress towards this goal through ESG KPIs. Fully cognizant of the magnitude of our environmental and social responsibilities, we are committed to going the extra mile to enhance the sustainability of our business.

We will transform into an innovative and progressive organization, strongly rooted in open communication.

Each and every one of our employees is key to corporate innovation and growth in the face of a rapidly changing business environment. The real estate sector requires all employees, not just individuals, to think strategically through open communication based on diversity and creativity, and then put into action. Accordingly, we have in place various communication channels to boost cooperation and combined efforts among organizations. We also assist employees in building their capacity through our advanced education system. As we are well aware that a corporate culture in which individuals are respected is an integral part of employee growth, efforts are being made to raise awareness among employees along with the establishment of regulations on human rights management. LOTTE P&D will work hand in hand with all employees for constant evolution, grounded in close cooperation, open communication, and mutual respect.

Just as the LOTTE WORLD TOWER has solidified its stature as a global landmark, LOTTE P&D will make strides to live up to stakeholders' expectations as well as to earn your trust. I look forward to your support and encouragement on this journey.

Thank you very much.

LOTTE Property & Development
CEO Chang Chae-hun

Company Overview

Company Profile

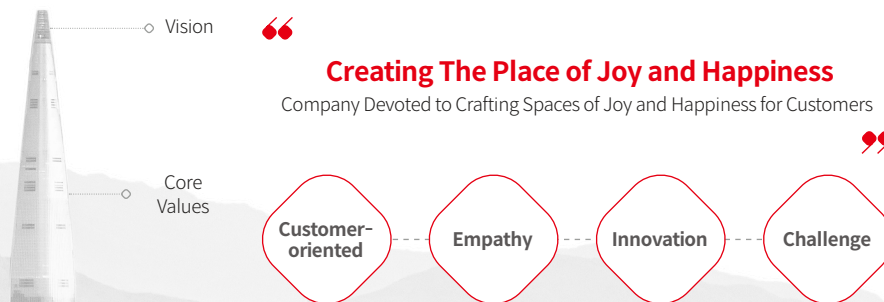
LOTTE P&D at a Glance

Founded in 1982, LOTTE P&D acquired land in 1987 and focused all its efforts on the Jamsil Complex Development project. The late president Shin Kyuk-ho had a firm commitment to building the world's best structures to contribute to the growth of the Korean tourism industry, which propelled us to successfully open the LOTTE WORLD MALL in 2014 and the LOTTE WORLD TOWER in 2017. These two establishments have cemented their status as landmarks, attracting more than 50 million visitors per year. In addition, we have diversified our real estate business portfolio to include property asset management and development businesses.

In terms of our global business, in 2022, we acquired stakes in Coralis SA, the owner of the LOTTE Center Hanoi, a landmark in Vietnam. This move created a synergy effect, leveraging our know-how in skyscraper operations. Furthermore, we established LOTTE P&D Vietnam with the aim of expanding our overseas business to include asset management and shared office space operations.

Capitalizing on the expertise we have gained through high-rise building operations and complex real estate development, we are poised to transform into a global real estate service firm.

Management Philosophy and Vision



Company Profile and Financial Performance

(Based on consolidation as of Dec. 2023)

Company Name	LOTTE P&D
Date of Establishment	June 15, 1982
CEO	Chang Chae-hun
Head Office Location	300, Olympic-ro, Songpa-gu, Seoul
Business Area	Property development, leasing, and operations
Key Business	Development and operation of high-rise buildings and shopping complex, and estate asset management
No. of employees	252 ¹⁾

1) Employees who are not part of LOTTE P&D (dispatched workers) excluded

Total Assets

KRW **9.08** trillion



Sales

KRW **470.6** billion



Total Liabilities

KRW **4.36** trillion



Operating Profit

KRW **96.5** billion



Total Equity

KRW **4.72** trillion



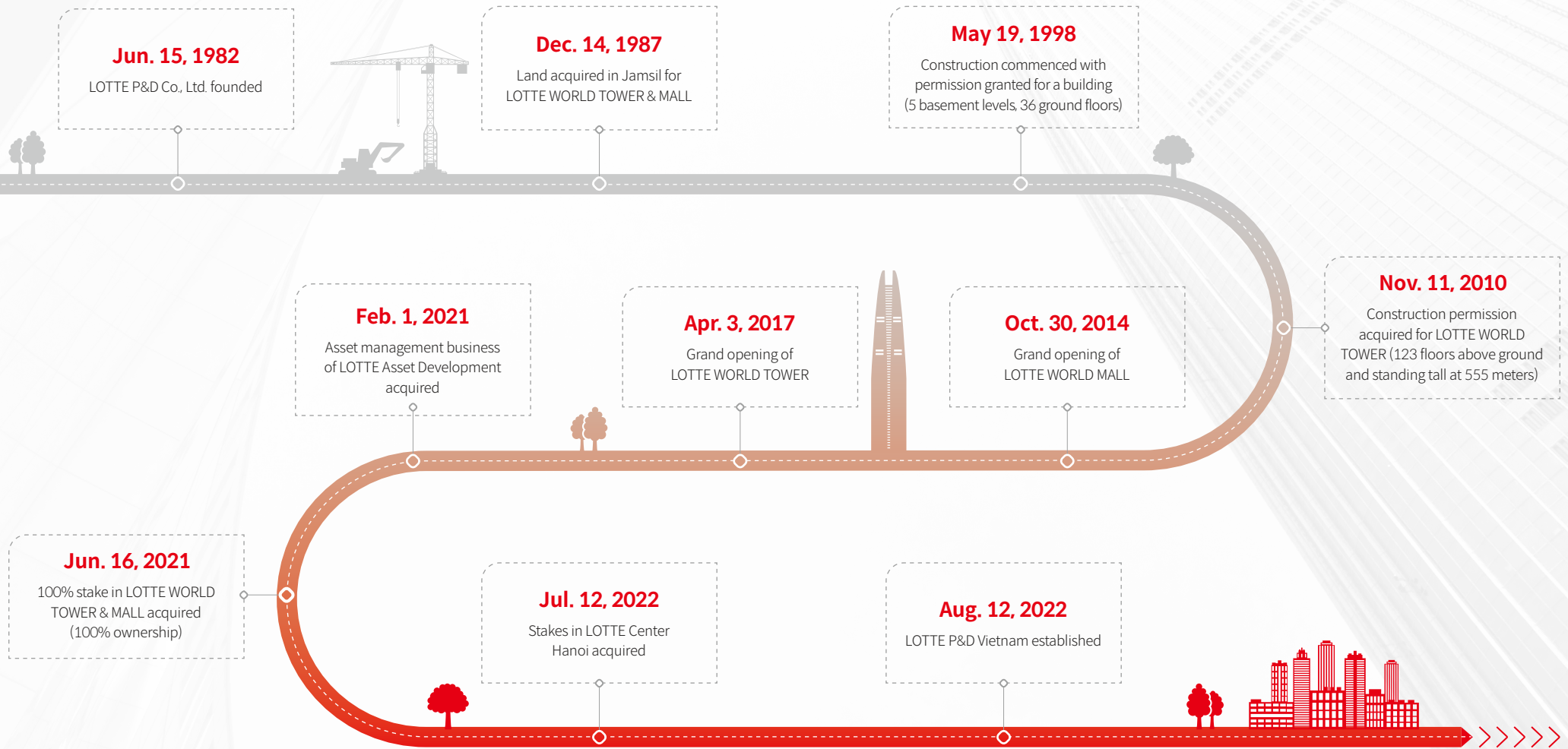
Net Income

KRW **215.6** billion



Company Overview

History



Business Overview

“ We are making strides towards becoming a global comprehensive real estate firm, capitalizing on our know-how in developing and operating high-rise buildings and complex shopping malls, as well as asset management ”

LOTTE P&D operates the LOTTE WORLD TOWER, the tallest building in Korea, and the LOTTE WORLD MALL, which is growing into a global landmark. The LOTTE WORLD TOWER boasts top-notch facilities and locations, including SEOUL SKY Observatory, SIGNIEL Residence and Hotel, Shared office Workflex, and SKY31 Convention, all providing premium experiences. Moving forward, our commitment to offering best-in-class services will remain unwavering, putting us on a path towards becoming the premier building in Korea. The LOTTE WORLD MALL, visited by 50 million people per year, also provides iconic experiences for customers by featuring trendy brands and exhibiting characters like Bellygom and Rubber Duck.

Furthermore, we have broadened the scope of our business portfolio based on stable business domains and have honed our professional capabilities across the company to evolve into an integrated real estate firm. In the coming years, we will operate businesses capable of maximizing asset efficiency.

LOTTE P&D Vietnam was founded in August 2022 and made remarkable progress, securing major landmarks in Vietnam such as the LOTTE Center Hanoi, LOTTE Mall West Lake, and Daewoo Starlake. This was attributed to its accumulated expertise through the development of large-scale complex properties such as high-rise offices. Leveraging its expertise and rich experiences, LOTTE P&D Vietnam will continue to expand its presence in the sustainably growing real estate market of Vietnam.

Main Businesses



Business Overview

Development and Operation Business for High-Rise Buildings and Complex Shopping Malls

LOTTE WORLD TOWER – The Tallest Building in Korea

LOTTE WORLD TOWER stands as the tallest building in Korea and the sixth tallest globally, with a total height of 555 meters and 123 floors. The design, inspired by the traditional curves of a calligraphy brush, blends Korean aesthetics with global symbolism, aiming to create a futuristic vertical city where nature, human ingenuity, and advanced technology coexist. Constructed with solid foundational work and cutting-edge high-rise building techniques, the LOTTE WORLD TOWER emphasizes safety and environmental friendliness. Its wind-resistant and earthquake-resistant design enables it to withstand earthquakes exceeding magnitude 9. It is also the first building over 100 floors to receive the LEED¹⁾ Gold certification.

Inside, the tower hosts a variety of facilities, including offices, residences, and a hotel, offering high-quality services to its users. Notably, the offices within the LOTTE WORLD TOWER, known for their prime location and superior facilities, are home to leading domestic and international companies, achieving a 100% occupancy rate as of 2023.

Workflex on the 30th floor provides a serviced office concept with exceptional work value while SKY31 Convention on the 31st floor offers the highest meeting facilities in Korea. The residences within the tower provide top-tier living value through luxurious facilities and services, with 100% of units sold by 2022.

1) LEED (Leadership in Energy and Environmental Design): LOTTE WORLD TOWER received a Gold level certification in the New Construction and Major Renovation category of the 'LEED BD+C (Building Design and Construction)', which is a globally recognized eco-friendly building certification system managed by the U.S. Green Building Council (USGBC).



Business Overview

Development and Operation Business for High-Rise Buildings and Complex Shopping Malls

LOTTE WORLD MALL – A Trendy Premium Shopping Mall with Young & Rich Sensibilities

LOTTE WORLD MALL, comprising AVENUEL and WORLD MALL, offers customer value and experiences tailored to its primary target audience. AVENUEL, aiming to be a high-end shopping space, has positioned itself as a luxury shopping landmark, hosting major international luxury brands.

WORLD MALL features approximately 230 renowned brands across various sectors such as fashion and food & beverage (F&B), with diverse relaxation and cultural spaces on each floor. The 1st-floor atrium and pop-up zones on each floor provide various content-rich pop-up events, offering customers unique experiences. Additionally, the mall houses Korea's first vineyard-style concert hall, where world-renowned artists like Cho Seong-jin and Chung Myung-whun perform. Visitors can also enjoy Korea's largest multiplex cinema and an aquarium.

LOTTE WORLD MALL transcends shopping, becoming a comprehensive cultural and entertainment complex. Every store unfolds a unique story, offering trendy premium content for 'smart shoppers' and 'play shoppers', establishing itself as a 4th generation shopping mall. LOTTE P&D strives to provide the best shopping experience by incorporating trendy brands like the newly introduced London Bagel, the first of its kind in a retail facility. We are committed to offering diverse shopping and cultural experiences and ensuring a pleasant and convenient environment for shoppers through overall management and regular maintenance of the LOTTE WORLD MALL.



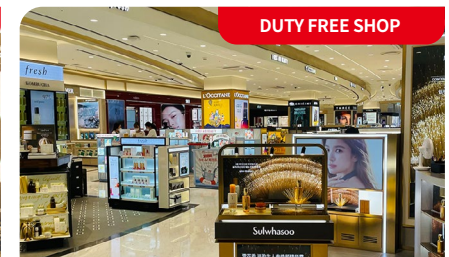
LOTTE WORLD MALL



LOTTE CONCERT HALL



AVENUEL



DUTY FREE SHOP



LOTTE CINEMA



LOTTE WORLD AQUARIUM

Business Overview

Space Business Operations

Shared Office – Workflex

Workflex is LOTTE P&D's shared office brand, a combination of 'work' and 'flexible,' offering diverse spaces and services tailored to the individuality and needs of its users.

Located on the 30th floor of LOTTE WORLD TOWER and spanning the 7th to 9th floors of Gangnam N Tower, Workflex operates under the same brand but with different concepts. Workflex at LOTTE WORLD TOWER provides an upgraded serviced office experience, while Workflex at Yeoksam focuses on enhancing community and networking as a coworking space.

In 2021, Workflex was selected as the leading brand in the shared office category at the Korea Representative Brand Awards, receiving high marks for brand loyalty and trust.

SKY31 Convention

As the MICE (Meetings, Incentives, Conventions, Exhibitions) industry grows, the convention sector has become a high-value business area. SKY31 Convention, located on the 31st floor of LOTTE WORLD TOWER, combines the unique features of its prime location in Jamsil and the symbolic status of the tower itself. Attracting a variety of clients, it was selected as a Korea Unique Venue by the Korea Tourism Organization in 2023.

SKY31 Convention includes conference halls (A and B), an auditorium, and a lounge, offering stunning views of Jamsil and downtown Seoul. It hosts various events such as international conferences, roundtable discussions, VIP dinners, and executive meetings.

As a comprehensive cultural space utilizing the infrastructure of LOTTE WORLD TOWER & MALL, SKY31 Convention boasts numerous attractive features.

Workflex Facilities



SKY31 Convention Facilities



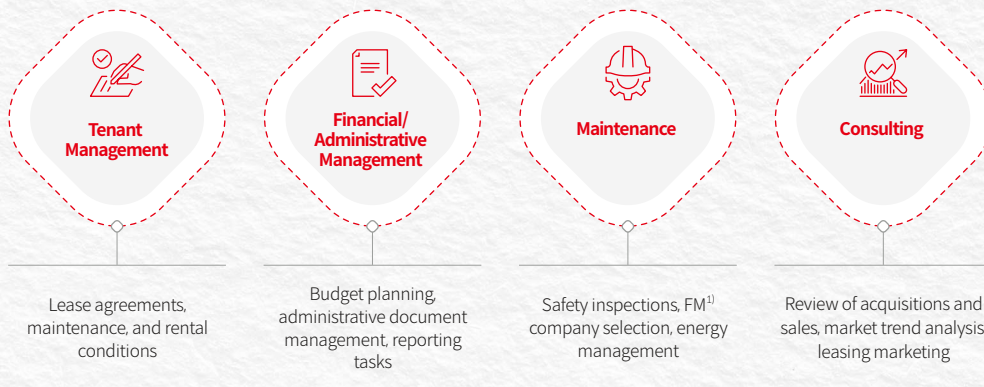
Business Overview

Real Estate Asset Management Business

Real estate asset management is crucial for value enhancement, especially in alternative investments. Leveraging expertise accumulated through the operation of the LOTTE WORLD TOWER complex, LOTTE P&D provides prime-grade building management and real estate asset management services in key business districts. We focus on enhancing the value of investment assets through business partnerships with clients.

Currently, we manage a total of 12 sites, with dedicated staff providing optimized services at each location. Major managed sites in Seoul include the Euljiro Signature Tower and Gangnam N Tower. We provide optimal asset management solutions through leasing, marketing, and operations of large mixed-use real estate, as well as tenant management for offices, R&D centers, hotels, and complex malls. We handle customer management, administrative tasks such as venue management, legal affairs, and the management of four major services (facilities, security, cleaning, and parking). Additionally, we support tasks such as asset evaluation, accounting, and tax services for each business site.

Key Management Areas



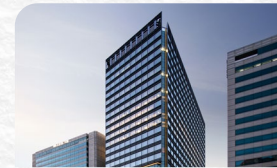
1) Facility Management

Major Asset Management Sites



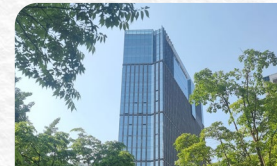
Euljiro Signature Tower

- Period: 2017 to present
- Total floor area: 99,997m²
- Major tenants: Kumho Petrochemical Group, Korea Seven, Hanwha E&C
- Main usage: Business, residential, culture



Gangnam N Tower

- Period: 2018 to present
- Total floor area: 51,127m²
- Major tenants: Naver, Samsung Securities, EA Sports, Workflex
- Main usage: Business, residential



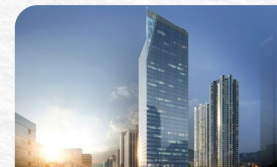
Gwanghwamun Center Point

- Period: 2016 to present
- Total floor area: 38,946m²
- Major tenants: Kim&Chang (law firm), Hyundai Marine & Fire Insurance
- Main usage: Business, residential, culture



Pangyo H Square

- Period: 2021 to present
- Total floor area: 85,153m²
- Major tenants: Kakao, Synopsys Korea
- Main usage: Business, residential, sales



Gangdong ECT

- Period: 2021 to present
- Total floor area: 100,423m²
- Major tenants: Samsung Electronics/Medison, Samsung C&T
- Main usage: Business, residential, research

Business Overview

Real Estate Investment and Development

Real Estate Investment Business

LOTTE P&D has been engaged in real estate development and investment. Currently, we are developing two logistics centers and have diversified our investments in various development projects. These projects range from renovating old buildings in urban areas or initiating value-added projects, such as the construction of new small-to-medium-sized office buildings. Moving forward, we aim to actively participate in more real estate development projects.

Development Business Performance

We are broadening our real estate businesses, encompassing asset management and office leasing management (LM), to evolve into a full-service real estate enterprise with capabilities in development, ownership, and operations. We completed a logistics center in Icheon, Gyeonggi-do, in February 2024, and we are generating profits through the proactive development of commercial properties, including offices, logistics centers, and urban retail spaces.

Major Development Projects



Logistics center at Icheon, Gyeonggi-do

- Main purpose: Warehouse facilities (room temperature, low temperature)
- Construction period: Apr. 2022 ~ Feb. 2024
- Total floor area: 27,909m²
- Scale: B2F ~ 4F



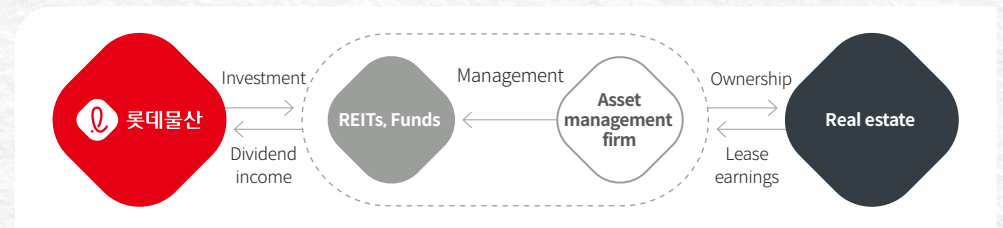
Logistics center at Anseong, Gyeonggi-do

- Main purpose: Warehouse facilities (room temperature, low temperature)
- Construction period: Nov. 2023 ~ Oct. 2025
- Total floor area: 39,769m²
- Scale: B1F ~ 4F

Alternative Investment Performance

We have expanded our portfolio with new orders in asset management, achieved through equity investments in premium assets situated in key metropolitan zones. Specifically, we generate sales dividend profits and offer asset management services by capitalizing on highly lucrative real estate alternative investments, including REITs and funds.

Alternative Investment Structure



	Center Point Gwanghwamun	Pangyo H Square	Gangdong East Central Tower	Arc Place
Location	Central Business District (CBD)	Bundang Business District (BBD)	Other Business District	Gangnam Business District (GBD)
Time of investment	Feb. 2021	Jun. 2021	Aug. 2021	Mar. 2024
Total floor area	38,947m ²	85,153m ²	100,423m ²	62,748m ²
Building size	B7F ~ 20F	B4F~10F	B6F~36F	B6F ~ 24F

Business Overview

Global Business

Business in Vietnam

Vietnam, recognized for its robust growth as an emerging market, is actively nurturing key sectors like real estate and finance at the central governmental level. In alignment with this, we are making strategic entries into the Vietnamese real estate development sector, broadening our international footprint, and leveraging our domestic expertise in high-rise building operations and asset management to launch new ventures.

Following the acquisition of a 77.5% stake in LOTTE Center Hanoi in 2022, we established LOTTE P&D Vietnam and made inroads into the asset management market. Our proficiency was swiftly acknowledged as we secured facility management contracts for prominent entities such as LOTTE Center Hanoi, LOTTE Mall West Lake, and LOTTE Mall Aquarium, and comprehensive operational management for the Daewoo Starlake Apartment, thereby solidifying our market presence. Additionally, we manage the entire lifecycle from construction to operation for our co-working space brand, 'Workflex,' diversifying into areas like leasing management and interior design.

Looking ahead, we aim to elevate our standing in overseas markets, including Vietnam, by actively pursuing real estate management businesses with an aim to become a globally recognized, full-service real estate enterprise.



Vietnamese Facilities under Our Management



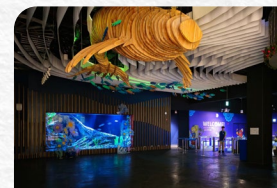
LOTTE Center Hanoi

- Operation: Facility management (FM)
- Area (pyeong): 59,904 (excluding hotels, department stores, and marts)
- Period: 2022 to present



LOTTE Mall West Lake

- Operation: Facility management (FM)
- Area (pyeong): 63,340 (excluding supermarket, aqua, cinema)
- Period: 2023 to present



LOTTE Mall West Lake Aquarium

- Operation: Facility management (FM)
- Area (pyeong): 2,750
- Period: 2023 to present



Daewoo Starlake City Apartment

- Operation: Comprehensive operation management (PM/FM)
- Area (pyeong): 70,550 (directly managed area)
- Period: 2023 to present

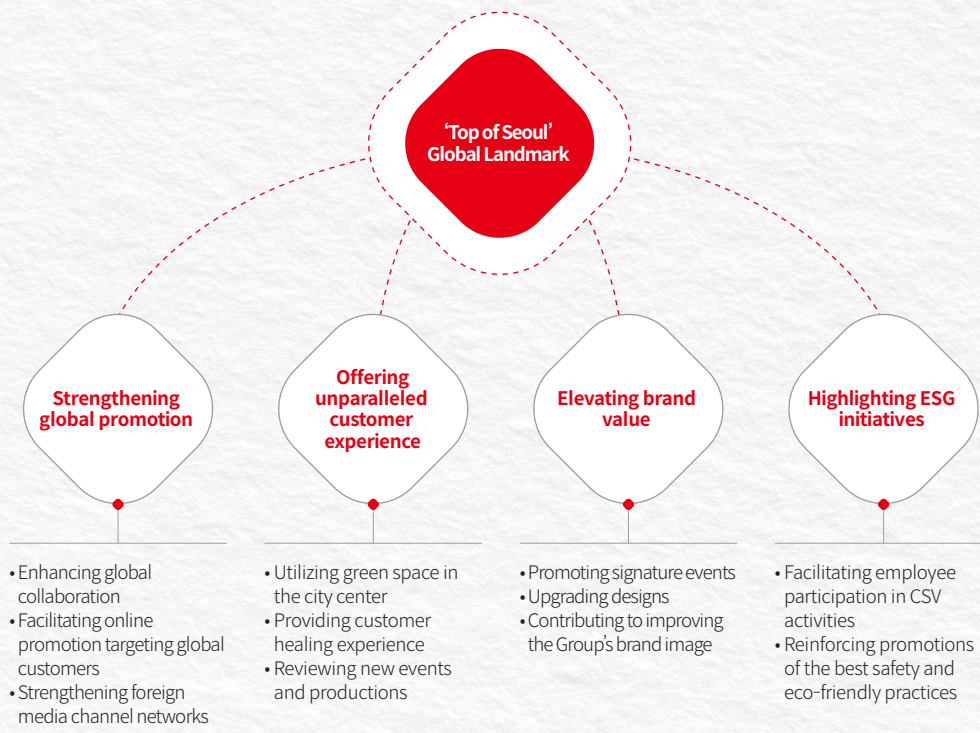
Business Overview

Elevating Brand Value

Marketing Strategy

LOTTE P&D has advanced its marketing strategies to engage with diverse stakeholders and raise customer value. To transcend our presence beyond Seoul, Korea and emerge as the premier global landmark, we are delivering unique customer experiences and elevating our brand's prestige, while also broadening our global outreach and ESG initiatives.

Our Marketing Strategy



CASE STUDY

• New Year's Countdown at LOTTE WORLD TOWER, First in the Northern Hemisphere

In 2023 and 2024, we hosted the first countdown event in the Northern hemisphere at LOTTE WORLD TOWER & MALL, elevating its recognition as a global icon. The event, themed 'LIGHT UP 2024,' sparked hope and joy, ushering in the New Year with a dazzling array of fireworks, lasers, and media facades. This year's countdown enhanced the spectacle, extending the production point to the top two floors of the tower apex. An 80-meter-long beam of light illuminated the sky for a full minute. Beginning with red to symbolize the fervor and aspirations of 2023, the display blended four colors, including blue to represent 2024, the Year of the Blue Dragon, creating a breathtaking harmony that drew awe from onlookers.



To ensure more customers could experience the event, we provided our own social media postings and sketch videos. Additionally, the event was broadcasted worldwide through CNN, showcasing the New Year's ambiance of major Asian cities, thereby enhancing the recognition of LOTTE WORLD TOWER as a global landmark. Our goal is to fortify the brand prestige of LOTTE WORLD TOWER & MALL as the quintessential edifice in the heart of Seoul and Korea, through a series of activities aimed at enhancing our brand's value.



Fireworks show and rainbow laser show during the New Year countdown event

Business Overview

Elevating Brand Value

Major Performance

LOTTE P&D is orchestrating a series of events and productions at LOTTE WORLD TOWER & MALL, aimed at continuously enhancing its stature as a distinguished global landmark.

We offer cultural experiences that delight both visitors and the local residents through 'Werther's Garden,' an outdoor garden embodying LOTTE's spirit, and collaborative endeavors like public art projects. We strive to attract visitors through seasonal visual merchandising (VM) and comprehensive multimedia productions. Notably, our Christmas VM production in 2023 captivated 350,000 guests on Christmas Day alone, marking an all-time high in daily visit count since LOTTE WORLD MALL's inception. We are cementing our status as a renowned destination in Jamsil and Songpa-gu by hosting events that serve the public good, including significant national celebrations. Moreover, we have broadened and enriched our events in the post-COVID-19 era. The New Year's Countdown in 2024, a signature event showcasing LOTTE WORLD TOWER's uniqueness, saw over 12,000 attendees, tripling the previous year's figures. The SKY RUN also witnessed record-breaking participation with over 2,000 runners. In synergy with local landmark, Seokchon Lake, we are organizing seasonal festivities, such as "LOTTA and Spring" in April, Aquathlon in July, and Summerest in August.

We also continue to actively engage with our customers to bolster our brand recognition. 'Top of Seoul' has taken strides to globally market LOTTE WORLD TOWER & MALL as a cultural emblem of Korea, by participating in the Vietnam Hanoi International Tourism Expo (VITM) and the International Tourism Expo Japan (TEJ), where we showcased tourism offerings linked to LOTTE WORLD TOWER. Furthermore, we leverage diverse social media platforms and webzines to spotlight attractions within and surrounding LOTTE WORLD TOWER & MALL, and advance customer convenience by consistently improving our business environments.



WERTHER'S GARDEN



CHRISTMAS VM



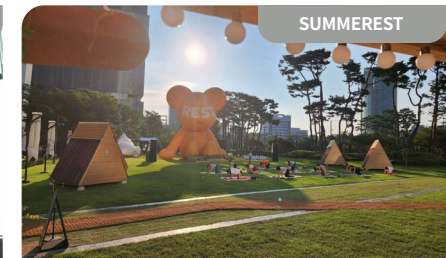
BELLYGOM



RUBBER DUCK PROJECT



SKY RUN



SUMMEREST

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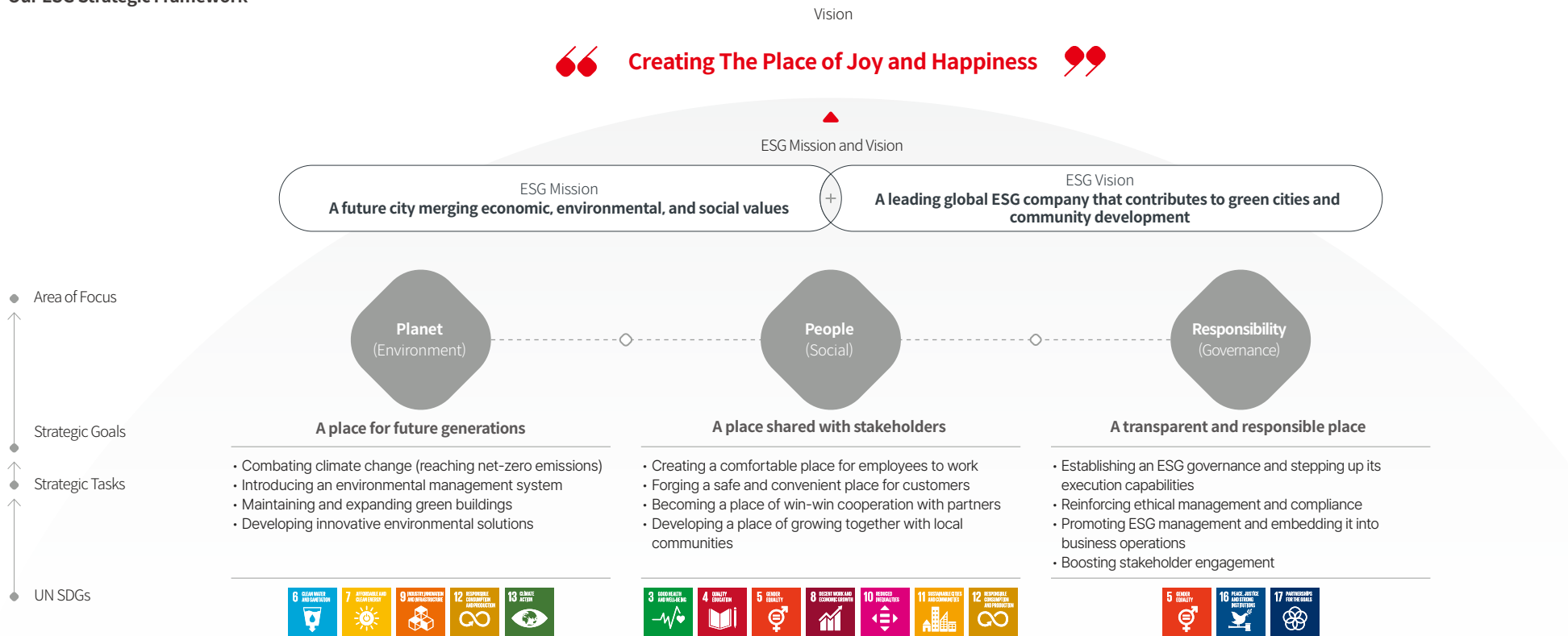
ESG Strategy and Management Framework

ESG Strategic Framework

ESG Strategy

Guided by our vision of 'Creating the Place of Joy and Happiness,' we, as a global real estate specialized firm, have formulated our ESG strategic framework. This framework is designed to create sustainable spaces and has been put into action. It includes three strategic goals for the environment (planet), society (people), and governance (responsibility), along with concrete tasks to achieve them. Our efforts are in full swing to accomplish these goals, contributing to the creation of sustainable, transparent, and responsible spaces.

Our ESG Strategic Framework



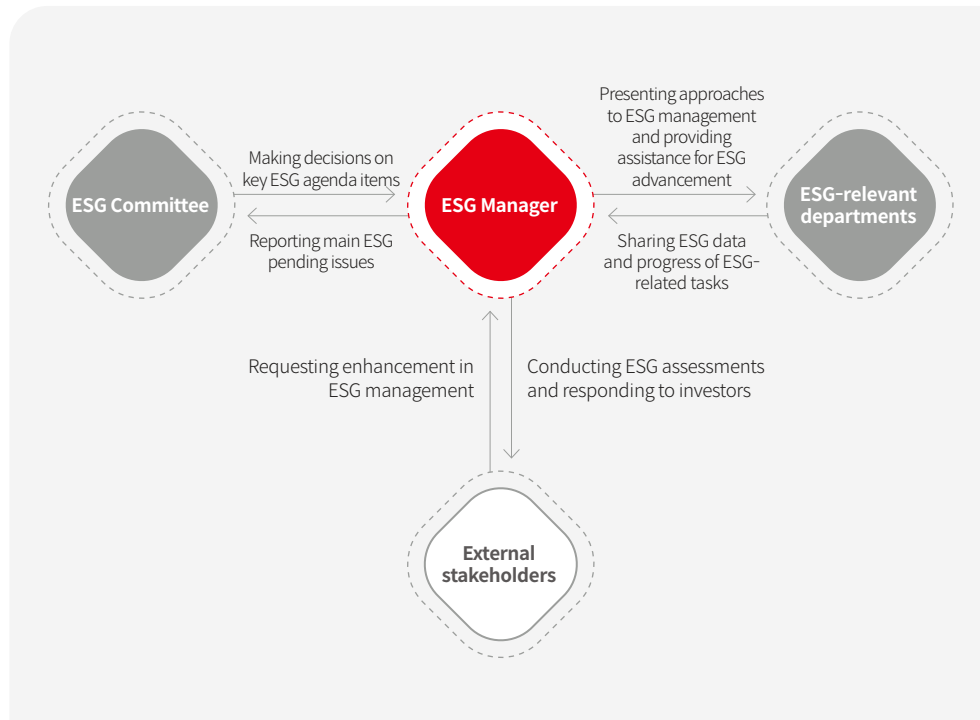
ESG Strategy and Management Framework

ESG Management Framework

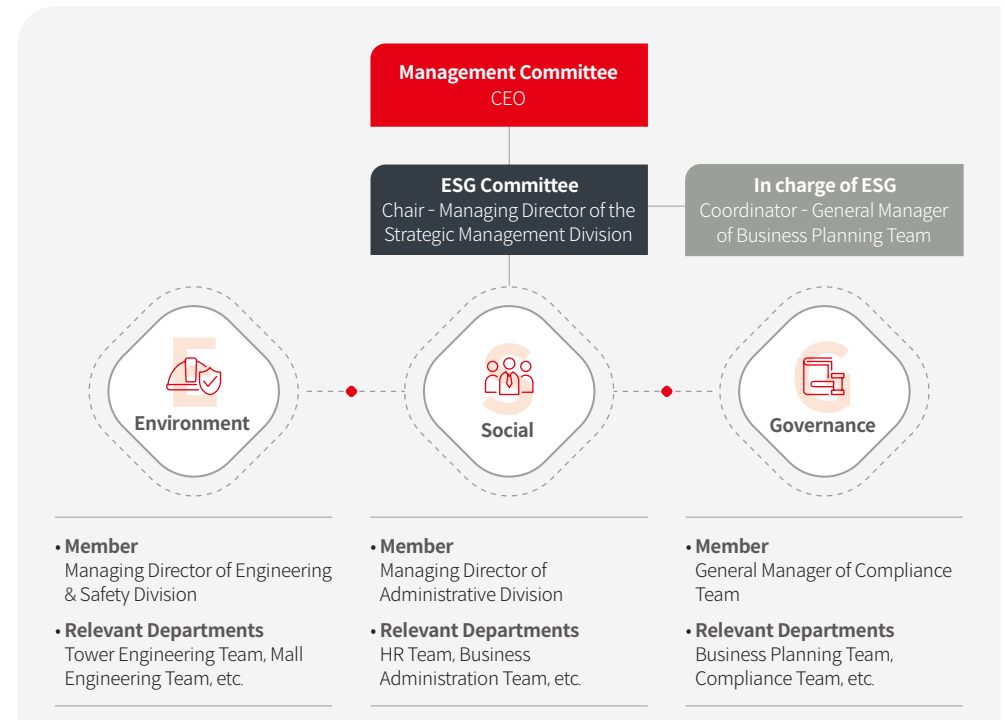
ESG Management System

The launch of an ESG Committee in September 2022 underscored our commitment to ESG management. This committee, organized under the Management Committee responsible for discussing key business agenda items and making decisions, is tasked with reviewing matters aimed at integrating ESG perspectives into business decision-making to fulfill our social responsibilities and enhancing the transparency of our governance for sustainable progress. The Managing Director of the Strategic Management Division, serving as the Chair, has been driving responsible management. The committee members include high-ranking position holders in the ESG sector and other relevant departments.

ESG Management Framework



Organizational Structure for ESG Management



ESG Strategy and Management Framework

ESG Management Framework

ESG Management System

The ESG Committee is responsible for reviewing key matters pertaining to ESG management and making decisions on them. Among these, the agenda items considered to have a critical impact on us are presented to the Management Committee. In the inaugural year of the committee, one meeting was held in 2022, followed by two meetings held in 2023. In the coming years, we plan to strengthen the function of the committee through the constant identification of agenda items and increased discussion.

Additionally, matters that require decision-making at a higher level, such as the establishment of company-wide regulations and policies, or amendments to operational regulations, are decided by the Board of Directors (BOD). In 2023, the Regulations on Human Rights Management were formulated through a resolution at the board.

Agenda Items for ESG Committee Deliberation

- 1 Formulation of ESG policies and strategies
- 2 Identification and evaluation of key ESG tasks
- 3 Issuance of ESG bonds
- 4 Selection and assessment of ESG projects
- 5 Publication of the sustainability report
- 6 Other key matters pertaining to ESG management

ESG Committee Operations

Year	No. of meetings	Agenda items
2022	1	• Selection of key ESG tasks for 2023
2023	2	• Reports on environmental indicator management
		• Publication of the 2023 Sustainability Report

INTERVIEW

We strive to evolve into a company that excels in ESG management.

I am responsible for ESG management as part of the strategic planning affairs at the Business Planning Team. Specifically, my primary role involves closely communicating with a wide range of stakeholders, including responsible departments, identifying main ESG tasks, and providing assistance in achieving our goals. Having taken on company-wide ESG affairs, I've come to realize that sustainability encompasses the company, its employees, and myself.

In pursuit of thorough examination and dialogue on ESG issues, LOTTE P&D has instituted an ESG Committee. Despite not being bound by ESG disclosure regulations, we've established a robust foundation for superior ESG management through the development of an ESG data disclosure management system. As we move forward, our commitment to executing ESG management in a way that allows stakeholders to witness tangible changes remains unwavering. And I am dedicated to contributing to this endeavor.

- Assistant, Na Seong-chang, Business Planning Team, LOTTE P&D

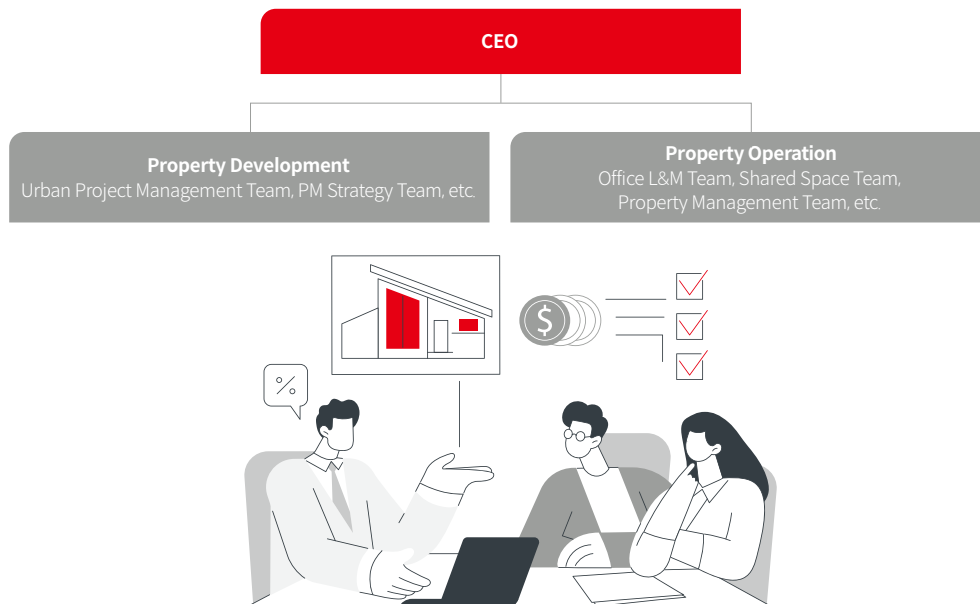
Issue 1. Scale Up Sustainable Business

System for Sustainable Property Development and Management

Property Development and Management System

Governance

With the objective to create synergy effects, LOTTE P&D has expanded the roles of business development and operation organizations, and also divided their functions among different organizations in pursuit of sustainable property development. Specifically, the organizations responsible for business development, including the Urban Project Management Team and PM Strategy Team, undertake the task of future-oriented space development, considering the appropriateness of the location, environmental aspects, interactions with the surroundings, and the application of future technologies. Meanwhile, business operation organizations, such as the Office L&M Team and Shared Space Team, work towards gradually improving the efficiency of developed real estate management.



Our Approach to Property Development and Management

Strategy

In recent years, we have been witnessing the tangible impact of climate change, which has accelerated the shift towards eco-friendly real estate and sustainable development. In alignment with the Paris Agreement, key countries, including Korea, have tightened regulations regarding zero-energy buildings and building energy efficiency as part of their efforts to mitigate carbon emissions. The same trend is observed in the private sector, with financial institutions and investors considering various sustainable elements, such as corporate carbon emissions, energy efficiency, and engagement in local communities, when making their investment decisions.

Against this backdrop, leading firms in the property development and management sector view sustainability not as a separate issue, but as a critical factor directly tied to their corporate mission, business strategies, long-term profitability, and risk management.

In recognition of the significance of integrating sustainable management into our business, or in other words, ESG management, LOTTE P&D has made multifaceted efforts for sustainable real estate development and management. Our focus areas include property development with consideration for environmental aspects, property management that ensures improved energy efficiency and reduced carbon emissions, and the design of spaces that put residents and customers at the heart of our considerations.

Our ESG Efforts towards Sustainable Property Development and Management

Strategy	Achievements	Future Plans
<ol style="list-style-type: none"> Property development with consideration for environmental aspects Property management that ensures improved energy efficiency and reduced carbon emissions Design of spaces that put residents and customers at the heart of our considerations 	<ul style="list-style-type: none"> LEED Gold-certified LOTTE WORLD TOWER (2017) Constant management of eco-friendly certified buildings, such as Euljiro Signature Tower and Gangnam N Tower Tailored design of a build-to-suit logistics center in Ansong and application (construction began in Nov. 2023) 	<ul style="list-style-type: none"> Expansion of the scope of buildings certified for energy efficiency, such as G-SEED when embarking on a new business Constant management of energy efficiency and environmental pollution mitigation for cleaner and safer building management Build-to-suit development and application according to the leasing demand from the Group companies

Issue 1. Scale Up Sustainable Business

Building Sustainably

Green Building Expansion

LOTTE P&D is committed to developing sustainable buildings that minimize environmental impact from our business operations and foster coexistence with stakeholders. A prime example of this commitment is the LOTTE WORLD TOWER, which became the first building with more than 100 floors to be certified with a LEED Gold, a global certification for eco-friendly buildings, when it opened in 2017. LEED certification assesses buildings across nine categories, including location, transportation, sustainable land use, water resource efficiency, energy, and atmospheric environment. LOTTE WORLD TOWER has achieved a LEED gold, recognized for its eco-friendly power generation equipment and energy efficiency, which were incorporated from the design stage itself. In addition to the LEED certification, it has also acquired domestic certifications for Green Standard for Energy and Environmental Design(G-SEED) and Building Energy Efficiency Rating.

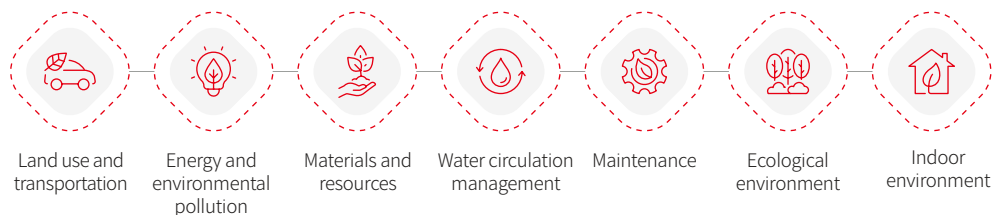
Furthermore, we will ensure that sustainability is incorporated into all stages of our business, from design to the acquisition of third-party verification for eco-friendliness, when we embark on a property development project. To this end, we plan to expand the acquisition of third-party verification that assesses environmental elements from building design to disposal. This includes certifications such as 'Green Standard for Energy and Environmental Design(G-SEED)' and 'Building Energy Efficiency Rating,' when we undertake a project for new development of residential and commercial areas in downtowns. By ensuring the incorporation of diverse environmental impacts, such as GHGs, energy, resources, and air quality, into our business, we will make sure our management of sustainable buildings that can benefit future generations.

Strategy

Recognized Certifications for LOTTE WORLD TOWER



Evaluation Criteria for Green Standard for Energy and Environmental Design(G-SEED)



Embedding Eco-Friendliness in Building Design

Risk Management

The LOTTE WORLD TOWER & MALL mitigate potential environmental risks by integrating eco-friendliness into their building facilities and materials and considering for harmony with their surroundings and local communities.

Earth-friendly Aspects of LOTTE WORLD TOWER & MALL

Category	Details
Land use and transportation	<ul style="list-style-type: none"> Installing charging infrastructure for electric vehicles and bicycle storage facilities to stimulate the use of greener modes of transportation Installing an underground metropolitan transfer center to facilitate the use of public transportation, through which it reduces the use of fossil fuels and air pollutants
Energy	<ul style="list-style-type: none"> Lowering energy consumption through passive elements such as insulation of the building envelope and solar shading coefficient of the glazing Utilizing high-efficiency equipment, energy-saving control, heat exchanging for ventilation systems to lessen heating and cooling load, and LED lightings, and optimizing energy use through autonomous control
Materials and indoor environment	<ul style="list-style-type: none"> Recycling byproducts generated from construction to minimize construction waste Using environmentally friendly products to achieve the use of low-carbon materials and enhance users' satisfaction with the indoor environment
Water circulation and maintenance	<ul style="list-style-type: none"> Equipping buildings with permeable pavement and rainwater infiltration facilities to reduce the load of rainwater and secure groundwater Installing stormwater retention tanks and tanks for reclaimed water to recycle water and using water-saving devices to reduce water usage
Ecological environment	<ul style="list-style-type: none"> Creating a green space and connecting the space with the existing ecological environment Securing areas for nature circulation within the land to enhance ecological functions and complement structures prone to natural disasters

Issue 1. Scale Up Sustainable Business

Building Sustainably

Sustainability in Portfolio

Metrics & Targets

In collaboration with building owners, tenants, and local communities, LOTTE P&D has contributed to the sustainability of buildings within its asset management scope. To meet the growing demand from stakeholders for sustainable buildings, we will strive to incorporate relevant elements into our asset management approach and activities.

Euljiro Signature Tower

The Signature Tower has obtained GRESB 5 Stars and LEED Platinum Certification. In line with the efforts of landlords, LOTTE P&D, responsible for Project Management (PM), carries out activities to improve both the interior and exterior of the buildings through constant communication with tenants (lease companies) and provides the necessary assistance.

As the asset manager, we monitor the air environment, waste generation, and energy consumption of the building. We focus on the constant management of lighting, temperature adjustment, and water and indoor air quality for the health of our tenants. In addition, we regularly survey our tenants on their satisfaction in terms of building comfort and facilities. By incorporating their opinions, we aim to elevate their satisfaction to a higher level.

LOTTE Chemical Uiwang

In Uiwang, where our R&D Center is located, we have collaborated with the local community to conduct private-public joint emergency drills, aiming to prepare for potential disasters. In addition to these drills, we have engaged in various activities that have resulted in increased safety awareness and the establishment of a safe working environment. These activities include receiving an award from the governor in a contest for firefighting safety management capabilities, as well as a prize from the Fire Commissioner.

Furthermore, we have secured international standard certifications such as ISO 14001 (Environmental Management System), ISO 45001 (Occupational Safety and Health Management System), and ISO 50001 (Energy Management System). These certifications bear witness to our commitment to integrated management, which encompasses environmental sustainability, structured safety and health management, and improved energy efficiency. In collaboration with our partners, we have standardized beautification and safety through the CIMS certification issued by the Worldwide Cleaning Industry Association, which has culminated in enhanced building maintenance and elevated levels of customer satisfaction.

Gangnam N Tower

The Gangnam N Tower achieved LEED Gold certification in 2023 and the highest rating in Green Standard for Energy and Environmental Design, along with a 1+ grade in the Building Energy Efficiency Rating.

LOTTE P&D has consistently contributed to the acquisition of these certifications, with a particular focus on energy efficiency and reducing indoor environmental pollution.

Furthermore, we are making every effort to create a pleasant working environment for our tenants. This includes various activities such as setting up a Christmas tree and installing air fresheners in the lobby, all aimed at enhancing the sustainability and image of the building.

Issue 2. Climate Action

Governance

Climate Action Management System

Governance

The ESG Committee plays a central role in making decisions on climate action strategies and activities. This committee, which operates under the Management Committee, is responsible for making key decisions regarding ESG-related matters. In August 2023, at the inaugural meeting, the committee reviewed our approach to ESG management and decided on the measures needed to achieve the goal, along with the need for a climate action management system. The ESG manager takes on the roles of identifying emerging issues associated with climate change in collaboration with the Mall Engineering Team. They also present a company-wide practical approach based on the key data provided, including the one concerning the development of tasks. In addition, the manager responds to demands from stakeholders, such as improvements in management, responses to assessments, and data disclosure.

ESG Committee's Climate Action

Date	Agenda Item	Details	Personality
August 30, 2023	Environmental indicator management	<ul style="list-style-type: none"> Implementation of the Group's environmental indicator management Status of energy use Status of environmental indicator management (energy, water, waste, water quality, and air) 	Reported

Carbon Neutrality Tied to KPIs

To enhance the effectiveness of the climate change response system, LOTTE P&D has formulated and implemented related KPIs. These KPIs are used to verify if the management of climate-related issues, risks, and opportunities is on track. The reporting frequency of climate action and the agenda items subject to report to the ESG Committee are incorporated into these KPIs. Furthermore, actual reductions, such as GHG reductions and carbon intensity, are also linked with KPIs, which is part of our efforts to attain our roadmap towards carbon neutrality.

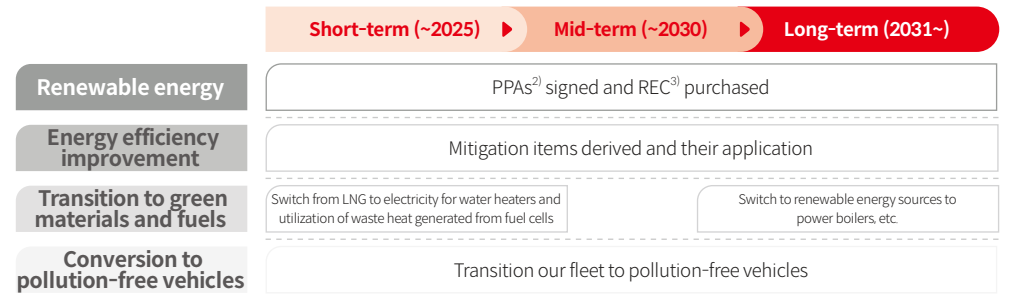
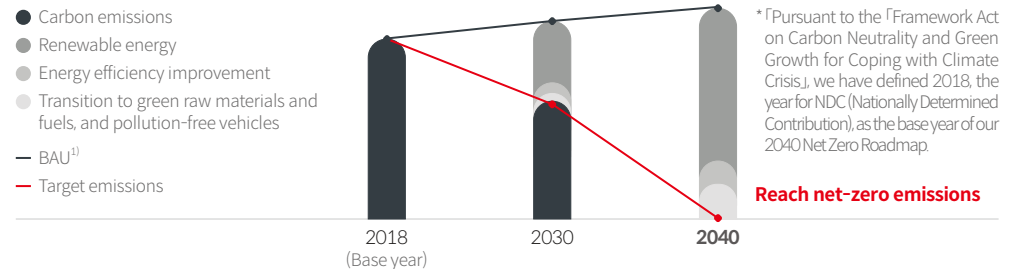
Strategy

Strategy to Reach Net Zero Emissions

Strategy

LOTTE P&D has developed a strategy with the purpose of effectively responding to climate change. Specifically, to achieve our goal to reach zero emissions of Scope 1 and 2 from our business operations, we are concentrating our efforts on improving building energy efficiency, transitioning to green fuels and materials, and utilizing renewable energy sources. Through these combined efforts, we aim to reduce our GHG emissions by 35% by 2030 compared to the levels of 2018.

2040 Roadmap for Net Zero and Implementation Strategies



1) Business As Usual: This refers to estimated GHG emissions at the current speed, assuming that there are no additional efforts for reduction
 2) Power Purchase Agreement: This refers to an agreement on the sale of power at the price and period agreed upon by both the power consumer and generator
 3) Renewable Energy Certificates: These refer to certifications that verify energy supply through renewable energy facilities.

Issue 2. Climate Action

Risk Management

Climate-related Risk Management

Risk Management

We are witnessing an intensifying frequency and severity of physical damage posed by climate change, such as extreme weather, global warming, and sea level rises. These changes have escalated the adverse impact derived from climate crisis. In response, LOTTE P&D identifies the impact on its business and carries out multiple activities to address them effectively.

As part of this effort, we have a step-by-step roadmap that guides us in managing climate risks in a systematic manner. For the first phase, we have created a list of main climate risks that require our management, considering the geographical and technological properties of our assets, and the demands from our key stakeholders, including investors and customers. Along the way, we have classified risks into several types including transition risks posed by policy and legal, technology, and market changes in the course of transitioning to a low-carbon economy, as well as physical risks incurred by acute or long-term changes (chronic) stemming from climate change. On the basis of this classification, we have reviewed their impact on our business. In the coming years, we will quantitatively measure the probability of risks by type and their financial impact and incorporate them into our business plans and strategies for constant management.

Climate-related Risks and Our Responses

Category	Key Risks	Financial Impacts	Our Responses	
Physical Risks	Acute	<ul style="list-style-type: none"> Soaring weather anomalies such as floods, droughts, scorching heat, typhoons, and strong winds 	<ul style="list-style-type: none"> Increasing costs incurred by damaged assets and equipment Rising costs for real estate repair and maintenance Rising insurance premiums arising from extreme weather events 	<ul style="list-style-type: none"> Constant management of building facilities and services, seismic design, and monitoring in preparation for potential physical risks
	Chronic	<ul style="list-style-type: none"> Escalating extreme climate fluctuations such as rising average temperatures and changing precipitation patterns 	<ul style="list-style-type: none"> Increasing operational costs stemming from growing demand for heating and cooling Early depreciation of our own assets such as damage to the value of assets located in high-risk regions Mounting costs for asset development such as energy efficiency facilities 	<ul style="list-style-type: none"> Incorporating climate risks when reviewing the feasibility of business before undertaking new investments and development projects Conducting inspections on the level of water stress for our key business sites
Transition Risks	Policy and legal	<ul style="list-style-type: none"> Tightening regulations in the construction sector, such as those for net-zero buildings Strengthening the responsibility for GHG management as a company subject to the Emission Trading System 	<ul style="list-style-type: none"> Rising costs for carbon credit procurement Increasing operational costs incurred by a more stringent duty for GHG emission data disclosure Increasing costs for compliance with pertinent regulations 	<ul style="list-style-type: none"> Pursuit of the development of sustainable buildings and properties, such as acquiring green building certifications Investments in the expansion of renewable energy use
	Technology	<ul style="list-style-type: none"> Service replacement in line with the transition to a low-carbon economy Investments in facilities to make building low-carbon and high-efficient 	<ul style="list-style-type: none"> Asset early depreciation owing to decreasing demand for the existing assets Increasing R&D costs stemming from the transition to low-carbon technology 	
	Market	<ul style="list-style-type: none"> Growing demand for emissions mitigation from tenants Imbalance between the supply and demand of raw materials and energy 	<ul style="list-style-type: none"> Decreases in sales derived from declining demand Increasing resource costs, such as water and energy 	<ul style="list-style-type: none"> Introduction of a mitigation process based on environmental management procedures Facilitating communication with external stakeholders regarding ESG
	Reputation	<ul style="list-style-type: none"> Intensifying demand for achieving climate targets of the business portfolio from investors and the public 	<ul style="list-style-type: none"> Increasing costs for capital procurement Growing operational costs to improve stakeholder awareness 	

Issue 2. Climate Action

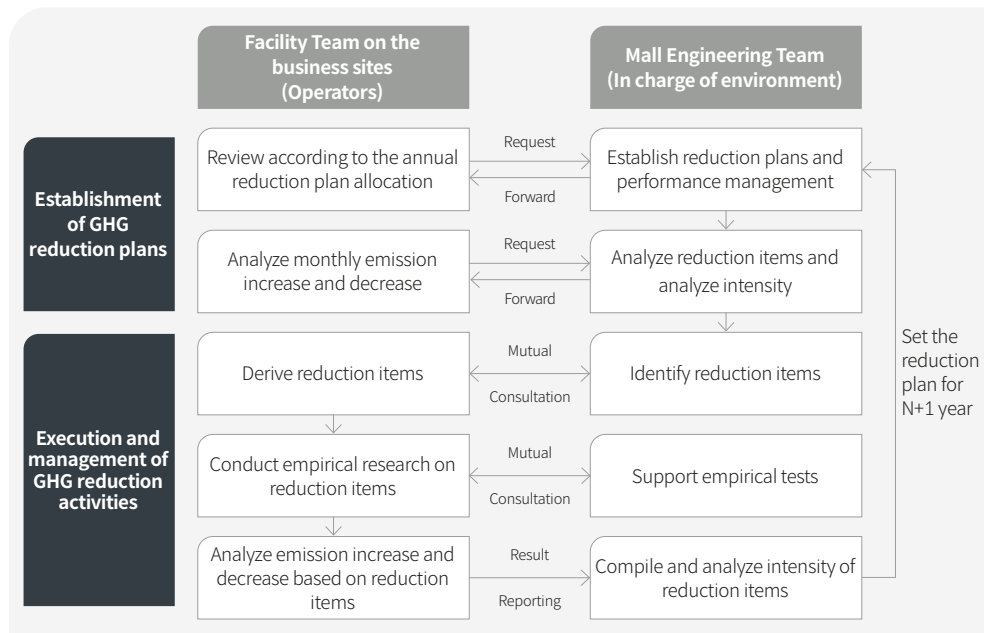
Risk Management

Climate-related Risk Management Process

Metrics & Targets

In response to climate risks, LOTTE P&D strategically manages GHG emissions, energy consumption, waste generation, and water use based on our environmental management procedures. Guided by our roadmap to achieve net-zero emissions by 2040, we quantitatively monitor our reduction plans on an annual basis through the LOTTE Group common system. The Mall Engineering Team, responsible for environmental management, closely analyzes the causes for any increase or decrease in environmental data, such as GHG emissions on a monthly and quality basis by each operator. Following this, cooperation among relevant departments and operators is established to integrate the results into their mid- to long-term GHG mitigation plans. In addition, multifaceted efforts have been made according to the process for implementing GHG reduction measures. We plan to step up our efforts in the mid- to long-term.

Implementation Process and Activities Based on GHG Reduction Plan



• Details of GHG Emissions Reduction Activities

(Unit : tCO₂eq)

Year	Activities	Investment performance (KRW million)	Yearly reduction performance
2022	Enhanced light load refrigerator heat exchangers	30	15.47
	Optimized podium outdoor air-cooling systems	81	72.93
	Installed tower coolant pump inverters	115	192.91
	Upgraded heat exchanger heat pipes	95	67.82
2023	Replaced lighting to high-efficiency LED for landscape, exterior street, and underpass areas	1,404	32.76
	Optimized rear facility air conditioning operations	-	31.91
	Adjusted office ventilation rates	-	93.09
	Conducted improvement projects for domestic hot water heat sources	183	62.31

Issue 2. Climate Action

GHG Target Management

GHG Monitoring

As an entity regulated by the Emission Trading System, LOTTE P&D manages its GHG emissions and energy consumption through the National GHGs Management System (NGMS). Mall Engineering Team, our specialized organization, annually gathers and analyzes GHG and energy data from properties managed by us, including Workflex Yeoksam and our headquarters office. While collecting data, we monitor the actual performance against the set reduction targets for each building.

In addition, we are actively collaborating with local authorities to further reduce GHG emissions within the community. In 2021, we signed the Monitoring GHG in Seoul and Research MOU, building a collaborative system for GHG research with the National Institute of Meteorological Sciences, the Seoul Research Institute of Public Health and Environment and Yonsei University. Currently, we are validating the data collected by the GHG measuring device at LOTTE WORLD TOWER. Once verified, this data will contribute to the GHG mapping project in Seoul.



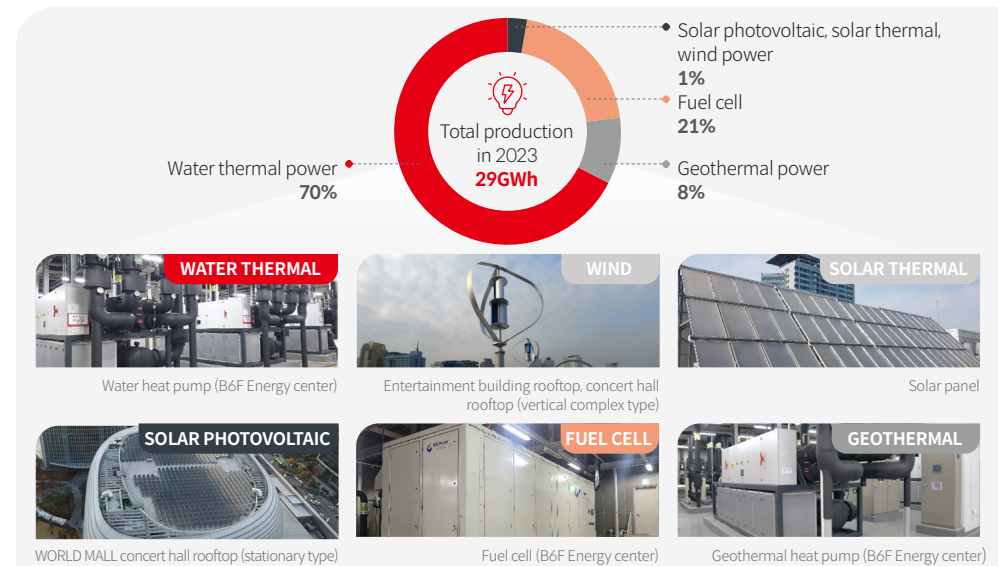
GHG measuring device at LOTTE WORLD TOWER

Energy Consumption and Conversion to New and Renewable Energy

Metrics & Targets

We have applied a variety of facilities and design features to enhance the energy efficiency, thereby systematically controlling the energy consumption of LOTTE WORLD TOWER & MALL. Besides, we are intensifying our shift towards renewable energy by employing power generation facilities like solar panels and fuel cells, along with hydrothermal and geothermal systems for heating and cooling. Consequently, our production of new and renewable energy has seen an increase of 8GWh from the previous year, rising from 21GWh in 2022 (12.6% of our total energy usage) to 29GWh¹ in 2023 (18.4% of our total energy usage).

New and Renewable Energy Use by Type in 2023



1) The quantity equates to the annual usage of about 8,200 households in Seoul (Average household electricity consumption of 296 kWh per month in 2022, source: Seoul Energy Information)

Issue 3. Safety and Health

Safety and Health System

Safety and Health Governance

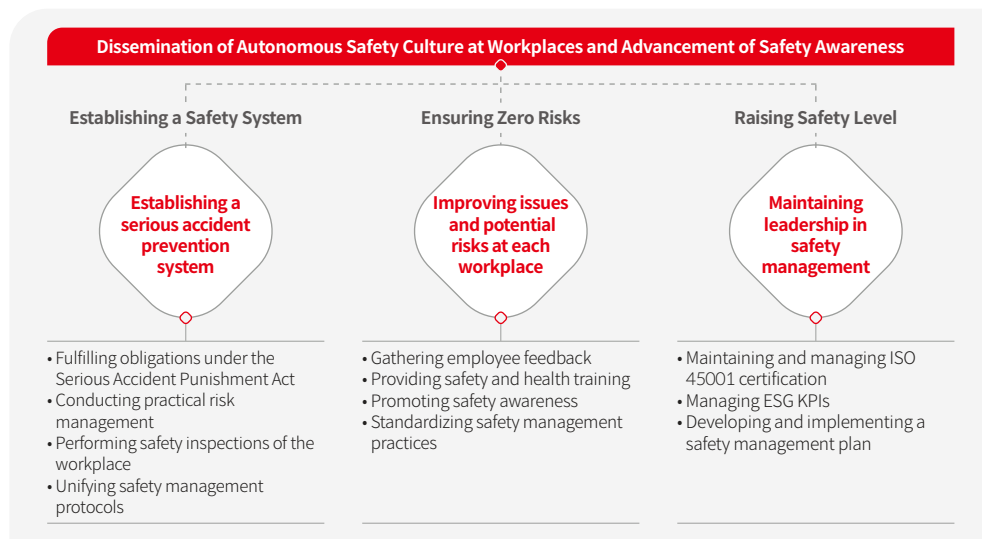
Governance

To reinforce our safety and health management in line with the 2022 Serious Accident Punishment Act, we formed Safety Management Team, which is a specialized team under the Fire Prevention and Safety Office directly under the CEO. Despite not being mandated to create such an organization by the Act's enforcement, our proactive establishment of this team underscores our firm will to fostering a safe and pleasant work environment.

Dedicated Organization for Safety and Health

Safety Management Team is a dedicated organization established to bolster the implementation of our safety and health management, being responsible for creating a robust accident prevention system that nurtures an independent culture of safety and elevates safety consciousness within the workplace. The team proactively identifies potential issues and risks across each work environment, providing comprehensive oversight of our occupational safety and health measures.

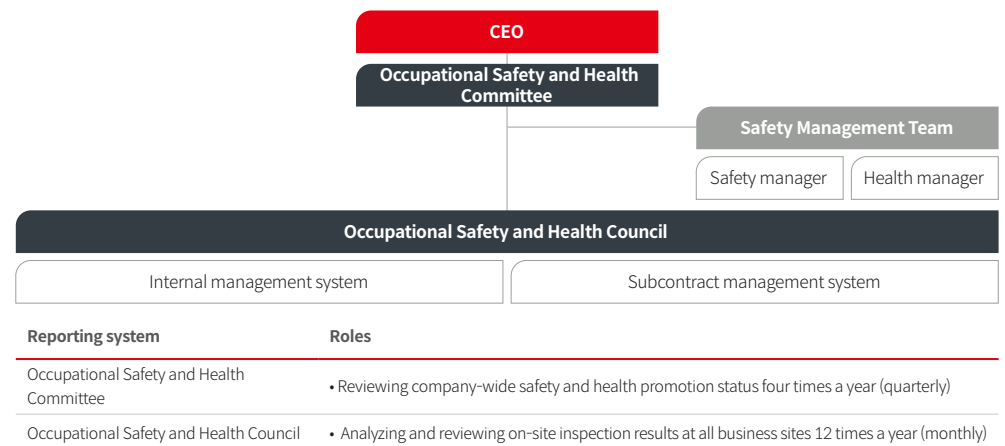
Key Initiatives for Safety Management



Occupational Safety and Health Council and Occupational Safety and Health Committee

We operate monthly Occupational Safety and Health Council meetings, focusing on our safety and health workforce who manage 14 business sites, including LOTTE WORLD TOWER & MALL. This council serves as a platform to reflect opinions of employees working in safety and health sector and to address managerial and legal aspects of disaster prevention. The Occupational Safety and Health Committee, comprising an equal representation of labor and management and including the CEO, convenes quarterly meetings to deliberate and make decisions on safety and health agendas. Key agenda items are communicated via the occupational safety and health bulletin board on our portal, ensuring all members are informed and internalized with a culture of safety.

Safety and Health Structural System



Issue 3. Safety and Health

Safety and Health System

Safety and Health Management Policy

LOTTE P&D prioritizes the lives and safety of citizens and employees above all else in its management practices. We are committed to establishing a sustainable foundation for safety and health through diligent responsibility and proactive obligation fulfillment. Our policy for safety and health management, aimed at achieving zero accidents, is outlined below.

Safety and Health Management Policy

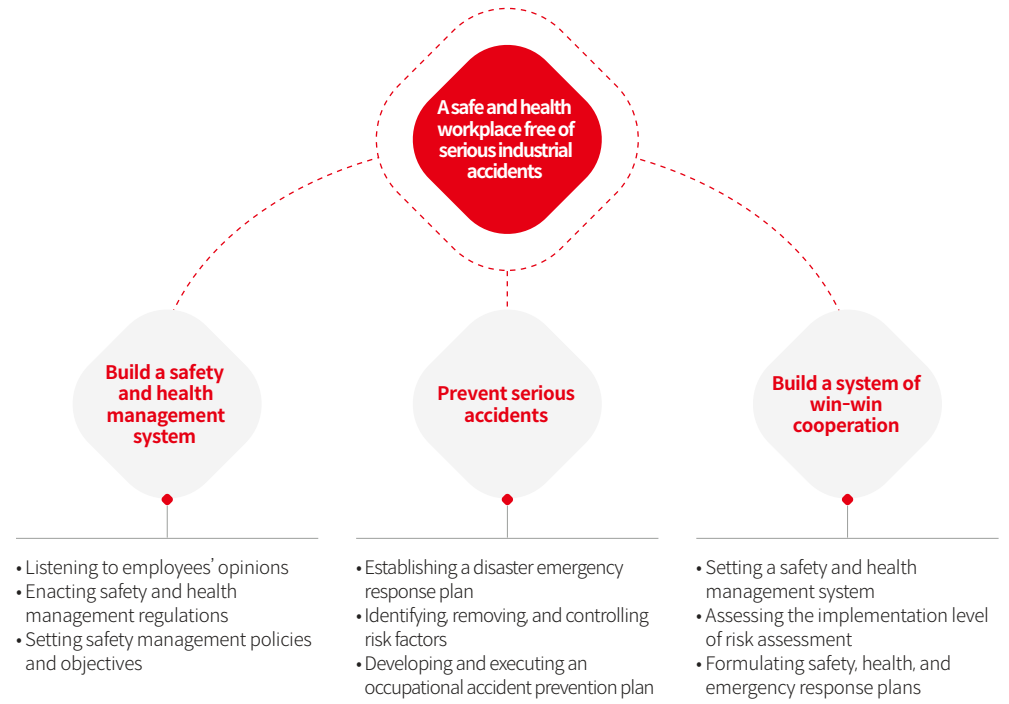
- 1 The company will create a safe and healthy workplace by establishing a culture of safety wherein all members, including workers, practice the basic principles of safety and are compliant with laws and regulations.
- 2 The company will build a safety and health management system, implement and inspect it, and continue to develop it with the goal of securing the health and safety of customers and workers.
- 3 The company will set up safety and health goals and performs systematic safety and health education and training in order to achieve these goals.
- 4 The company will continue to promote safety and health incident and accident prevention activities with the goal of predicting and managing plausible dangers in advance.
- 5 The company will strengthen a system of win-win cooperation in contracting, service and commissioning relationships and fulfill its responsibilities and roles toward improving labor environments and reducing industrial accidents.
- 6 The company guarantees the participation of and consultation with workers with regard to safety accident prevention and establishing improvement measures. The company discloses the present policy to fulfill a transparent safety and health management.

Safety and Health Management Strategy

Strategy

We acknowledge our pivotal role in the development and management of significant landmarks in Korea and overseas. With a goal for ‘a safe and health workplace free of serious industrial accidents,’ we have established and faithfully carried out strategies and key tasks.

Safety and Health Goals and Strategies



ISSUE 3

Issue 3. Safety and Health

Workplace Safety and Health Activities

ISO 45001 Certification

In 2023, we obtained the ISO 45001 certification for our building asset management and facility maintenance services with an aim to systematically fulfill our responsibilities for the safety and health of workers.

Our safety and health management system extends beyond our employees to include workers of contractors and suppliers at LOTTE WORLD TOWER & MALL. We will continuously improve our safety and health management practices, which involve updating internal manuals with post-certification procedures and guidelines, auditing the adherence to these systems, training internal auditors, and maintaining certification through post-inspection.

Safety and Health Risk Analysis and Management

Risk Management

We have established a workplace safety and health system encompassing our entire supply chain, including asset management workplaces and partner companies, as well as our LOTTE WORLD TOWER & MALL and continuously manage and enhance this system.

Workplace safety and health issues have seen a consistent annual reduction of over 30%, with 100% of identified deficiencies being fully addressed. In recognition of these efforts, the Seoul Eastern Branch of the Ministry of Employment and Labor honored us as an 'excellent safety and health system workplace' in 2022. In addition, we received the Fire Service Commissioner's Award at the 2023 Korea Safety Awards.

Workplace Inspection Results (Average number of risks each year)



Workplace Risk Assessment

With an aim to identify workplace hazards and mitigate potential risks, we conduct regular and non-scheduled evaluations of risk factors across all work processes, including mechanical, electrical, thermal, and emergency scenarios.

Regular evaluations are performed semi-annually, with risk assessments and subsequent improvements reported directly to the manager. We carry out non-scheduled evaluations on routine tasks, ensuring that risk assessment results are included with work applications. This process has been formalized to require the approval of the supervising authority. Furthermore, we simultaneously employ both the established frequency and intensity method and a checklist-based approach for risk assessments to minimize disparities in risk assessment among workers, which ensures a comprehensive and consistent evaluation of workplace risks.



ISO 45001 Certificate

Issue 3. Safety and Health

Workplace Safety and Health Activities

Embedding Workplace Safety Culture

Workplace Safety Inspection and Support

We conduct semi-annual reviews of safety and health protocols, as well as the Serious Accident Punishment Act, to guarantee our steadfast compliance with legal safety management duties under pertinent laws and regulations. We carry out health measures for workers at all workplaces, adhering to the Occupational Safety and Health Act while performing weekly checks to ensure adherence to facility management standards and operation safety regulations.

With an aim to identify and mitigate risks encountered by on-site workers, we carry out a biannual worker risk survey, which assesses risk factors for each process and uncovers instances of near misses that workers have actually faced, pinpointing the three primary types of accidents (falls, entrapments, collisions). The analysis results are reflected in our risk assessments, and we proactively prevent the recurrence of such incidents by conducting thorough training for employees across all business sites.



Workplace safety inspection



Safety Whistleblowing System and Reward System

Our online safety whistleblowing system is operational around the clock, every day of the year, enabling all stakeholders, from workers at the sites to the general public, to submit safety concerns. Upon receipt, these issues are promptly reported to the respective site managers and safety personnel for immediate action and improvement. Progress updates are relayed back to the informant.

To raise safety consciousness and foster a culture of safety among all employees and partner company personnel, we introduced a safety reporting reward program in 2023, recognizing exemplary practices. In 2024, we enhanced the access of the safety whistleblowing by utilizing a QR code system on kiosks, streamlining the process for various stakeholders, including tenant companies and employees within LOTTE WORLD TOWER, facilitating their suggestions for safety enhancements.



Reward for excellent safety reporting in 2023



Safety whistleblowing system QR

Issue 3. Safety and Health

Safety and Health Activities for Employees

Safety and Health Education and Training

LOTTE P&D has set up a variety of safety and health education programs every year and provided them in order to internalize safety and health management.

We offer quarterly safety training and annual disaster preparedness sessions for all employees. Tailored to the needs of high-rise environments, we exceed legal requirements (once a year) by conducting fire drills 48 times a year, including bi-monthly drills and emergency response team exercises. We also collaborate with the local fire department for specialized training in fire control and emergency rescue. To further mitigate the risk of major incidents, we run annual joint public-private exercises to elevate our employees' safety awareness.

The Safety Management Team, our dedicated organization for safety and health, identifies individuals requiring extra training, such as construction project managers or those engaged in dangerous tasks, for safety instruction. This training, which covers various themes including risk evaluation, response to flood and wind damage, and adherence to work safety regulations tailored to each stage, is provided during site evaluations. With an aim to prevent reoccurrence of similar accidents and bolster the safety management proficiency of our operational staff, we circulate compilations of accident cases and safety newsletters throughout all business sites. We also regularly update our standard operating procedures and publish operational work safety manuals to sharpen the safety management capabilities of on-site personnel.



Safety and health education and training

Health Management System for Employees

We carry out health promotion and work environment enhancement activities to safeguard our employees' health. We support actual medical expenses insurance and health check-ups, along with provide psychological counseling services when necessary for all employees.

If an employee is diagnosed with a musculoskeletal disorder resulting from strenuous activities like repetitive tasks, improper posture, or excessive force, we ensure they receive suitable care and treatment support with preventive measures. In cases where multiple musculoskeletal conditions arise concurrently, we initiate a risk factor analysis and convene the Occupational Safety and Health Committee meeting to implement necessary actions and enhance facilities.

Employees are assured to access to occupational health care services and health promotion programs, and they can use the services and programs during work hours as needed.

Employee Health Management Programs

Category	Details
Health check-up for all employees	<ul style="list-style-type: none"> • Yearly checkups for executives • Yearly checkups for S Grade or those aged 40 and above, KRW 250,000 support (additional support for spouses in even-numbered years) • Checkup every 2 years for M Grade or those aged under 40, KRW 50,000 support • Yearly checkups for expatriates, KRW 300,000 support (including mandatory brain CT scan)
Group insurance subscription for all employees	<ul style="list-style-type: none"> • KRW 80 million to KRW 150 million in case of death or aftereffects of disability • KRW 20 million to KRW 50 million for death from disease and severe disability • Up to KRW 20 million when diagnosed with acute myocardial infarction • Up to KRW 10 million when diagnosed with cancer or stroke • KRW 200,000 per case for an outpatient visit (total limit of KRW 30 million/year) • Special coverage for extended pregnancy and childbirth
Psychological counseling	<ul style="list-style-type: none"> • Counseling services for all employees and their families (5 times a year)
Occupational environment improvements	<ul style="list-style-type: none"> • Measuring hazard and risk factors in the working environment and investigating risks for the musculoskeletal system

Issue 3. Safety and Health

Safety and Health Activities for Suppliers

Establishing Supply Chain Safety Management System

Supplier Safety Evaluation

We have set up evaluation criteria and protocols to safeguard our partner companies' safety and health, aiming for a voluntary and progressive enhancement of their safety standards.

We mitigate potential safety and health hazards in advance by awarding extra bid points to partner companies who demonstrate superior disaster prevention capabilities and safety and health practices. Beyond the initial assessment during the bidding process, we conduct biannual reviews to ensure ongoing compliance. When any partners fail to uphold the requisite standards, we limit their eligibility for future bids to maintain the proper level of safety and health management in our partner companies.

Supplier Safety and Health Evaluation and Support

We supported the development of a safety and health system compliant with the Serious Accident Punishment Act across all 43 partner companies, while executing workplace safety inspections and training. We semiannually perform risk evaluations, set a comprehensive disaster response manual, verify the completion of mandatory training, and implement corrective actions to address any shortcomings.

Workplace Safety Inspection Process



Safety and Health Activities for Clients

Preventive Activities against Serious Accidents

We conduct and oversee risk assessments to avert significant civil disasters, safeguarding the safety and health of our customers and the public. Aiming to reduce harm to customers and citizens in the event of a disaster, we have developed and implemented a serious accident manual and a disaster prevention and mitigation strategy.

In 2023, a civil defense drill for air raid preparedness participated by all citizens was revived for the first time in six years. Concurrently, we successfully carried out a collaborative public-private exercise together with Songpa-gu local government at LOTTE WORLD TOWER, a representative landmark of safety in Korea.



Significant civil disasters response exercise

INTERVIEW

We will do our best to ensure that everyone is safe at LOTTE WORLD TOWER.

I work in the Safety Management Team at LOTTE P&D, tasked with the crucial role of overseeing safety and health. I approach my duties with a deep sense of responsibility, as I am entrusted with the safety of Korea's most iconic skyscraper, LOTTE WORLD TOWER. Our team is not only focused on creating and advancing an industrial safety framework but also on providing safety education for the employees, enhancing the safety consciousness of every individual. Given that LOTTE WORLD TOWER is a symbolic high-rise building, I aspire for it to continue rising as a global landmark based on our distinctive safety management system.

- Assistant, **Lee Myeong-seo**, Safety Management Team, LOTTE P&D



ESG Highlights

Our ESG Highlights in 2022 and 2023

Initiated and promoted Net Zero goal by 2040

- Set a plan to realize net zero in Scope 1&2 emissions by 2040



Advanced the ESG Committee operation

- Held one committee meeting and two meetings in 2022 and 2023 respectively
- Established company-wide ESG KPI



Established ESG data management system

- Designated the KPI for ESG data and R&R of departments in charge



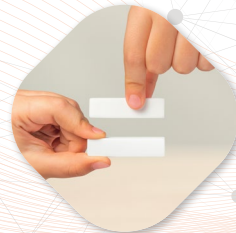
Instituted the Regulations on Human Rights Management

- Established and operated the Regulations on Human Rights Management



Raised the awareness of diversity

- All employees completed the 'human rights and ethical management' training besides legally mandated training
- Produced and distributed the leaflet for responding to customers with disability aiming to respect the diversity of customers



Strengthened workplace safety and health activities

- Honored as an 'Excellent safety and health system workplace' in 2022 by the Seoul Eastern Branch of the Ministry of Employment and Labor
- Received the Fire Service Commissioner's Award at the 2023 Korea Safety Awards



ESG FACTBOOK

Planet	36
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Planet



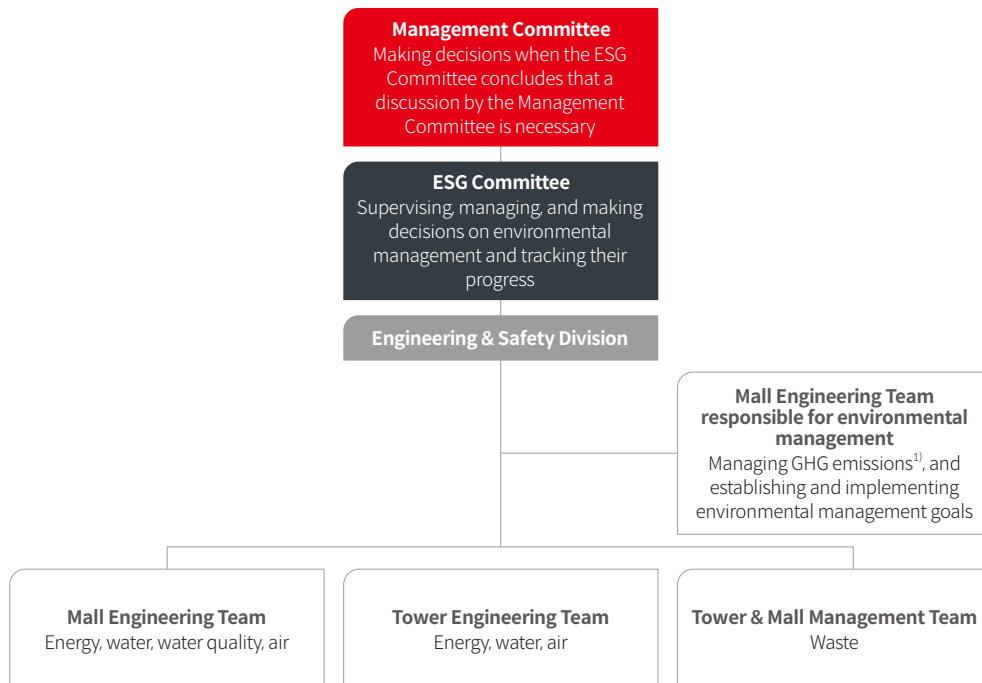
Ramping Up Our Environmental Management

Establishing an Environmental Management System

Environmental Management Implementation System

In matters of environmental affairs, the Mall Engineering Team, Tower Engineering Team, and Tower & Mall Management Team play a central role. The ESG Committee, which is the company-wide decision-making body for ESG issues, discusses and deliberates on key agenda items. If necessary, these issues can be escalated to the Management Committee, the umbrella organization, or even the Board of Directors.

Environmental Management Organizational Structure



1) Carbon credit management and trades included

Energy Management System

With the objective of efficient energy management, we obtained ISO 50001, the international energy management system, in 2019 and have maintained it since then. As part of these efforts, we have formed organizations responsible for energy management, including the Mall Engineering Team, with clear roles and responsibilities. We have formulated energy consumption reduction plans and kept track of their implementation. Regular internal audits have also been conducted for related risk management.



ISO 50001 Certificate

In addition, we have actively utilized renewable energy sources. This is evidenced by achieving an 18% renewable energy replacement rate in 2023, which is higher than our target of 14.5%.

Establishing and Operating Energy Management Policies

In order to step up our energy efficiency in our business operations and bring our energy management into full swing, we have established our energy management policies based on ISO 50001, which serves as our guide in energy management.

Our Energy Management Policies

- 1 We bring energy management into full swing for energy use efficiency, thereby elevating our corporate value
- 2 We ensure compliance with energy regulations, meet demands from a diverse range of stakeholders, and maintain transparency in our all-out efforts to improve performance towards our management goals and specific targets
- 3 We continuously undertake activities to enhance energy efficiency by consistently identifying, reviewing, and analyzing our energy use, and pinpointing opportunities for mitigation
- 4 We actively engage in activities to reduce the use of energy resources in our management operations
- 5 We minimize energy loss and maximize efficiency through systematic equipment operation and maintenance activities
- 6 We conserve energy through pro-energy procurement in all business operations
- 7 We strengthen collaboration among our organizations, employees, suppliers, and local corporations, and disseminate the importance of energy management
- 8 We provide regular training, allocate resources, and communicate effectively to instill an energy-saving culture throughout our organization
- 9 We fulfill our corporate social responsibility (CSR) through various energy-saving initiatives

Ramping Up Our Environmental Management

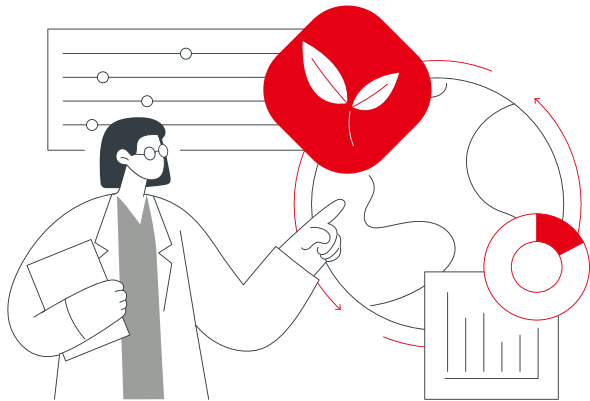
Embedding Environmental Management into Our Operations

Environmental Management Performance Management

Across the organization at the working level, reporting and management procedures are established by subject to deliver environmental management based on environmental management procedures that clearly stipulate the roles and responsibilities of those in charge.

Furthermore, environmental indicators are established with a focus on efficient environmental management performance, and they are tied to KPIs for regular inspections. At the Group level, data are managed monthly in accordance with environmental indicators. The ESG Committee examines and approves them as part of the effort to monitor the status of GHG emissions, energy use, waste, water & water quality, and air quality.

The environmental management assessment indicators are classified into three sectors: 'operation management' that examines the level of environmental management, 'performance management' that inspects actual environmental data, and 'stakeholder response management' that reviews the status of communication with stakeholders. The ESG Committee approved the agenda regarding the status of environmental indicator management in 2023.



Raising Employees' Environmental Awareness

LOTTE P&D provides regular training to ensure efficient environmental management. For the operation of the energy management system built on ISO 50001, we offer specialized education to internal auditors while those in charge of environmental management receive both in-house environmental education and external programs. They also regularly attend the Group's seminar on environmental management to enhance their expertise. In 2023, they participated in education regarding carbon neutrality and the ESG environmental issues presented by an external agency, which is a clear demonstration of our commitment to achieving net-zero emissions and strengthening ESG management. At the company level, efforts are being made to instill environmental awareness in all our employees through the introduction of environmental management affairs, education, and tours for our new hires, thereby helping them better understand our environmental management system and facilities.

CASE STUDY

• Providing Multi-use Cups to Minimize Single-use Waste

Since 2023, we have provided multi-use cups to encourage our employees to implement eco-friendly practices. In collaboration with the social venture which provides a reusable cup usage system, Oyster able, this initiative has been adopted with the aim of allowing employees to directly participate in environmental management efforts during their time in the workplace. We plan to expand the scope of the program to include tenants starting from 2024.

In the coming years, LOTTE P&D will remain committed to actively engaging employees in environmental management so that we can have a positive impact.



Reusable cup rental and return machine

Minimizing Our Environmental Impact

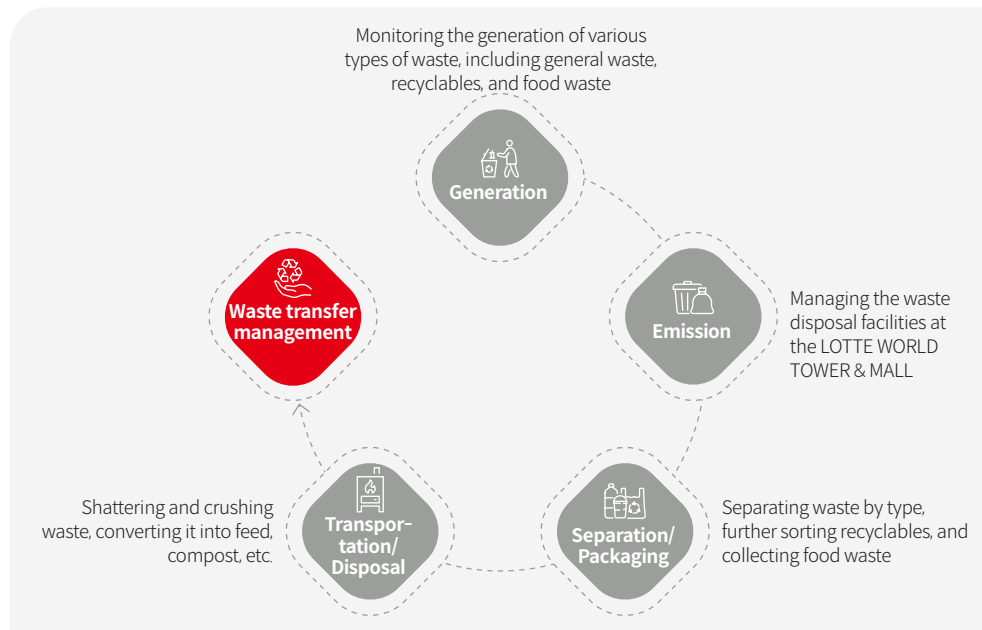
Waste Management and Resource Circulation Expansion

Waste Management System

LOTTE P&D manages its waste generation in terms of both absolute amount and intensity. Based on the waste generated in the previous year, we establish an operational plan and monitor any increases or decreases in performance along with our reduction policies. In the event of a special circumstance, countermeasures are drawn up and integrated into the operational plan.

Given the diverse uses of the LOTTE WORLD TOWER & MALL, we manage waste comprehensively based on the Facility Management System (FMS) along with the management items for waste management stage.

Management Items by Waste Management Stage



Initiatives for Waste Mitigation and Resource Circulation

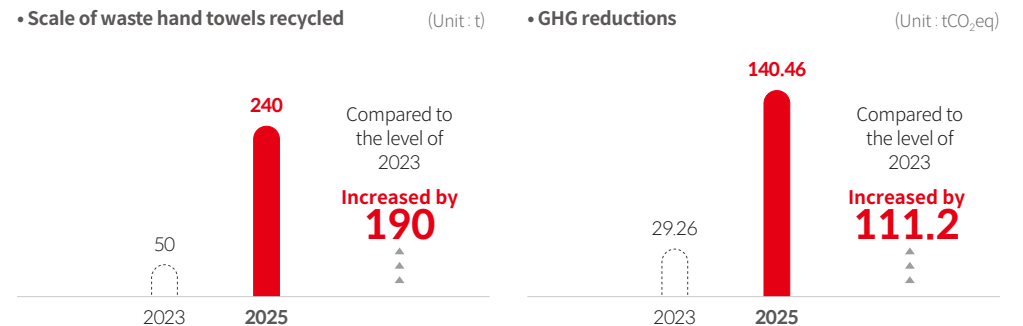
Waste Management Leveraging Radio Frequency Identification (RFID) Technologies

For the efficient management of food waste generated at the LOTTE WORLD TOWER & MALL, we have implemented an RFID-embedded waste measurement system. When waste is generated, its amount is automatically measured through an electronic scale and monitored in real time. This system allows waste generators to bear the actual costs, thereby reducing emissions.

Campaign for Recycling Waste Hand Towels

Through concerted efforts with our tenant, Yuhan Kimberly, we collect waste hand towels generated at the LOTTE WORLD TOWER & MALL for recycling. This helps us reduce waste generation and promote resource circulation. We started with a pilot project on some floors of the LOTTE WORLD TOWER's offices and have since expanded the coverage of this campaign to the entire office. As a result, we recycled 16 tons of hand towels as of 2023.

GHG Reductions through Hand Towel Recycling¹⁾



1) Based on the release by Yuhan Kimberly (The Chosun Daily, Are 'hand towels' also recyclable?)

The Chosun Daily, Are 'hand towels' also recyclable?

Minimizing Our Environmental Impact

Water and Effluent Management

Water Management System

The impact of climate change is not confined to global warming. The extreme climate conditions, such as droughts, lead to water stress¹⁾. Recognizing water resources as a shared asset for future generations, we conduct a range of activities for water management and recycling.

For more efficient water management, the Mall Engineering Team and Tower Engineering Team work hard together to formulate water use plans and monitor their implementation. The amount of water used, along with usage patterns from the previous year, are analyzed. Based on these results, water usage plans and reduction measures are established, while actual consumption is checked. In the event of a special circumstance in water use and recycling, we establish and implement countermeasures. Water quality and water management status were incorporated into environmental indicators and reviewed by the ESG Committee in 2023.

1) It occurs when the demand for water exceeds the supply.

Water Quality Management

With the aim to minimize its environmental impact from water use and discharge, LOTTE P&D has set its own standards aligned with the pertinent laws and ensured its compliance. Each year, we clean the water storage tanks and inspect the water quality of the tap water provided to customers. When it comes to the water quality of the reclaimed water supply, we conduct quarterly inspections to comply with legal standards. The outcomes of regular water quality measurements and amendments to relevant laws are verified, and countermeasures are developed to address abnormal circumstances.

Some of the groundwater is managed in accordance with the standards for river maintenance flow quality and reviewed on a quarterly basis to prevent the water quality of Seokchon Lake from being polluted when it is discharged into the lake. In the years ahead, for the preservation of the water ecosystem of Seokchon Lake, we will continue to carry out activities to improve water quality.

Water Use and Recycling

The LOTTE WORLD TOWER & MALL operate a water-saving center equipped with a wastewater reclamation facility and a rainwater storage facility. At these facilities, water from sinks is used as raw water and is biologically, chemically, and physically treated for recycling.

With the wastewater reclamation facility, which has a capacity to reclaim a maximum of 1,200 tons of water per day, we recycle tap water. When there is a lack of raw water²⁾, we reuse discharged groundwater or effluent from the sewage purifier to reduce the amount of tap water. Discharged groundwater and stormwater are stored in a rainwater storage facility capable of accommodating 1,900 tons to be used for air conditioning equipment and as water for landscaping. Additionally, we lower the temperatures of air from outside within the parking lots during summer to contribute to energy saving.

Aiming to save tap water, we equip restrooms within the complex with water-saving sinks and toilets while some of the groundwater that has flowed into the complex is discharged into Seokchon Lake for stream maintenance.

2) It occurs when the demand for recycled water (also known as reclaimed water) exceeds the supply.



INTERVIEW

In collaboration with LOTTE P&D, we are considering the sustainability of local communities.

The Hydrothermal Business Department, which is part of the Climate Carbon Business Division at the Korea Water Resources Corporation, has devised a plan for hydrothermal development and has promoted and expanded the provision of hydrothermal energy. In 2009, we concluded a basic agreement on the 「Joint Development of Temperature Difference Cooling and Heating using Metropolitan Area Raw Water in Jamsil Lotte World 2」 with LOTTE P&D, and have worked together for successful operation since the adoption of geothermal energy facilities within the LOTTE WORLD TOWER in 2014.

The introduction of hydrothermal energy at the tower has culminated in remarkable achievements, including a reduction in GHG emissions and energy consumption by more than 30% compared to the levels of the existing cooling and heating facilities. This is also aligned with national carbon reduction policies and net-zero goals. Going forward, to boost the expansion of hydrothermal energy to local communities, we hope to continue this cooperation with LOTTE P&D, which was the first case of adopting hydrothermal energy in the private sector.

-Senior Assistant, **Han Ji-hyeon**, Climate Carbon Business Division, Korea Water Resources Corporation



Minimizing Our Environmental Impact

Air Quality Management

Indoor Air Quality Management

The LOTTE WORLD TOWER & MALL attract a multitude of visitors, making the maintenance of clean indoor air quality a priority. To this end, LOTTE P&D cleans the air filters 10 times and replaces them twice. They also install measuring devices within the mall to collect data. Based on this data, they adjust the volume of outside air and ensure that a clean environment is maintained throughout the mall. Furthermore, monitors installed within the building allow customers to access the data collected from the measuring devices in real time.



Air quality data monitor at LOTTE WORLD MALL

Reducing Air Pollution on a Voluntary Basis

LOTTE P&D has proactively joined efforts to mitigate fine dust and other air pollutants by voluntarily participating in a seasonal PM management project led by Seoul City.

In addition, we regularly measure NOx, SOx, and dust concentration, managing emissions in accordance with our internal standards¹⁾, which are stricter than the legal requirements. At the LOTTE WORLD TOWER, the concentration of NOx is continuously monitored through the TMS(Tele Monitoring System) while at the LOTTE WORLD MALL, it is inspected semi-annually. As for SOx and dust, inspections are conducted annually at both the LOTTE WORLD TOWER & MALL. The overall status of our air quality management was incorporated into our environmental indicators and reviewed by the ESG Committee in 2023.

1) 80% of the legal requirements

Lowering Air Pollutants Emitted

The LOTTE WORLD TOWER & MALL have installed low-NOx boilers that are capable of adjusting flame temperature and oxygen concentration during combustion. These boilers emit less direct NOx, absorb heat generated from exhaust gas discharge, and recycle it, thereby contributing to a reduction in fuel consumption. Moreover, we maintain the efficiency of fuel consumption through annual boiler maintenance.

In addition, with the reactivation of fuel cells in 2022, we upgraded the existing process that radiates waste heat generated during power generation through a cooling tower to a system that produces hot water using waste heat, which has resulted in a significant reduction in the amount of gases used.

Total Gas Consumption for LOTTE WORLD MALL Boilers

(Unit : kNm³)



Total Gas Consumption for LOTTE P&D's Boilers at LOTTE WORLD MALL

(Unit : kNm³)



Minimizing Our Environmental Impact

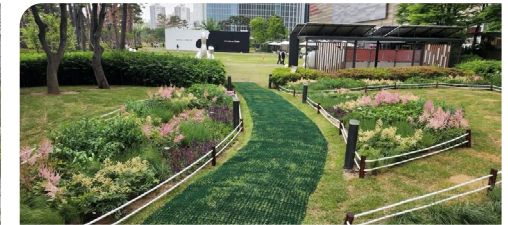
Conserving Biodiversity and Ecosystems

Securing Green Spaces within the Complex

LOTTE WORLD TOWER has transformed its lower rooftop into green spaces, thereby reducing cooling and heating load and mitigating environmental pollution. In addition, we have created a terrestrial and aquatic biotope within the complex to secure an ecological area ratio that exceeds a certain level. The creation of a 26,000 square meter grassy area at World Park offers green spaces in the urban landscape.



Rooftop garden



Aquatic biotope

• Initiatives for Improving Water Quality and Monitoring Ecosystems at Seokchon Lake

In 2021, LOTTE P&D signed a business agreement with Songpa-gu Office, Korea Environment Corporation, and GENKS to improve the water quality of Seokchon Lake, followed by comprehensive improvement efforts in collaboration with the LOTTE Corporation, Songpa-gu Office, GENKS, and Green Future. Among domestic artificial lakes, Seokchon Lake has the deepest depth, and its freshwater volume amounts to 630,000 tons. However, due to the nature of artificial lakes, circulation is difficult. Water from the Hangang River flows into the lake without undergoing purification, resulting in poor water quality characterized by severe algae blooms and low transparency.

In collaboration with specialized agencies, we have taken an approach to enhance water quality by directly introducing water purification products into the lake, rather than through physical removal methods. This approach stimulates the activity of microorganisms, which break down toxic substances and accumulated contaminants, thereby constantly degrading pollutants and maintaining stable water quality. These products are made from eco-friendly materials, not hazardous chemicals, which minimizes their impact and helps control the occurrence of algae blooms.

As a result of consistent activities and monitoring, the water quality of the lake has improved to grades one to two. The algal bloom has been reduced by approximately 75%, and visibility within the lake has been secured up to 2 meters. To inform people about this enhancement, we held the LOTTE Aquathlon for two consecutive years. This event combines swimming in the lake with the SKY RUN, which is a signature event of the LOTTE WORLD TOWER & MALL.

In addition to this, with the aim of engaging citizens in witnessing the clean environment of the lake, we have formed an 'Ecology Monitoring Group' and gathered opinions after on-site monitoring. The group, which is comprised of experts, LOTTE P&D's employees, and citizens, conducts monitoring to observe the ecological environment, such as birds, plants, insects, and fish around the vicinity of the lake.

Going forward, LOTTE P&D will remain committed to safeguarding the ecosystem of the lake, fully aware of the significance of Seokchon Lake and its surroundings.

CASE STUDY



Ecology Monitoring Group



2023 LOTTE Aquathlon

People



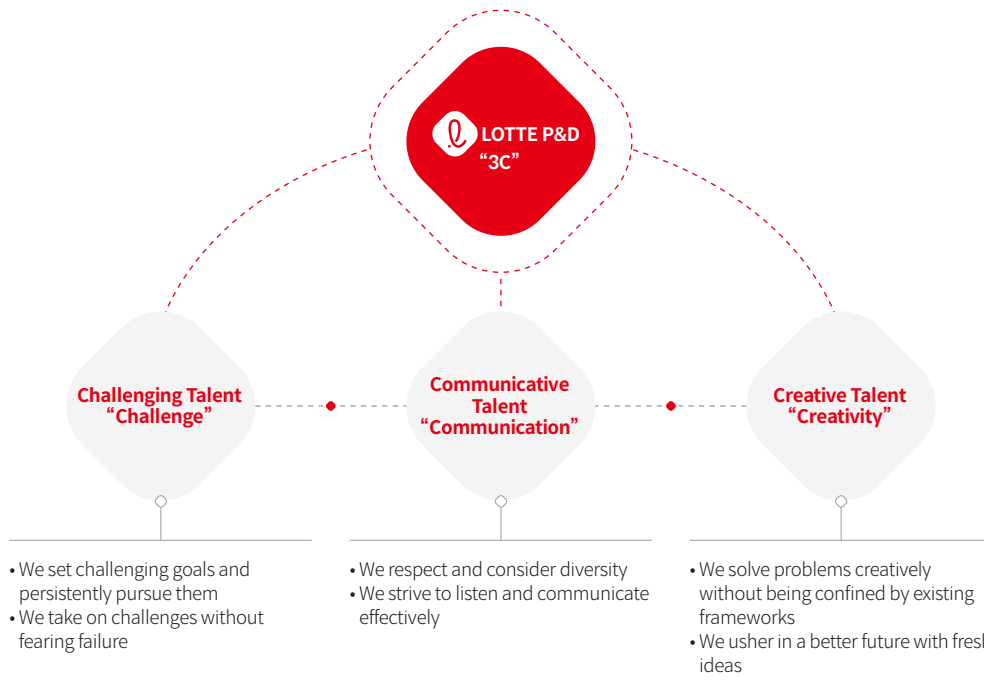
Talent Recruitment and Retention

Talent Recruitment

Ideal Talent Profile

LOTTE P&D pursues three types of ideal talents: 'challenging talent,' 'communicative talent,' and 'creative talent.' Additionally, based on the principle that all employees can unlock their full potential in positions that match their abilities and aptitudes, we consider individual characteristics and aptitudes to place employees in the right positions.

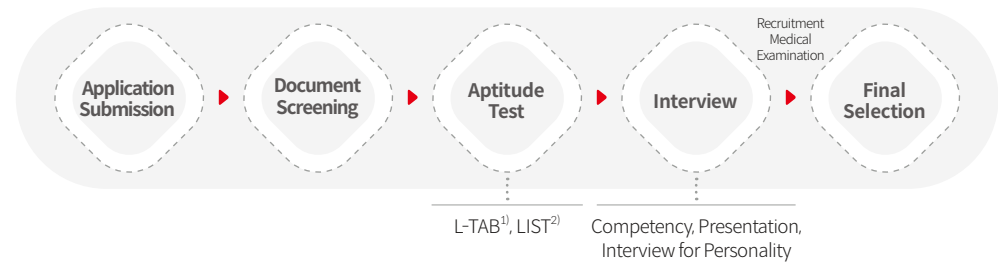
LOTTE P&D's Ideal Talent Profile



Fair and Transparent Recruitment

LOTTE P&D's recruitment process includes various institutional measures to ensure fairness and transparency under the Group's recruitment philosophy of 'fair recruitment.' The entire recruitment process is conducted using LOTTE Group's recruitment system, and the Group checks compliance twice a year. For new recruits with a bachelor's degree or higher, academic background is handled in a blind process. Interviews are conducted only by certified interviewers to enhance the fairness and professionalism of the interview process. Furthermore, feedback on the recruitment system results is provided to unsuccessful candidates to contribute to their growth. We also use various communication channels, such as online and offline recruitment fairs and job consultation cafes (Job Café), to recruit a diverse array of talents. Special considerations are given to veterans and people with disabilities during the recruitment process.

Talent Recruitment Process



1) Job Suitability Test (Verbal Reasoning, Numerical Reasoning, Problem Solving)
 2) Organizational Fit Test (Positive/Negative Tendencies)

Recruitment Fairness Inspection

In accordance with company regulations (compliance control standards), we conduct an annual inspection of the fairness and transparency of the recruitment process. The Compliance Team, dedicated to ethics and compliance management, ensures that each stage of the recruitment process operates under fair standards and procedures, and that no legal violations are identified.

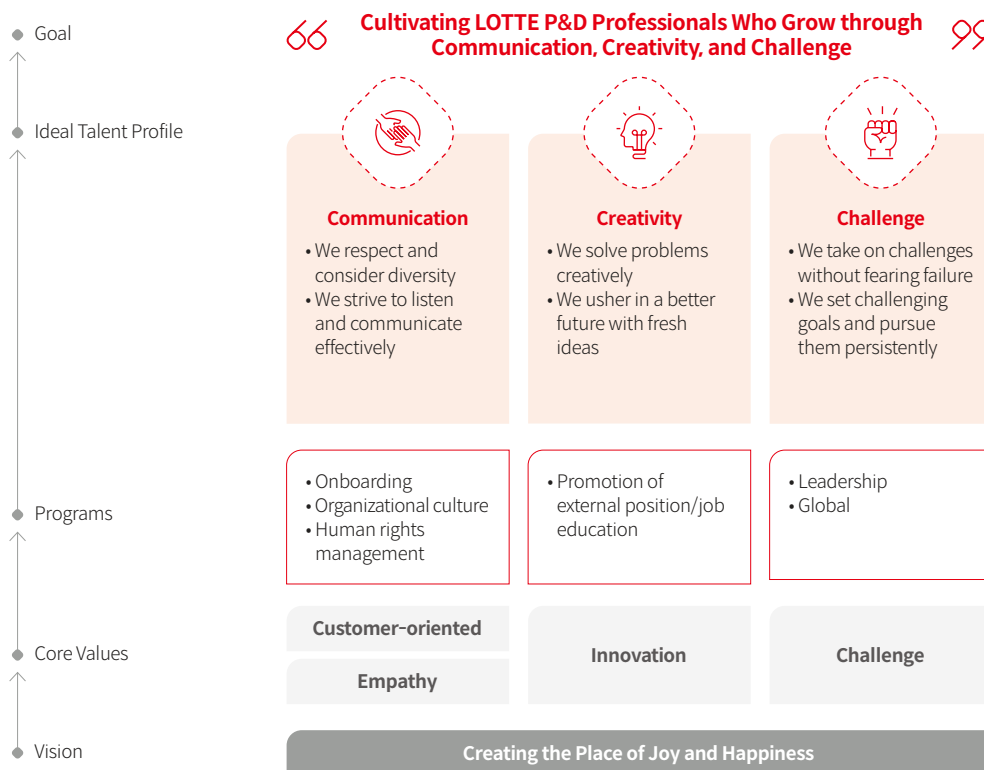
Talent Recruitment and Retention

Talent Cultivation

Talent Management Goals

LOTTE P&D has established mid-to-long-term education goals aligned with its 2023 vision, core strategies, and ideal talent profile. We are implementing measures to achieve these goals, aiming to nurture 'LOTTE P&D professionals who grow through communication, creativity, and challenge.' We will continue to strive for the growth of LOTTE P&D.

Mid-to-Long-Term Talent Management Framework



Mid-to-Long-Term Talent Management Directions, 2023 Goals, and Key Progress

Category	Mid-to-Long-Term Education Directions	2023 Goals	Key Progress Compared to 2023 Goals
Communication	<ul style="list-style-type: none"> Support and foster a corporate culture that respects diversity and nurtures talent Strengthen new hire onboarding 	<ul style="list-style-type: none"> Continuously upgrade introductory training for new hires Implement human rights management education for all employees Support organizational communication and conduct workshops for all employee 	<ul style="list-style-type: none"> Upgraded introductory training for new hires Implemented human rights management education for all employees Conducted workshops and supported organizational communication for all employees
Creativity	<ul style="list-style-type: none"> Establish a training system by rank and job to solve problems creatively and propose ideas, and support education Introduce a self-directed learning system 	<ul style="list-style-type: none"> Expand and inform about external training applications by job and rank Develop and support internal educational programs according to the reformed M Grade promotion eligibility system 	<ul style="list-style-type: none"> Expanded and informed about external training applications by job and rank
Challenge	<ul style="list-style-type: none"> Enhance growth momentum through strengthened leadership Strengthen global capabilities and promote exchanges 	<ul style="list-style-type: none"> Establish a foreign language education support system Expand leadership development coaching education for team leaders 	<ul style="list-style-type: none"> Established a foreign language education support system Supported education for new position holders and all team leaders

Talent Recruitment and Retention

Talent Cultivation

Employee Education System

LOTTE P&D invests in assisting its employees in building and refining their capacity in various areas to nurture talents who will proactively lead the future. In addition to group-wide common education and statutory training, we operate a multidimensional education system that includes job and rank-specific programs, as well as online education. Our employees are provided with fair career development opportunities based on their abilities and performance, ensuring that there is no educational discrimination based on gender or other factors.

Our Talent Development System

Category	Group Education																
	Leadership/Humanity Courses				Specialty Courses				Others	Internal Training							
Executives	Leaders Forum	New CEO Program	Promotion to Executive Level	New Executive Program	Coach Certification	High-Potential Leaders	ACP		ECP	EZ Learning & Acropolis	Legally Mandated Training	Executive Language Support					
S	Experienced Employees Introductory Training	S-Grade Training		Interviewer Certification			Communicator Certification	DT Semi-Expert				Financial Certification Program	Business Specialist	Compliance Specialist	LOTTE MBA	Employee Language Support	Support for External Training by Job and Rank
M		S-Grade Promotion Eligibility Program			M-Grade Training												
SA		M-Grade Promotion Eligibility Program															
A	New Employees Introductory Training											New Employees Onboarding Training					
JA (and below)																	

Talent Recruitment and Retention

Talent Cultivation

Key Achievements in Employee Training

New Employee Onboarding Training

LOTTE P&D conducts a three-month mentoring program and introductory training to assist new employees in smoothly adapting to the organization and enhancing their understanding of the company.

The introductory training includes an introduction to our business organization and history, as well as tours of the LOTTE WORLD TOWER facilities. In 2023, we introduced communication programs such as conversations with senior employees and recreational activities to improve participant satisfaction. In 2024, we plan to add programs that provide practical help to new employees, including styling consulting and business etiquette training in March.



Onboarding training in action

Advanced Training Programs by Job and Rank

LOTTE P&D supports employees in freely applying for and attending external training needed to polish their job expertise without any financial limitations. Employees can apply for job-related external training (organized by external institutions, certification programs, online education, forums, and conferences) and rank-specific training (OA training). In 2023, this support program resulted in a total of 1,903 hours of training

Through the group-wide education system, employees participate in job training for AI and other digital transformation (DT) fields, financial certification programs, HR job training, compliance specialist programs, and the LOTTE MBA

Expansion of Leadership Training

To sharpen leadership skills among managerial staff, we provide leadership training twice a year for new position holders and all team leaders. Based on annual leadership diagnostics of all position holders, we conduct coaching leadership and change and innovation courses twice to address areas needing improvement.

The group education system mandates Grade training for employees in the first to second years of responsible and senior positions, and we operate a promotion eligibility system to help them understand the roles of leadership.

Key Contents of Training Programs

Program	Target	Key Contents
Coaching Leadership	New position holders	Self-management for leaders
Change and Innovation Course	All general managers	Understanding the role of a leader, problem-solving, and setting team direction



Leadership training in action

Talent Recruitment and Retention

Talent Cultivation

Key Achievements in Employee Training

Foreign Language Education Support System Established

To enhance the global business capabilities of our employees and facilitate smooth interactions with overseas subsidiaries, we have established a foreign language education support system. In 2023, we offered seven internal Vietnamese language training sessions and continued to provide Vietnamese language training for employees stationed in our Vietnam subsidiary in 2024. Additionally, we have provided a 1:1 online English tutoring program to further strengthen our employees' global responsiveness.

66
INTERVIEW

We grow together with our employees, shaping a Happy LOTTE P&D.

Since joining in 2019, I have been in charge of education and corporate culture in the HR team. As an education officer, I established mid- to long-term educational goals for 2023, improving training programs such as new employee Onboarding training, leadership training, job-specific training, and language education. Furthermore, I have drafted human rights management regulations and conducted ESG education, realizing that my work is closely aligned with the sustainability of each employee.

LOTTE P&D continues to expand its business even after the grand opening of LOTTE WORLD TOWER, Korea's premier landmark, making it a promising company for the future. I hope that through the enhancement of our employee training system, LOTTE P&D can continue to grow alongside our employees.

- Senior Assistant, **Na Han-ei**, HR Team, LOTTE P&D

Retirement and Career Transition Support Program

To ensure a stable post-retirement life for our employees, LOTTE P&D operates a retirement pension system and supports an Out Placement program for executives approaching retirement. This program offers career transition training for executives.

The program targets those who wish to participate among retirees or advisors transitioning from full-time to part-time roles. From May to October, the program provides support such as vocational training, counseling, career and aptitude assessments, and career planning. Additionally, it includes six months of continuous follow-up management after the program concludes.



Out Placement program for executives approaching retirement

Talent Recruitment and Retention

Performance Evaluation and Compensation

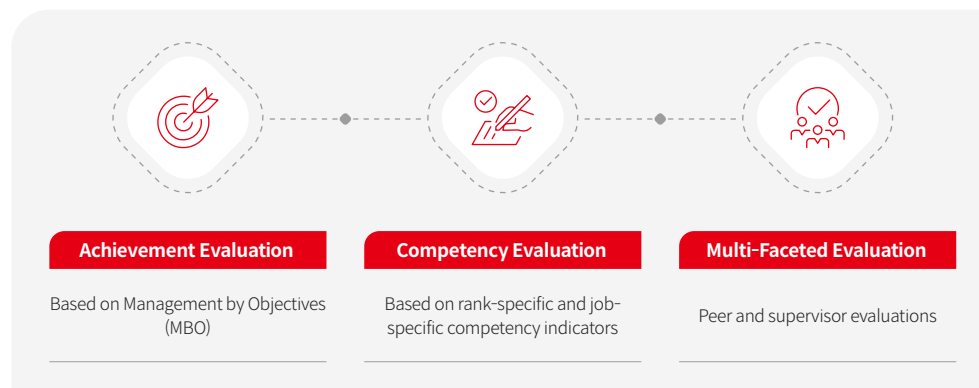
Employee Performance Evaluation System

To foster a competency-based, performance-oriented culture, LOTTE P&D conducts biannual performance evaluations to fairly assess and manage employee performance from multiple perspectives.

The performance evaluations consist of achievement evaluations, competency evaluations, and multi-faceted evaluations. Throughout the entire process, from goal setting to evaluation execution, coaching and interview processes are arranged between evaluators and evaluated employees to ensure fair and highly accepted evaluations. For competency evaluations, keywords (strengths and areas for improvement) are disclosed to support employees in pursuing self-development based on their current status. Additionally, the Performance Board is implemented to verify the objectivity of company-wide evaluation results.

Each year, LOTTE P&D integrates ESG strategy goals and tasks into its KPIs. Relevant departments and personnel consistently reflect these goals in their departmental and individual evaluation targets. This aims to achieve long-term business performance improvement and systematic ESG management.

Components of Performance Evaluation



Compensation System

Fair Compensation System

LOTTE P&D fairly determines salaries based on performance evaluation results, strictly excluding discriminatory factors such as gender, race, nationality, or disability. A systematic compensation table is operated, applying promotion rates based on rank-specific salary bands, considering the scope and responsibilities assigned to each employee.

Through a sensible performance evaluation process, we ensure that performance bonuses, promotions, and salaries are appropriately compensated. This approach helps us maintain competitive wages. Qualification allowances are provided to boost the pride of employees who possess career-benefiting qualifications.

Competitive Compensation System

In 2023, LOTTE P&D revamped its overall compensation system by expanding non-financial rewards through welfare consulting. By offering a more comprehensive and competitive compensation package, we aim to boost employee motivation.

Firstly, we've increased the welfare point amounts, funds for child education, and entrance celebration funds. Additionally, we've boosted the operating costs of our employee cafeteria to improve the quality of the menu and organize special meal events for each season. These measures have significantly improved the overall welfare of our employees and their families.

Furthermore, to improve our organizational culture and sharpen employee capabilities, the support for club activities has been expanded to promote internal networking. Various HRD programs have also been introduced, such as a 1:1 language video call program and an overseas dispatch program for outstanding employees. Through these initiatives, LOTTE P&D aims to gradually refine the competitiveness of its compensation system, allowing talented individuals to showcase their capabilities more flexibly.

Employee Happiness

Organizational Culture Refinement

Value Creation Culture Diagnosis (L-VCS)

LOTTE P&D conducts an annual 'L-VCS' every September to understand the current state of the organizational culture and identify improvement directions accordingly. This diagnosis measures employees' understanding and internalization of the foundational elements of corporate culture, as well as their perception and implementation of various aspects of the value creation culture.

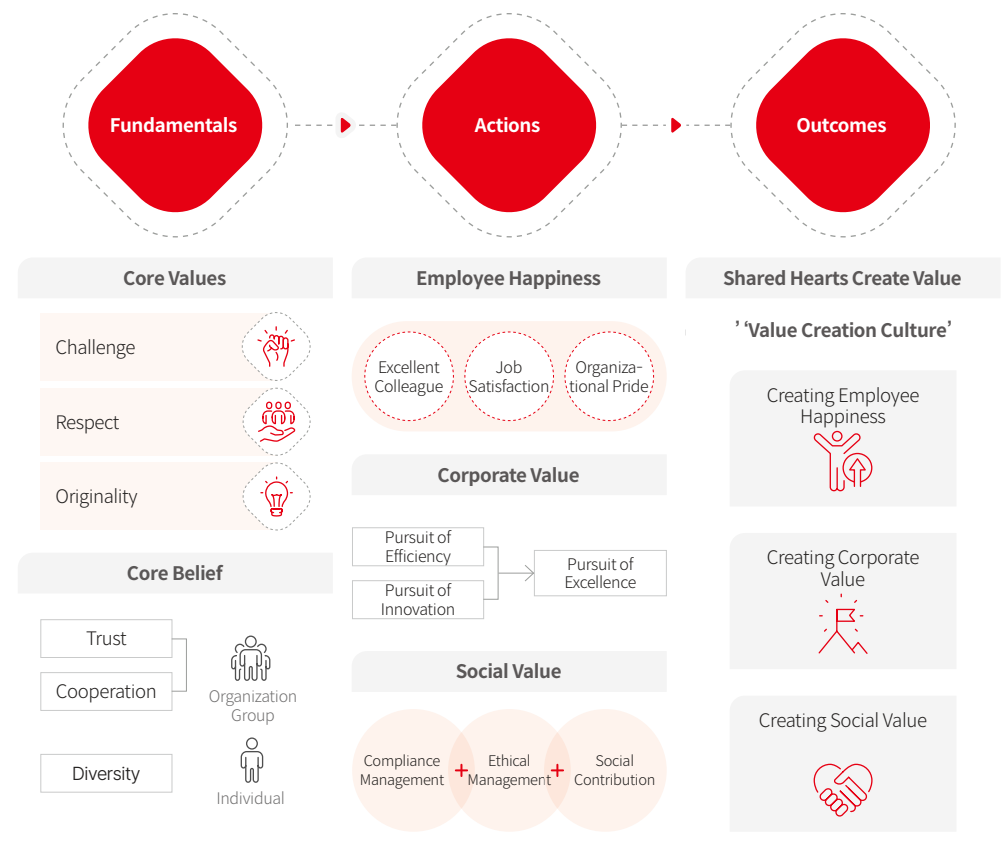
Direction of Corporate Culture Activities

LOTTE P&D aims to solidify the interconnectivity among channels to refine its organizational culture, promoting linkage between systems and events. In particular, for 2024, the focus will be on the 'Employee Happiness' element of the value creation culture. This involves strengthening pride in the organization, pride in work, and enjoyment in working with colleagues. The plans include actively incorporating these elements when operating junior boards and organizational culture task forces.

Labor-Management Cooperation

To make a culture of mutual growth between employees and the company permeate every corner, LOTTE P&D holds quarterly labor-management council meetings as a primary communication channel between labor and management. Additionally, frequent communication is maintained through various internal events and bulletin board notices. In 2023, to gauge employee satisfaction and gather opinions on the welfare system, consulting was conducted to improve the welfare system by meeting related needs and reflecting current trends. Efforts were made to enhance employee satisfaction and effectiveness. Any significant management changes are promptly communicated to the staff.

L-VCS Process



Employee Happiness

Organizational Culture Refinement

Facilitating Communication within the Organization

LOTTE P&D has established various communication channels and events to boost communication within the organization. The main organizations responsible for regular communication and events include: Junior Board which actively participates in corporate culture exchange activities and CSV activities, and Organizational Culture Task Force which works to improve the systems and policies within the organizational culture based on the results of the L-VCS.

Employee Communication Channels

Type	Communication Content	Participants	Frequency	
Group Channels	Junior Board	Casual communication channel for horizontal dialogue	CEO and junior employees (employees from the 90s generation, MZ generation)	Monthly
	Organizational Culture TFT	Identifying and proposing solutions for issues through L-VCS	Equally selected employees from each division	Monthly
	Labor-Management Council	Creating communication opportunities within divisions, identifying detailed issues, and resolving grievances ¹⁾	Executives and all employees within each division	Quarterly
	Baseball Viewing	Supporting and watching LOTTE Giants baseball games	All employees	Annually
	Delightful Friday	Sharing information among employees	All employees	Quarterly
	Workshops	Channels for communication and bonding among employees	All employees	Annually
Individual Channels	Peer Counselor	Counseling and coaching channel between professional peer counselors and employees	Peer counselors and employees	Quarterly
	Mentoring	Onboarding support channel between senior employees and new or returning employees	New employees and employees	Year-round
	Internal Clubs	Voluntary exchange channel among employees based on hobbies	All employees	Year-round

1) Submit agenda to an official Labor-Management Council when system changes are necessary

Delightful Friday

'Delightful Friday' is a unique communication platform at LOTTE P&D that started in 2017 and takes place on the second Friday of each month. All employees gather to celebrate new hires and awards, and to share important internal issues and quarterly results. Additionally, external speakers are invited to educate employees on topics such as organizational communication and business etiquette, facilitating smooth communication among employees.



Delightful Friday event

Delightful Friday has established itself as a regular internal communication event at LOTTE P&D, contributing to effective information sharing and the establishment of a horizontal labor-management culture.

Employee Group Baseball Viewing

Since 2017, we've been hosting group baseball viewing events for our employees. This initiative is not just a fun outing, but a token of appreciation for our employees' hard work. It's also a great opportunity to foster communication and enhance team spirit. Employees gather annually at Jamsil Baseball Stadium to cheer for the LOTTE Giants, enjoying a time of unity and elevating work morale.



Baseball viewing event

Employee Happiness

Organizational Culture Refinement

Facilitating Communication within the Organization

Organizational Culture Task Force

To revitalize the organizational culture, LOTTE P&D selected employees from each division in 2023 to form the Organizational Culture Task Force. This task force identifies and addresses issues based on the L-VCS. In 2023, the task force supported peer counselor training to assist with employee grievance counseling and facilitated the ICU Workshop to enhance cooperation among employees.



2023 Peer counselor training and support activities

ICU Workshop

The ICU Workshop was initiated in 2023 to meet the growing need for employee intimacy following the rise of remote work and the higher proportion of junior employees from 2020 to 2022 due to COVID-19. 'ICU,' derived from the phrase 'I see you' from the movie 'Avatar,' signifies mutual understanding and empathy.

In the 2023 ICU Workshop, group activities and a team mission sports event were conducted under the theme 'Me in Relationships, Organizational Communication.' The morning session, 'Me in Relationships, Organizational Communication,' included role-playing based on different coping strategies to enhance flexibility in conflict situations. The afternoon team mission sports event featured generational fusion sports programs to promote teamwork, consideration, and communication among employees. LOTTE P&D will continue to reinforce employee intimacy to internalize the company's culture and vision of joy and happiness.



2023 ICU Workshop

Junior Board Operation

LOTTE P&D operates a Junior Board composed of junior employees to facilitate intergenerational communication and establish a horizontal organizational culture. Started in 2020, the Junior Board directly conveys field voices to the CEO and leads organizational culture change activities driven by junior employees, thereby enhancing their pride in the company. In 2024, the Junior Board plans to further diversify and deepen communication channels through company-wide communication events, CEO forums, and small-scale monthly meetings.



2023 Junior Board activities

Mentoring

LOTTE P&D supports a three-month mentoring program for new hires and returning employees from parental leave who need to adapt to the organization. The program includes various activities such as one-on-one meals with senior employees and daily classes to help participants assimilate into the organizational culture smoothly.



2023 Mentoring activities

Employee Happiness

Work-Life Balance

Family-friendly Support Systems

LOTTE P&D actively promotes family-friendly management to help employees balance work and family life through various family-friendly support systems. These systems cater to different stages of lifecycle such as pregnancy, childbirth, and childcare, ensuring no career interruptions due to these life events. We support employees at a level higher than the legal requirements. This commitment culminated in LOTTE P&D being certified as a Leisure-Friendly Certification in 2018, with two subsequent re-certifications recognizing ongoing efforts.

Flexible Working Systems

At LOTTE P&D, we're committed to helping our employees strike a healthy work-life balance. To this end, we offer a variety of flexible working hours systems. These include a staggered work hour system that lets employees choose when they start and finish their day, a PC-ON/OFF system to keep track of working hours, and a working hours savings system that allows for compensatory leave. For our shift workers, we've put in place a four-team, two-shift system to further ensure a balanced work-life dynamic.

We understand that adequate rest is crucial for both work engagement and employee happiness. That's why we actively encourage our employees to make use of their annual leave through a dedicated encouragement system. Employees with less than one year of service receive additional paid leave, and a Family Leave System provides four extra days off annually to ensure time spent with family.

LOTTE P&D first received Best Family-Friendly Management Certification in 2016 and has since been re-certified every two to three years. We aim to be re-certified before the current certification expires in November 2024 to continue promoting family-friendly management.

Family-Friendly Support Systems by Stage



Pregnancy Preparation and Pregnancy

- Three days of paid leave for infertility treatments
- Support for infertility treatment costs (up to KRW 5 million)

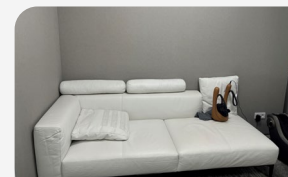
Childbirth

- Gifts and congratulatory money for childbirth
- Ten days of paid paternity leave

Childcare

- Up to two years of childcare leave (one year more than the legal requirement)
- Mentoring programs to support the smooth return of employees from childcare leave and to foster bonds among employees
- Operation of two in-house daycare centers

- Flexible Working System: Shortened working hours, paid/unpaid leave, flexible working hours, etc.
- In-house Rest Facilities: 'Vitamin Room' (rest area with massage chairs), 'MOM's Breastfeeding Room' (rest area for nursing mothers with sofas, refrigerators, and other conveniences)



In-House rest facilities operation

Employee Happiness

Employee Welfare System

Welfare Support for Employees

To ensure employees lead happy lives, remain focused on their work, and maintain a sustainable lifestyle, LOTTE P&D operates various welfare systems.

Psychological Counseling Support


LOTTE P&D provides professional counseling for employees and their immediate families to improve their quality of work life and achieve work-life balance. The Employee Assistance Program (EAP) offers up to five sessions per year per capita, covering issues related to work, personal emotions, family and children, finance, and legal matters, helping employees cope with various life challenges.



EAP participation information poster




Welfare Support Programs

- 


In-house Rest Spaces

 - Lounge, Vitamin Room, MOM's Breastfeeding Room, etc.

- 


Resort Facility Usage

 - Accommodation at LOTTE Resorts (Sokcho, Buyeo) and Jeju Art Villas, up to 2 nights per person per year

- 


Employee Cafeteria

 - Breakfast and lunch provided

- 


Club Support

 - Monthly club membership fee support of KRW 20,000 per person

- 

Child Education Support

 - Kindergarten tuition, elementary school entrance celebration funds, and college tuition

- 

Retiree Support

 - Retirement pension support and retirement/career transition programs (Out Placement)

Human Rights and Diversity

Human Rights Management System

Human Rights Management Policy

LOTTE Group has declared its commitment to human rights management through the LOTTE Group Statement on Human Rights at the group level. Similarly, LOTTE P&D proclaimed its Human Rights Management Charter in September 2022 and further established the Regulations on Human Rights Management in December 2023 to solidify the foundation of its human rights management system.

Our Regulations on Human Rights Management

The Regulations on Human Rights Management were established to reinforce our ESG management and ensure the effectiveness of the Human Rights Management Charter. By practicing responsible human rights management, LOTTE P&D aims to boost employees' pride in the organization.

The regulations specify general principles of human rights management, such as the prohibition of discrimination in employment, the prohibition of forced and child labor, and the obligation to protect employee rights. The HR Team, as the responsible department, oversees the human rights management system. Additionally, the regulations outline the reporting process, handling methods, and principles for addressing human rights violations.

 [LOTTE P&D Human Rights Management Charter](#)

Grievance Handling System

LOTTE P&D has implemented a grievance handling system to ensure safe reporting and effective resolution of human rights violations, including workplace sexual harassment. A sexual harassment grievance handling manual has been established, and personnel with expertise in HR and compliance (such as those with legal qualifications) are appointed as dedicated grievance handling officers to thoroughly prevent human rights violations and secondary victimization of victims.

The grievance handling process aims for the complainant (victim) to objectively and accurately recognize the problematic situation and find satisfactory and feasible solutions. Through counseling, we strive to prevent additional harm to the complainant and to resolve issues rationally.

Employee Grievance Handling Process



Human Rights and Diversity

Embedding Human Rights Management into Every Corner

Expansion of Human Rights Education

Following the establishment of the human rights management system, LOTTE P&D has expanded its human rights education efforts to foster a culture of genuine respect for human rights. Beyond the legally mandated disability awareness training and sexual harassment prevention training, additional company-wide human rights education has been implemented.

In 2022, all employees participated in the program titled 'ESG, LOTTE's Long Journey,' where they learned about LOTTE's ESG policy directions, including the Human Rights Management Charter. This program helped employees understand the attitudes and mindsets they should adopt.

Following the enactment of the Regulations on Human Rights Management in 2023, a comprehensive 'Human Rights Management Education' was conducted. This training involved all employees and covered the contents of the Regulations, along with the concepts and practical approaches needed for human rights management in the corporate setting. The education addressed various aspects of human rights management, such as preventing human rights violations, practicing ethical management, and improving workplace practices to eliminate abusive behaviors. Through these educational efforts, all employees are working towards the internalization of human rights management.

Human Rights Management Education Achievements in 2022 and 2023

Year	Education Program	Training time	Participants
2022	ESG, LOTTE's Long Journey	3 hours	198
2023	Human Rights Management Education	5 hours	228

Promoting Diversity and Inclusion

To foster a culture that embraces diversity and supports sustainable development, LOTTE P&D's internal regulations and related policies prohibit prejudice or discrimination based on gender, religion, nationality, or disability, ensuring equal opportunities for all employees.

In 2023, on the 10th anniversary of the establishment of the Diversity Charter, the slogan 'We Belong in Diversity' was introduced to emphasize respect for and inclusion of diversity. This initiative aims not only to promote inclusivity but also to enhance the sense of belonging and connection among employees, thereby achieving qualitative growth of employees who are the source of future growth. Additionally, by expanding and managing the pool of female talent and operating family-friendly systems, we aim to prevent career interruptions for female employees.



Sustainable Supply Chain

Partner Selection and Evaluation

Partner Selection

LOTTE P&D operates a partner system for four major services: facility management, cleaning management, security management, and parking management. During the partner selection process, equal opportunities are provided to all participating partners, and management is conducted fairly. The entire procurement process is carried out through a self-developed 'Supplier Relationship Management (SRM)' system, which adheres to the principles of 'fairness,' 'objectivity,' and 'transparency.' This system manages the entire process, including partner registration, evaluation, bidding, contract signing, completion, inspection, and payment, in a one-stop manner, enhancing management efficiency and transparency.

To further ensure the transparency and fairness of the bidding process, the electronic bidding system prevents the disclosure of participants' bids before opening. Pre-bid briefings provide partners with detailed requirements and conditions related to the contract, and anti-dumping and anti-collusion policies are informed to prevent partner damages.



Supplier Evaluation and Management

LOTTE P&D establishes a sustainable supply chain through systematic evaluation of new and existing partner companies. Major suppliers undergo monthly regular evaluations post-contract, and annual evaluation scores determine the re-contracting eligibility for the following year. Partners with an annual average score of 90 or above qualify for re-contracting, and evaluation criteria include credit, environment, and safety. During the reporting period, no partners were found to have negative impacts in the environmental and social areas.

Ethics and Compliance Evaluation

During partner evaluations, compliance risks are managed by reviewing administrative dispositions, illegal activities, and major accidents in conjunction with credit rating agencies. Since its initial implementation in 2021, the scope of evaluation has been gradually expanded. From 2023, real-time risk rating monitoring was added, and practical management measures, such as restricting participation in bids and supply quantities, are being implemented.

Safety and Health Evaluation

During the bidding process, a written safety evaluation is conducted for partners, which is used as a criterion for bid participation. The evaluation forms and grades are determined based on our procurement guidelines, and failure to meet the evaluation criteria disqualifies participation in the bidding process.

Sustainable Supply Chain

Shared Growth with Partner Companies

Labor Consulting Support

LOTTE P&D provides labor consulting support to all partners responsible for the four major services. This support involves a labor law firm reviewing essential documents and entries required by labor-related laws and regulations, such as the Labor Standards Act and the Act on the Promotion of Employees' Participation and Cooperation, to ensure compliance. We cover the consulting fees incurred. Through labor consulting, we help our partners establish healthy labor relations and improve any deficiencies.

2023 Labor Consulting Support Achievements

Category	Details
Target	All partners for the four major services (10 sites, 20 services)
Period	June 19, 2023 - June 26, 2023
Method	On-site visits and preparation of result reports
Support Cost	KRW 3,900,000 ¹⁾
Improvement Directions	<ul style="list-style-type: none"> • Conduct training for relevant departments by certified labor consultants and discuss improvement measures • Provide labor management consulting through on-site inspections and real-time feedback from certified labor consultants • Encourage partners to review their own operations and make voluntary improvements

1) VAT excluded

Safety and Health Consulting Support

To establish and enhance the safety and health systems of our partners, LOTTE P&D conducts regular inspections to identify necessary amendments to legislation and implement corrective actions accordingly. The safety and health ratings are evaluated during partner selection to determine eligibility for bidding. Post-contract, the Safety Management Team conducts semi-annual adequacy checks to continuously monitor safety levels.

Through monthly Occupational Safety & Health Council, we have established a cooperation system for safety and health with partners. This includes monthly workplace inspections by team representatives, quarterly joint safety and health inspections of subcontracted projects, and monthly safety inspections to prevent industrial accidents, ensuring comprehensive management of industrial safety and health both within and outside the workplace.

For new business sites in 2024, we plan to conduct semi-annual safety education sessions to establish safety and health systems and improve worker safety awareness.

Financing Support

LOTTE P&D operates on the principle of paying partners entirely in cash. Especially during high-expenditure periods like holidays, payments are made in advance of the due date to assist partners with their cash flow.

Customer Satisfaction

Customer Satisfaction Management System

Satisfaction Management for Office Building Tenants

Tenant Satisfaction Survey

Since 2021, LOTTE P&D has conducted biannual satisfaction surveys targeting the administrative staff of tenant companies leasing space in the LOTTE WORLD TOWER Podium (B1–12F), Prime Offices (14–38F), and Premier 7 (108–114F). The survey assesses seven aspects including location and accessibility, security, cleanliness, and customer service experienced during their tenancy. In the 2023 survey, 89 respondents from 62 companies participated, representing a 57% participation rate, which is a 46% increase compared to the previous year. On a 5-point scale, the average score was 4.1 in the first half and 4.2 in the second half of the year, indicating an overall satisfaction level of 4 or above.

Based on the analysis of survey data, we strive to provide high-quality rental services and closely monitor each tenant's needs. When tenants face difficulties or have requests, solutions are sought and implemented in active cooperation with relevant departments. The results of these actions are communicated to tenants through face-to-face meetings and general notices. Additionally, regular events such as wine festivals and summer celebrations are held to enhance communication and strengthen relationships with tenants.



Tenant satisfaction survey poster

Office Satisfaction Survey Results in 2023

No.	Evaluation Category(5-point scale)	Score in the first half of the year ¹⁾	Score in the second half of the year ²⁾
1	Satisfaction with TOWER Security and Safety Management	4.3	4.5
2	Temperature Management (Heating/Cooling)	3.8	3.8
3	Cleanliness and Sanitation Management	4.3	4.2
4	Satisfaction with Convenience Facilities (TOWER/MALL)	3.9	4.1
5	Promptness of Operation Notices	4.1	4.4
6	Satisfaction with Complaint/Inquiry Response Service	4.1	4.3
7	Parking Lot Environment (Air Quality, Guidance Lines, etc.)	4.0	4.1
Average score		4.1	4.2

1) Targeting 30 companies. 2) Targeting 32 companies



INTERVIEW

We are growing together with LOTTE WORLD TOWER.

LIG Nex1 moved into LOTTE WORLD TOWER in October 2022 and has been expanding its office space continuously, satisfied with the excellent facilities and support provided. LOTTE WORLD TOWER, with its stunning views and superb infrastructure including hotels and restaurants, serves as an ideal office space, especially given the frequent visits from our international clients. Our employees, particularly the younger ones, also express high satisfaction with the cultural benefits provided by the surrounding infrastructure of the TOWER.

Coinciding with our move into the TOWER, we achieved significant growth, including major international export successes, marking a period of rapid expansion for our company. We believe that our growth is intertwined with LOTTE WORLD TOWER. Just as the TOWER stands tall, we hope to continue our steady growth and maintain a stable relationship as a satisfied tenant.

- General Manager, **Park Kyung-ho**, General Affairs Team, LIG Nex1



Customer Satisfaction

Customer Satisfaction Management System

Satisfaction Management for Office Building Tenants

Activities to Improve Tenant Satisfaction

Every year, LOTTE P&D strives to enhance tenant relationships and office satisfaction through various activities. Beyond providing holiday and year-end gifts, we host events such as wine festivals and lobby concerts to bring joy to daily life. Additionally, we offer services for tenant convenience, including a mobile driver's license service and the installation of unmanned mail reception units in unused spaces.



Wine festival



Snack giveaway events



Kids' art class events



Renovation of common area nursing rooms

Tenant Satisfaction Improvement Activities in 2022 and 2023

Category	2022	2023
Culture & Leisure Enhancement	<ul style="list-style-type: none"> TOWER lobby concerts 	<ul style="list-style-type: none"> Lobby jazz concert 2023 SKY RUN pre-sale Special discounts on TOWER facility tickets Musical <the Phantom of the Opera> photo zone Music broadcasting in TOWER lobby
Seasonal Celebrations	<ul style="list-style-type: none"> Summer snack giveaway event (coffee, macaron set) Wine festival 	<ul style="list-style-type: none"> Kids' art class events (Children's Day, Christmas) Summer and year-end snack giveaway event (coffee, donut set) Wine festival
Tenant Convenience	<ul style="list-style-type: none"> Mobile driver's license service Lobby car exhibition and test drive reservations Installation of unmanned mail reception units 	<ul style="list-style-type: none"> Mobile driver's license service Common area nursing room renovation Expanded operation of unmanned mail reception units Free comprehensive eye examination event
Employee Health Promotion	<ul style="list-style-type: none"> Installation of air purifiers in TOWER lobby 	<ul style="list-style-type: none"> Cleaning of TOWER lobby/lounge furniture
Gifts & Souvenirs	<ul style="list-style-type: none"> Holiday/year-end gifts TOWER 5th anniversary souvenirs 	<ul style="list-style-type: none"> Holiday gifts TOWER carousel experience tickets
Others	<ul style="list-style-type: none"> Tenant advertisement activation Operation of diffusers in TOWER lobby 	<ul style="list-style-type: none"> Tenant promotion advertisements Lobby car pop-up exhibitions (Lamborghini, etc.) Pop-up exhibitions for new tenant products

Customer Satisfaction

Customer Satisfaction Management System

Satisfaction Management for Residents

Resident Satisfaction Management System

LOTTE P&D operates a management system to ensure a satisfactory living experience for residents, covering move-in support, construction defect repairs, and more. This includes checking living spaces, guiding residents on systems needed for the move-in process, maintaining and cleaning units, and inspecting and improving mechanical and electrical facilities. Ongoing inquiries and support are handled through a dedicated tenant support center.



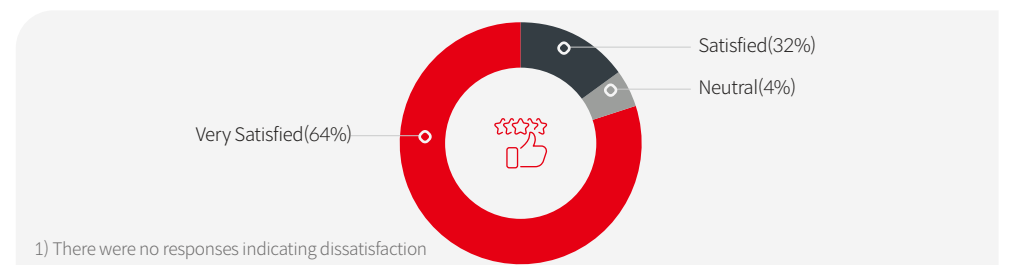
Resident Satisfaction Survey

To manage and improve the quality of customer satisfaction services, annual satisfaction surveys are conducted. For efficient management of detailed service quality, separate surveys for defect repairs and residential satisfaction are conducted. In 2023, the satisfaction scores were 96.7 for defect repairs and 90.2 for residential satisfaction. In addition to these quantified scores, residents' opinions are collected to identify customer requirements and areas for service improvement.

2023 Satisfaction Survey Results – Defect Repairs

No.	Evaluation Category	Key Details	Score
1	Adherence to Appointment Time	• Reconfirmation of date and time before the visit, advance notice in case of schedule changes	99.1
2	Repair Speed	• Adherence to processing requests within the requested timeframe	93.1
3	Repair Quality	• Enhancement of satisfaction through support for unresolved defects by the manager	94.0
4	Attendance Service	• Elimination of resident dissatisfaction by directly guiding the construction partner and verifying repair quality	100
5	Post-Repair Cleanup	• Provision of cleaning services, including moving and covering furniture during repairs	97.4
Average score			96.7

2023 Satisfaction Survey Results – Residence ¹⁾



Customer Satisfaction

Customer-tailored Service

Infrastructure Improvements Reflecting Customer Needs

LOTTE WORLD MALL has been working on improving public areas, strengthening food and beverage hygiene management, and renewing baby lounges to enhance customer satisfaction. In particular, the baby lounges on the 2nd and 4th floors, which reopened after renovations in the fall of 2023, have received excellent reviews from customers with young children.

During the baby lounge renovations, customer feedback was actively incorporated, replacing outdated fixtures and improving overall facilities such as air conditioning, ventilation, plumbing, and lighting. The goal was to provide customized convenience facilities by pursuing both trendy design and space efficiency. As a result, the usage rate of these facilities increased by approximately 20% compared to the previous month, and customer reviews have been positive.

We will continue to strive to enhance customer satisfaction in various aspects by actively reflecting customer needs and feedback in infrastructure improvements.



Baby lounge

Customer Service and Feedback Collection

We regularly conduct surveys and maintain open communication channels to check customer satisfaction and gather and reflect on areas for improvement for office and residence services. By responsibly managing customer satisfaction, we ensure high service standards. Additionally, to effectively communicate real-time with customers and share news about LOTTE WORLD TOWER & MALL, we operate social media channels such as Instagram, YouTube, Facebook, and blogs. These channels are used to provide marketing event information, introduce new stores, and promote operator promotions.

Moreover, since the launch of the web magazine 'GEEP', which offers a new perspective on the Jamsil and Songpa-gu as well as LOTTE WORLD TOWER & MALL, various articles introducing places and activities have been provided to facilitate customer engagement.

CASE STUDY

• Customer Diversity Consideration in Service Training

LOTTE P&D conducts service training considering customer diversity to ensure that all customers feel comfortable using the buildings and services. In 2023, we produced an etiquette leaflet for interacting with disabled individuals at LOTTE WORLD TOWER. This leaflet was reviewed by the Korea Employment Agency for Persons with Disabilities and the Songpa-gu Office's Welfare Department for the Disabled before being distributed to employees. Additionally, we conducted awareness improvement training during the employee communication event 'Delightful Friday' to enhance disability awareness among all employees.

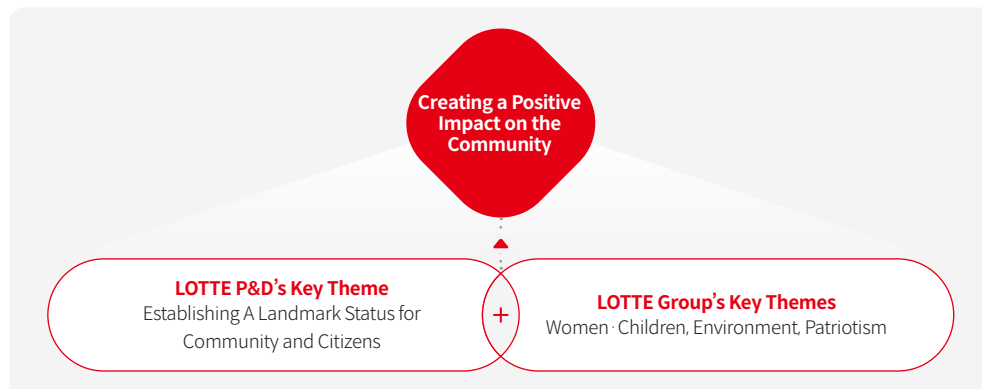
Contribution to the Community

Social Contribution Promotion System

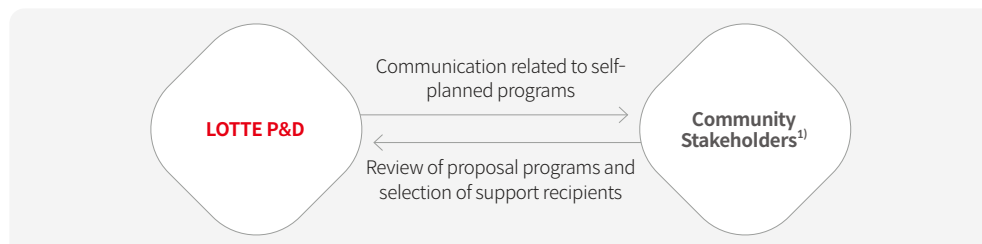
Social Contribution Operating Strategy

LOTTE P&D has built a CSV (Creating Shared Value) story reflecting its business characteristics and is conducting social contribution activities to have a good and positive impact on the community. Additionally, we are gradually expanding our own planned activities rather than simple donations. We plan to continue engaging in highly satisfactory social contribution activities linked to our business while expanding fields that enhance LOTTE's corporate value and sustainability.

Direction of Social Contribution Promotion

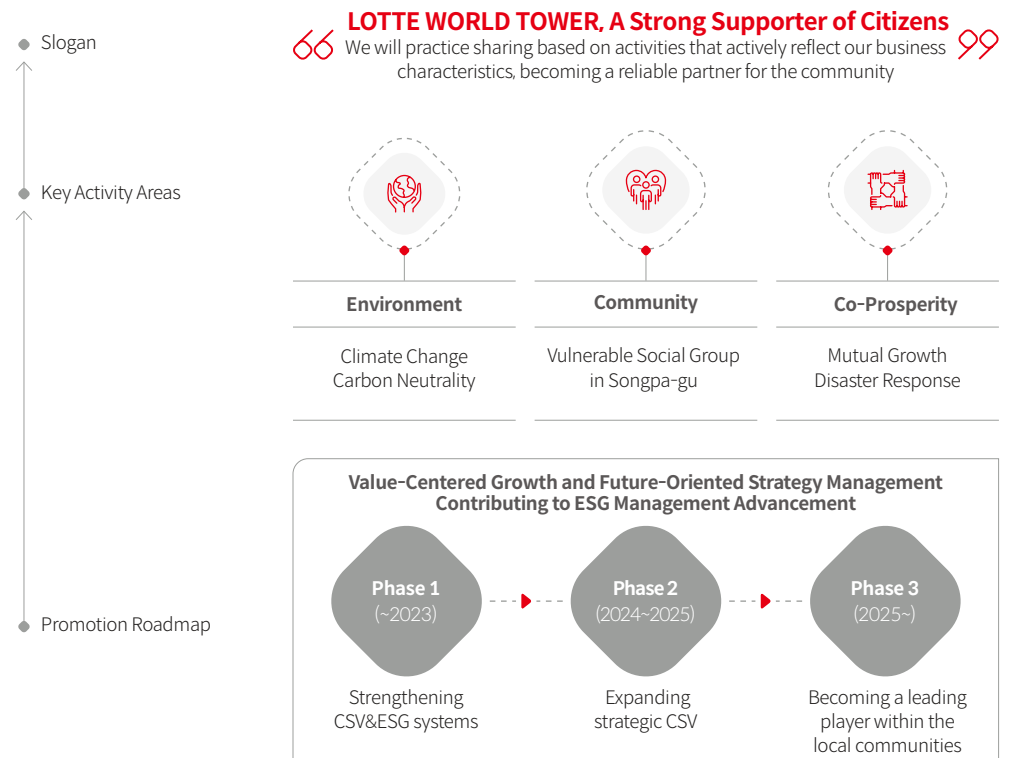


Social Contribution Cooperation System



1) Local governments, civic groups, NGOs, etc.

Social Contribution Strategy System



Contribution to the Community

Social Contribution Activities

Local Environment Improvement

Improvement of Seokchon Lake Water Quality

Seokchon Lake, an important water resource and a resting place for citizens near LOTTE WORLD TOWER & MALL, faced issues such as turbid water and algae blooms due to factors like its artificial nature and the inflow of untreated Hangang River water. In response, LOTTE P&D has been implementing the Seokchon Lake water quality improvement project since 2021 in collaboration with Songpa-gu and specialized water purification companies. Due to significant improvements in turbidity and cleanliness, from 2022 onwards, citizen participation activities, such as hosting the Aquathlon competition at Seokchon Lake, have been expanded.

Furthermore, in 2023, employees directly participated in water quality improvement activities. In celebration of Environment Month in June, employee volunteers threw EM (Effective Microorganisms) mud balls into Seokchon Lake and conducted a 'Plogging' activity, picking up trash while walking around the lake. Through these direct involvement activities, we aim to protect urban nature and create a pleasant environment for local residents.



EM mud ball throwing



Plogging

Seokchon Lake Water Quality Improvement Results



Park Caretaker Program

In celebration of Arbor Day, LOTTE P&D has been hosting tree planting events in the vicinity of LOTTE WORLD TOWER every year. In 2022, 3,200 trees were planted in Ogeum Park, and in 2023, 1,034 trees were planted in Seokchon Lake along to the walking paths. This activity was conducted in response to the Ecology Monitoring Group's feedback on the need to reinforce the vegetation around the lake and was carried out in cooperation with Songpa-gu office and the NGO 'Green Future Foundation.'



Ecology Monitoring Group



Tree planting event near Seokchon Lake

Beautiful Friendly Workshop

In collaboration with the Beautiful Store Foundation, LOTTE P&D operated the 'Beautiful Friendly Workshop' as part of the 5th anniversary celebration of LOTTE WORLD TOWER's opening in 2022. Participants were encouraged to practice eco-friendly activities by creating DIY picnic kits and using a detergent refill station.

Contribution to the Community

Social Contribution Activities

Support for Vulnerable Groups

Culture Day for People with Disabilities at LOTTE WORLD TOWER

Since 2022, LOTTE P&D has been organizing the 'Culture Day for People with Disabilities at LOTTE WORLD TOWER'. This event allows people with disabilities in Songpa-gu and LOTTE P&D employees to engage in cultural experiences together. The Cultural Day events include visits to cultural facilities such as LOTTE WORLD Aquarium, SEOUL SKY, and LOTTE Cinema. By the end of 2023, over 500 individuals from six different groups have participated in these events, consistently striving to create an inclusive society where people with and without disabilities can coexist.

Social Worker Healing Concert

In celebration of Social Workers' Day (September 7), LOTTE P&D hosted the 'Healing Concert with Social Workers at LOTTE WORLD TOWER' in 2023. This event aimed to express gratitude to social workers who dedicate themselves to improving the quality of life for those in need. Approximately 60 social workers and staff from facilities for people with disabilities in Songpa-gu were invited to the TOWER for an evening of dinner and a classical performance at the LOTTE Concert Hall. This healing program provided an opportunity for encouragement and appreciation.



Culture day for people with disabilities at LOTTE WORLD TOWER

INTERVIEW

We will continue our collaboration with LOTTE P&D, which has shown a proactive and consistent attitude.

Under the goal of 'Improving the quality of life for people with disabilities in Songpa', the Disability Welfare Division is working to provide customized welfare services. Since 2022, we have partnered with LOTTE P&D on the 'Into the World' cultural experience program, offering cultural facility passes to people with disabilities who lack cultural experience opportunities. This initiative aims to increase participation in cultural and artistic events and enhance leisure activities. On the third Thursday of each month, we prioritize selecting 25 individuals from registered disabled residents with an income below 120% of the median income to enjoy various cultural experiences, including visits to SEOUL SKY Observatory, Aquarium, Museum, Concert Hall, and LOTTE Cinema. LOTTE P&D donates approximately KRW 25 million worth of tickets and souvenirs annually and also supports the Songpa-gu Disability Festival with KRW 10 million worth of souvenirs. Thanks to LOTTE P&D, people with disabilities, often marginalized from cultural and artistic activities, have been able to experience culture and interact with non-disabled individuals, helping to alleviate social isolation and improve disability awareness. We hope that this public-private partnership will continue to drive disability welfare projects and social contribution activities with LOTTE P&D.

- Officer, **Kim Sang-woo**, Disability Welfare Division, Songpa-gu Office

Contribution to the Community

Social Contribution Activities

Co-Prosperity with Local Communities

Together! Pat-On-The-Back Happy Box

To support underprivileged groups in the local community, LOTTE P&D holds the annual 'Together! Pat-On-The-Back Happy Box' event at the end of the year. In 2023, we provided daily necessities and ready-to-eat meals to 200 low-income single-person households in Songpa-gu. The event sees active participation from employees, with members of a junior board personally managing the packaging.



Together! Pat-On-The-Back Happy Box

Community Sharing Activities

Rice Sharing for Holidays

Since 2014, LOTTE P&D and the companies located in LOTTE WORLD TOWER & MALL (LOTTE Department Store, LOTTE Duty Free, LOTTE Mart, LOTTE Himart) have annually celebrated the Lunar New Year and Chuseok holidays with the community by sharing rice with the underprivileged for 10 years. So far, a total of 200 tons of rice has been delivered to over 20,000 households.



Rice sharing for holidays

Kimchi Sharing Event

LOTTE P&D employees participate in the 'Kimchi Sharing of Love' event, making and delivering kimchi to underprivileged groups in the community. In 2022, we delivered kimchi to 500 households, including single-parent families and child-headed households.

'The Maru' Project

In 2021, LOTTE P&D launched the 'The Maru' social contribution project in collaboration with tenant companies of LOTTE WORLD TOWER, focusing on environmental social contribution activities.

- Donation of goods by employees: In collaboration with the Beautiful Store Foundation, we initiated a project where employees can directly donate their possessions. This project not only expands interactions with tenant companies but also promotes a culture of donation through resource circulation and supports underprivileged groups.
- Earth Hour: To raise awareness about the severity of the climate crisis, we collaborate annually with the WWF (World Wide Fund for Nature) to participate in the 60-minute lights-out event. Tenant companies at the TOWER sympathize with the purpose of this project and actively participate.

CASE STUDY



Before Earth Hour lights out



After Earth Hour lights out

Information Security

Information Security System

Dedicated Information Security Organization

In accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection, LOTTE P&D established a dedicated information security organization in 2019 and appointed the General Manager of the Information Security Team as the Chief Information Security Officer (CISO). Following the 2022 amendment to the law, the Information Security Team was upgraded to the Information Security Division, and the Managing Director of this division was appointed as the Chief Privacy Officer (CPO) to systematically protect and manage the company's critical information, including personal data of customers and employees.

The Managing Director of the Information Security Division oversees all aspects of information security, including administrative, physical, technical, and personal data security. This includes managing information security regulations, annual plans and training related to information security, and the management and training of personal data. By attending the LOTTE Group's Information Security Committee, we proactively respond to information security strategies and strengthen the information security system.

Key issues from the quarterly working committee meetings are presented to the Information Security Committee, the highest decision-making body that includes the Managing Director of the Information Security Division, which meets twice a year to manage the company's information security system comprehensively.

Information Security Organizational Structure



Establishment of Information Security System

To maintain customer information protection and internal information security, LOTTE P&D revised and established new information security policies and guidelines in 2024. These policies and internal management plans for personal data define the basic tasks related to information protection and provide principles and guidelines for safe work execution through administrative, physical, technical, and personal data security directives. These policies are posted on the bulletin board for all employees to recognize and review.

LOTTE P&D transparently discloses the privacy policy on its web pages, detailing the types of personal information collected, retention periods, processing and destruction procedures, and safety measures for all websites and services, including LOTTE WORLD TOWER, MALL, Workflex, and SKY31 Convention. To effectively handle personal information violations, a unified reporting channel has been in operation since February 2024.

Key Contents of the Information Security Policy

- 1 Develop and implement mid- to long-term information security plans.
- 2 Establish and operate an educational plan to enhance employees' awareness of information security.
- 3 Control unauthorized access to information systems and critical information.
- 4 Establish and operate essential security solutions to protect information assets.
- 5 Develop an incident response system centered around the Chief Information Security Officer.
- 6 Ensure appropriate management and supervision to securely manage personal information.

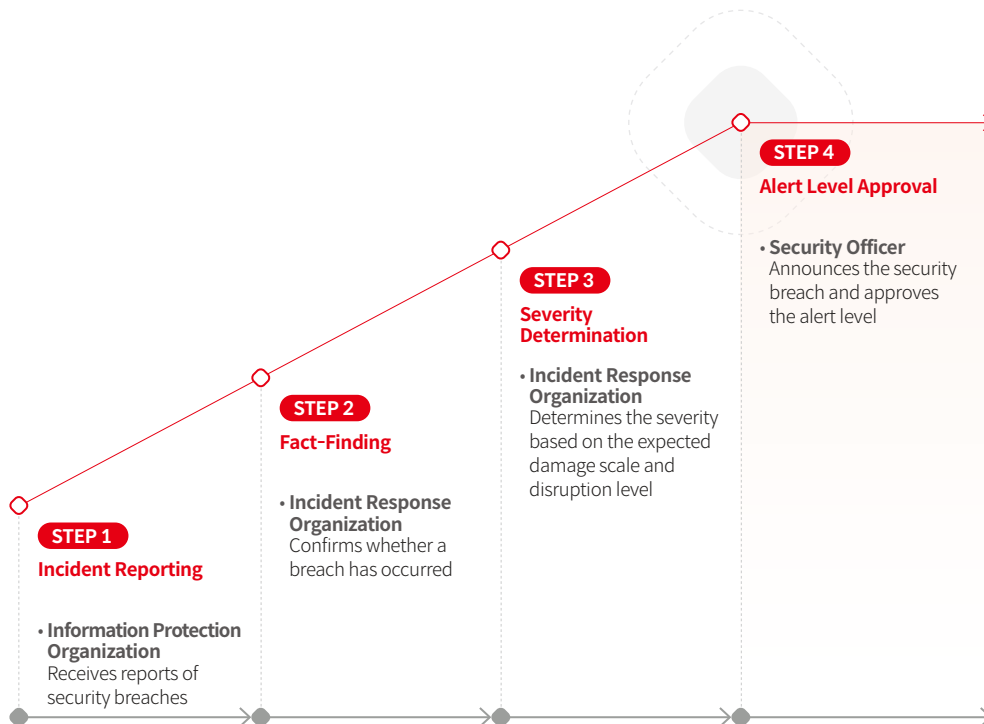
Information Security

Information Security System

Information Security Risk Response System

LOTTE P&D has established an incident response system to promptly address security breaches. The roles and responsibilities (R&R) of the response organization are communicated to all employees through the internal bulletin board, allowing for flexible and swift response according to the severity of the risk.

Breach Incident Handling Process



Information Security Risk Analysis and Assessment

Introduction of Essential Security Solutions

To prevent various security incidents, such as the leakage of personal and internal information, and to respond to continuously increasing security threats, essential security solutions have been introduced.

Functions of Essential Security Solutions

- 1 **Prevention of Critical Information Leakage** : Database (DB) encryption, data leakage prevention solutions
- 2 **Prevention of Security Breaches** : Advanced Persistent Threat (APT) response, app tampering prevention solutions
- 3 **Response to Intelligent Hacking** : Next-generation threat detection solutions, anti-ransomware solutions
- 4 **Proactive Response to New Security Threats** : Server access control, etc.

Information Protection Inspections and Training

With the increase in security threats targeting various industries and companies, LOTTE P&D conducts annual inspections, including an information protection level diagnosis. We identify vulnerabilities in each area and formulate implementation plans to address them, thereby mitigating security threats.

Key Inspections and Training Activities

- 1 Information security level inspection (Management, physical, personal information, and technical areas)
- 2 Management of video information operation status inspection
- 3 Inspection of partners and controlled areas
- 4 Penetration testing and infrastructure vulnerability inspection
- 5 Simulated virus email training
- 6 Incident response training

Information Security

Enhanced Data Protection Activities

Information Security Training

LOTTE P&D conducts online and offline education for all employees to raise awareness about information protection, considering job roles and levels. The training includes common security education for all employees, mandatory information protection training for new employees, and specialized training to enhance the skills of security personnel. To promote and internalize an information protection culture, the completion of security education for all employees was included in the 2023 personal KPIs, achieving a 100% completion rate.

In addition, to strengthen the awareness level of personal information handlers and ensure safe management of personal data, we conduct at least one annual training session for personal information handlers. To ensure that partner companies securely manage entrusted personal information, we regularly inspect these companies and collaborate to ensure they conduct regular security training.

Internalizing Information Protection Culture

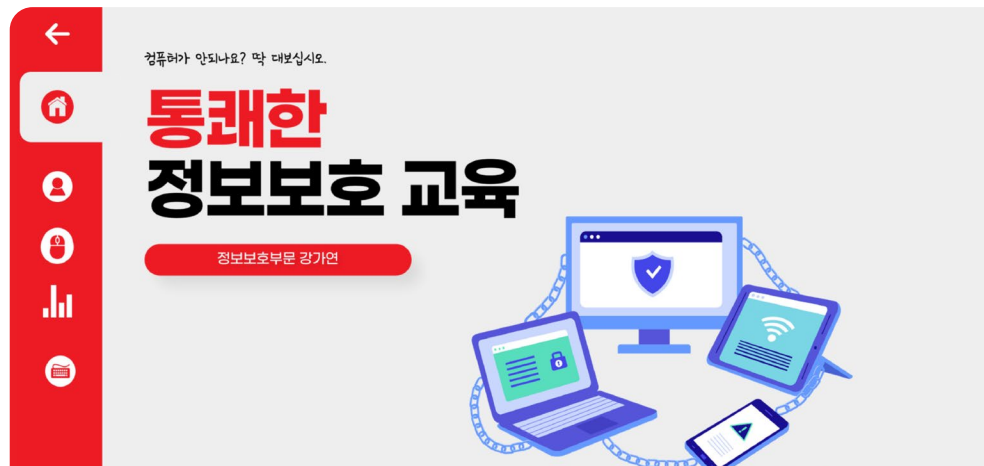
To prevent security incidents and enhance information security, LOTTE P&D conducts various activities such as: information security level checks centered on security personnel, management checks on video information operation status, inspections of partner companies and controlled areas, and company-wide simulated hacking training and simulated virus email training.

Simulated virus email training is conducted quarterly for all employees to prevent incidents where internal information is leaked, or operations are disrupted due to spam or ransomware. To promote security awareness and activate information protection activities, a reward system was introduced for employees who demonstrated excellent performance in addition to existing penalties. Moreover, we perform simulated hacking on company-wide systems, applications, and IT infrastructure related to business to continuously enhance security performance compared to the previous year.

Spreading Information Protection Culture to Overseas Branches and Subsidiaries

With the rise of remote work and remote education post-COVID-19, the Southeast Asian region, relatively weak in IT security capabilities and awareness, has seen a continuous increase in cybercrime. Vietnam, a major region for LOTTE P&D's global business, is particularly affected.

In response, we conducted online education for overseas branches and subsidiaries. To enhance the understanding of local employees who are not native English speakers, online training videos were provided in Vietnamese. This initiative achieved a high improvement rate in the simulated virus training conducted by LOTTE Group (16.7% in the first half, 1.9% in the second half, and 14.8% annually).



Employee security education



Training materials for overseas branches

Responsibility



Sound Governance

BOD Composition and Operation

BOD Composition

LOTTE P&D's Board of Directors (BOD), which ensures transparent decision-making, is composed of three inside directors and one independent director. The CEO, who also holds the position of Chair, is selected for his deep understanding of our business and management dynamics. Directors are generally appointed for a two-year term, with the possibility of reappointment or term extension in certain circumstances.

The board addresses issues assigned to it, adhering to legal and corporate guidelines, encompassing aspects of general shareholder meetings, management, finance, and internal transactions, while also overseeing agenda items on these subjects. Furthermore, the Compliance Team conducts a preliminary review of all board agendas to assess associated risks, including any potential legal infractions.

Current Board Composition

Category		Name	Date of birth	Gender	Remarks
Executive director	CEO (inside director)	Chang Chae-hun	Nov. 1969	Male	Chair of the Board
	Inside director	Choi Young	Apr. 1972	Male	(Current) Managing Director of the Strategic Management Division
	Inside director	Lee Sang-hun	Nov. 1974	Male	(Current) Managing Director of Finance & Accounting Division
Non-executive director	Independent director	Won In-cheol	Jan. 1961	Male	(Current) Advisor at Lee&Ko

* As of March 2024

Committees under BOD

With an aim to enhance decision-making transparency and expertise, we have instituted the Transparent Management Committee and the Compensation Committee under the Board of Directors. The Transparent Management Committee oversees the approval of internal transactions, while the Compensation Committee manages the approval of director remuneration. The chairmanship of these committees is held by independent directors, affirming the autonomy of the decision-making process.

Committee Composition under BOD

Category	Role	Composition	Meeting frequency
Transparent Management Committee	Deliberation on internal transaction	Independent director (Chair), two inside directors	Once a year in average
Compensation Committee	Deliberation on executive compensation	Independent director (Chair), two inside directors	

Director Selection Criteria

Board members are selected for their independence, expertise, and diversity, with appointments being confirmed through a board's resolution and subsequently ratified at the general shareholders' meeting

Diversity Criteria for Director Appointment

Category	Details
Gender	• Comply with gender equality principles in order to operate the board from diverse perspectives
Age and career	• Consider ample career as well as flexible response capabilities to the changes in the business environment a to improve board efficiency
Experience and background	• Take into account the unique aspects of Korean society while consciously steering clear of biases related to specific regions, fields, and occupations
Nationality	• Discover director candidates from diverse national backgrounds to ensure a global perspective in management decisions

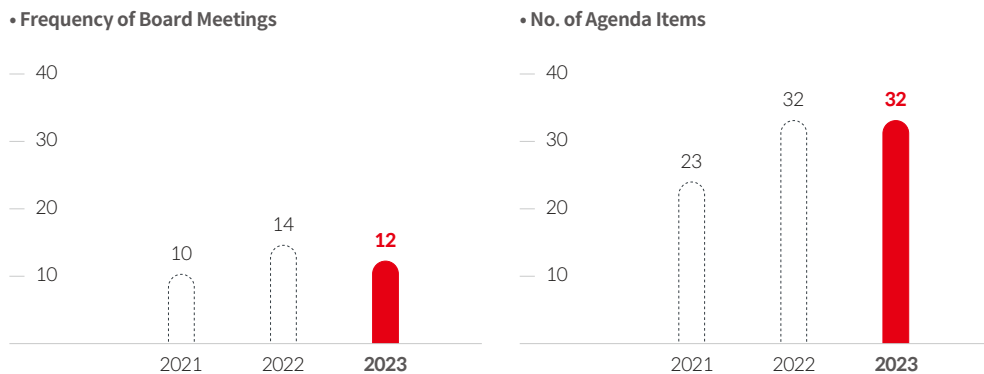
Sound Governance

BOD Composition and Operation

BOD Operation

The Board of Directors convened board meetings 14 times in 2022 and 12 times in 2023, averaging over one meeting per month, a frequency which underscores our commitment to the highest standards of transparency in decision-making. The outcomes of these meetings are disclosed on the IR bulletin board of the company homepage following each quarter’s conclusion. Throughout 2023, the board deliberated on a total of 32 critical resolutions and reports, including the creation and amendment of company policies and key business agendas. Going forward, we aim to address pivotal environmental and societal matters while pushing forward ESG management.

Frequency of Board Meetings and No. of Agenda Items Annually



Board Members/Executives Compensation System

We enhance management transparency and adherence to compliance by setting executive remuneration through the Compensation Committee under the board. During the general shareholders’ meeting, a cap on director compensation is established, and within these parameters, the Compensation Committee determines the specific remuneration (base salary and performance-related bonuses) for directors and executives. The resolutions of the Compensation Committee are subsequently reported to the BOD.

BOD Independence, Expertise, and Diversity

We are fortifying the board’s independence by appointing independent directors. These independent directors, who are not directly part of the company management, evaluate matters from an impartial and objective perspective. Moreover, as stipulated by Article 10 of our Regulations on Board of Directors, the board is tasked with the approval of dealings involving the company’s principal shareholder (including their closely associated individuals) as well as transactions between the company and its directors. This also includes decisions regarding directors’ potential conflicting professional activities and holding executive roles in competing firms within the same sector.

In the director appointment process, we take into account candidates’ professional expertise and experience to ensure they can effectively guide the company’s strategic vision and oversee internal operations. Prior to board meetings, the Compliance Team performs a thorough legal assessment of the agenda items. Once a board meeting is announced, we distribute a detailed agenda to all directors, ensuring they have adequate time to review the materials before deliberations. To aid the independent directors in their objective and expert decision-making, we consistently furnish them with essential management insights at a minimum of twice per year.

To foster sustainable growth, our inside directors participate in educational sessions hosted by third-party professional institutions. In 2023, three inside directors enriched their expertise through ‘organizational culture improvement training’ and ‘communication training’ that were conducted internally with the aid of invited lecturers. Additionally, one inside director attended an external vocational training program about economy.

Future Plans

We plan to formulate and distribute the ‘Board of Directors Expertise and Diversity Guidelines’ by the end of 2024 as formal company policies aiming to enhance the board’s transparency, proficiency, and diversity. Adhering to these principles, we will evolve as a responsible enterprise, characterized by our efficient and transparent decision-making processes.

Risk Management

Risk Management System

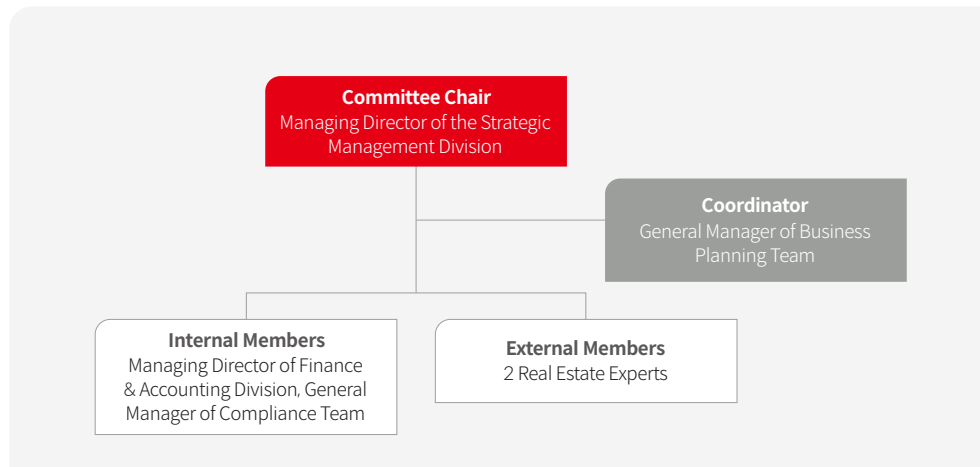
Operation of Financial and Non-financial Risk Management System

In our pursuit of new investments and businesses, we conduct an assessment of both financial and non-financial risks with a holistic consideration. The feasibility of the business is reviewed by comprehensively reflecting not only potential financial impacts but also non-financial factors, and the decision-making body reviews this before making the final decision.

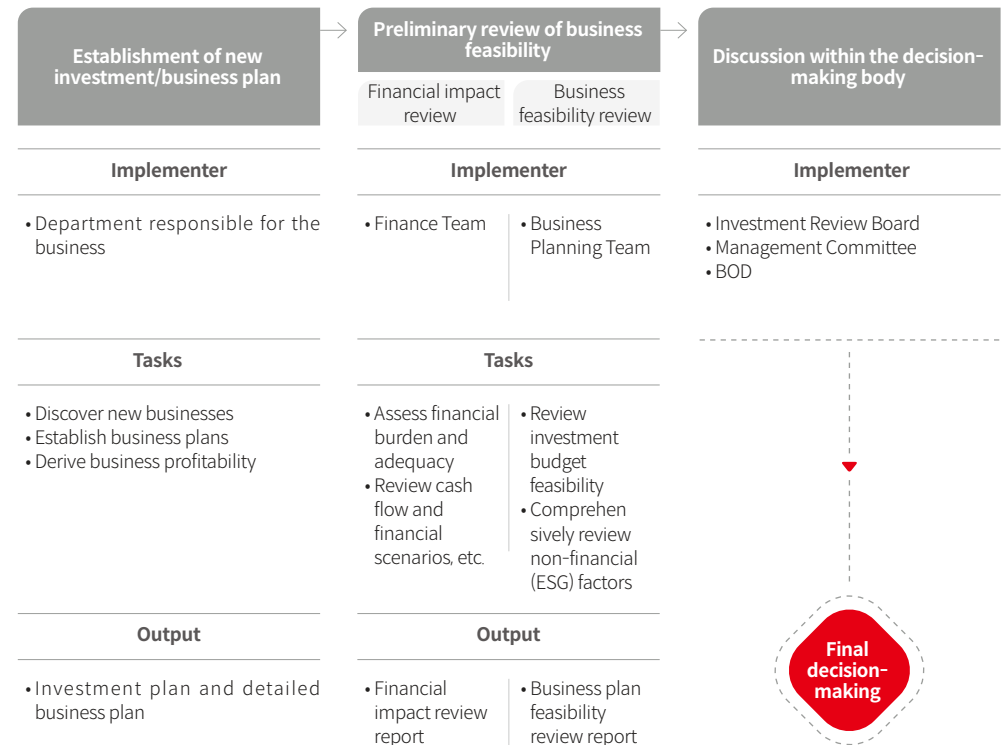
Investment Review Board

In our real estate alternative investment and development projects, we evaluate key investment factors including the project’s framework, associated risks, market conditions, and overall viability, through consultations with both internal and external specialists. The Investment Review Board convened twice a year in 2022 and 2023 to scrutinize the investment and development proposals of the company.

Investment Review Board Composition



New Investment and Business-related Risk Review Process



Risk Management

Risk Management Activities

Identification and Control of Major Risks

LOTTE P&D defines risk as possible uncertainty in the course of corporate management activities and anything that threatens the sustainability of an organization. Risks are categorized into financial and non-financial risks, with management conducted by each detailed risk element.

We constantly manage financial risks by monitoring key financial indicators, including debt ratio, current ratio, and interest coverage ratio, which bring us insights into the company's financial health, such finance, credit, and capital. For non-financial risks, we address potential uncertainties in our business activities by developing comprehensive ESG metrics that cover environmental, social, and governance factors.

Key Risk Management Indicators

Category	Risk type	Content	Risk Management Plan
Financial risk	Finance	<ul style="list-style-type: none"> The risks of being exposed to exchange rate fluctuations due to the borrowing of foreign currency loans 	<ul style="list-style-type: none"> Utilizing hedging methods, such as derivatives contracts Monitoring of the market environment at all times
	Credit	<ul style="list-style-type: none"> The risks of not being able to pay debts, such as principle and interest, on the appointed day due to unstable cashflow (default risk) 	<ul style="list-style-type: none"> Establishing and reviewing money balance plans Managing financial ratios
	Capital	<ul style="list-style-type: none"> Rising costs of capital due to inefficient capital structure 	<ul style="list-style-type: none"> Maintaining optimum capital structure for reducing the cost of capital
Non-financial risk	Environment	<ul style="list-style-type: none"> Environmental regulations associated risks (carbon neutrality, etc.) 	<ul style="list-style-type: none"> Establishing climate change-related governance structure Reducing carbon emissions and managing carbon intensity Expanding eco-friendly investments according to the Net Zero roadmap
	Safety and quality	<ul style="list-style-type: none"> Safety accidents such as occupational accidents 	<ul style="list-style-type: none"> Setting a safety accident prevention process Providing safety training and conducting audits for employees and partner companies Increasing safety and health investments
	Human resources	<ul style="list-style-type: none"> Recruiting and retaining talents 	<ul style="list-style-type: none"> Advancing the employee training system
	Governance	<ul style="list-style-type: none"> Internalization of ESG-oriented business decisions 	<ul style="list-style-type: none"> Expanding the operation of the ESG Committee and linking major decision-making procedures
	Data security	<ul style="list-style-type: none"> Personal information and data security 	<ul style="list-style-type: none"> Expanding investments in data security Tightening security checks Enhancing security solutions Establishing a disaster recovery system
	ESG disclosure	<ul style="list-style-type: none"> Establishment of the ESG disclosure system 	<ul style="list-style-type: none"> Managing ESG disclosure data Monitoring regulations related to the ESG disclosure

Ethical and Compliance Management

Ethical and Compliance Management System

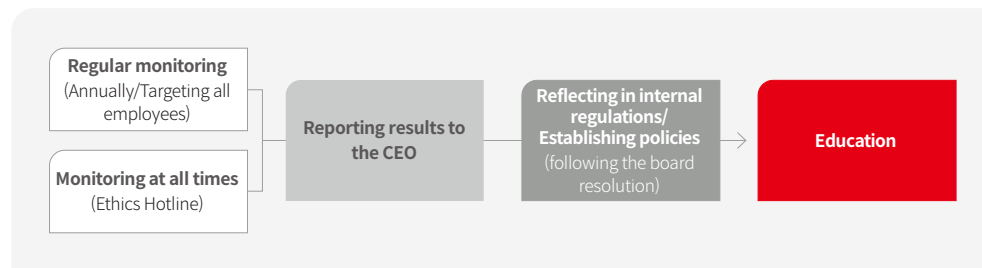
Code of Ethics and Standards of Conduct

LOTTE P&D has instituted a Code of Ethics and Standards of Conduct for its employees, which act as benchmarks for ethical decision-making. These standards are built on the trust with customers, employees, partner companies, shareholders, and the broader society. By committing to ethical management, we strive to cultivate trust with our stakeholders and drive a constructive cycle of progressive growth.

Anti-Corruption Compliance Rules and Employees' Pledge

In July 2018, we established Anti-Corruption Compliance Rules, which we adhere to in the entire course of our business operations. We continuously enhance these rules by conducting regular anti-corruption monitoring, integrating the findings into our regulations. We also promote compliance by mandating an annual pledge from our employees, raising the awareness of compliance.

Corruption Prevention Process



* Prior to contract finalization, the Compliance Team reviews the agreement to ensure adherence to legal statutes, including the Fair Trade Act.

CEO's Message on Compliance Management

With a goal to reinforce the awareness of ethics and compliance among our employees, the CEO disseminates a message regarding these principles to all employees with an average frequency of twice annually. Through these direct communications, which emphasize fair trade and anti-corruption, the CEO establishes the ethical compass for the organization and motivates members to engage in ethical decision-making in conducting their duties.

Future Plans

- Acquisition of ISO 37301 Certification

We plan to obtain the compliance management system certification (ISO 37301) by the end of 2024 for the enhancement of our ethics and compliance framework. ISO 37301 is a globally recognized standard set by the International Organization for Standardization (ISO), outlining an organization's strategic commitments to legal and ethical standards. The journey towards this certification will reinforce our compliance management, elevate our employees' awareness of compliance, and strengthen the will of our management team.

- Improvement of Donation and Sponsorship Process

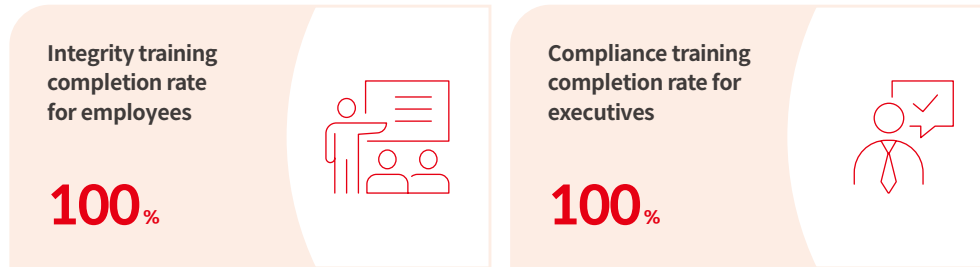
Annually, we engage in numerous acts of philanthropy and sponsorship. In order to mitigate potential corruption risks and uphold ethical management, we plan to examine each case of donation and sponsorship, followed by conducting an overhaul of the screening procedures.

Ethical and Compliance Management

Internalization of Ethical and Compliance Management

Ethical Management Training

To elevate our employees' consciousness of ethical awareness, we conduct annual anti-corruption training sessions for the entire employees. Through additional compliance education, our executives are empowered to formulate and implement policies that align with ethical and compliance management, thereby steering the company's operations.



Ethics Hotline

We have put in place an Ethics Hotline, accessible to all employees for reporting any regulatory breaches, gender-related issues, or instances of workplace harassment. In line with our commitment to the principle of reporter protection, we ensure the confidentiality of the whistleblower's identity and the information.

We also manage an external Ethics Hotline, designed to gather feedback and address concerns from external stakeholders, such as community members, regarding LOTTE P&D. This hotline adheres to the reporter protection principle, ensuring the anonymity of the reporter and the confidentiality of the information provided.

Voice of Partners (VOP) for Partner Companies

We have established Voice of Partners (VOP) as a dedicated communication channel for our partner companies, enabling us to check and refine their recommendations and challenges, thereby fostering productive cooperation. VOP functions exclusively for partner companies, distinct from the internal and external Ethics Hotline, reflecting our dedication to nurturing trust with partners as a core aspect of our Standards of Conduct.

• Compliance Audit

CASE STUDY

LOTTE P&D undertook a company-wide compliance audit facilitated by an external expert firm in 2023. This evaluation, conducted by a third-party, quantified the understanding, principles, and adherence to ethics and compliance among our employees. On the foundation of these outcomes, we refined our systems to address any shortcomings. Moving forward, we are dedicated to maintaining transparent management by identifying and enhancing aspects of ethics and compliance that require improvement, guided by objective assessments.

Ethical and Compliance Management

Fair Trade Compliance

Fair Trade Compliance Program (CP) Operation

We have established an internal compliance program (CP) to ensure adherence to fair trade laws. In 2020, the Board of Directors appointed the Managing Director of the Management Strategy Division as the compliance officer. Additionally, we crafted a fair trade voluntary compliance manual to enhance our operational efficiency.

Our fair trade compliance program mitigates legal and regulatory infringement risks by implementing a comprehensive compliance management process. In conjunction with the Standards of Conduct, it cultivates a culture of ethical and compliance-oriented values among employees, guiding them towards making ethical decisions in their professional responsibilities.

Additionally, we maintain a reporting system for compliance program, allowing stakeholders to report any observed or known instances of unfair trade practices. We assure confidentiality for the identity of the whistleblower and the specifics of the report, with measures in place to prevent any disclosure, detection, or discriminatory actions against the reporter.

 [CP-related whistleblowing site](#)

7 Major Elements of CP

- ① Internally and externally demonstrating the CEO's commitment to fair trade compliance
- ② Designating and operating an executive-level compliance officer with actual responsibility and authority
- ③ Preparing case-based guidelines for compliance with fair trade laws and regulations
- ④ Differentiated levels of education for at least 2 hours or more every half-year by taking into account the characteristics of each department and level
- ⑤ Building a supervising system to prevent violations
- ⑥ Disciplinary measures against law violations
- ⑦ Establishing a document management system

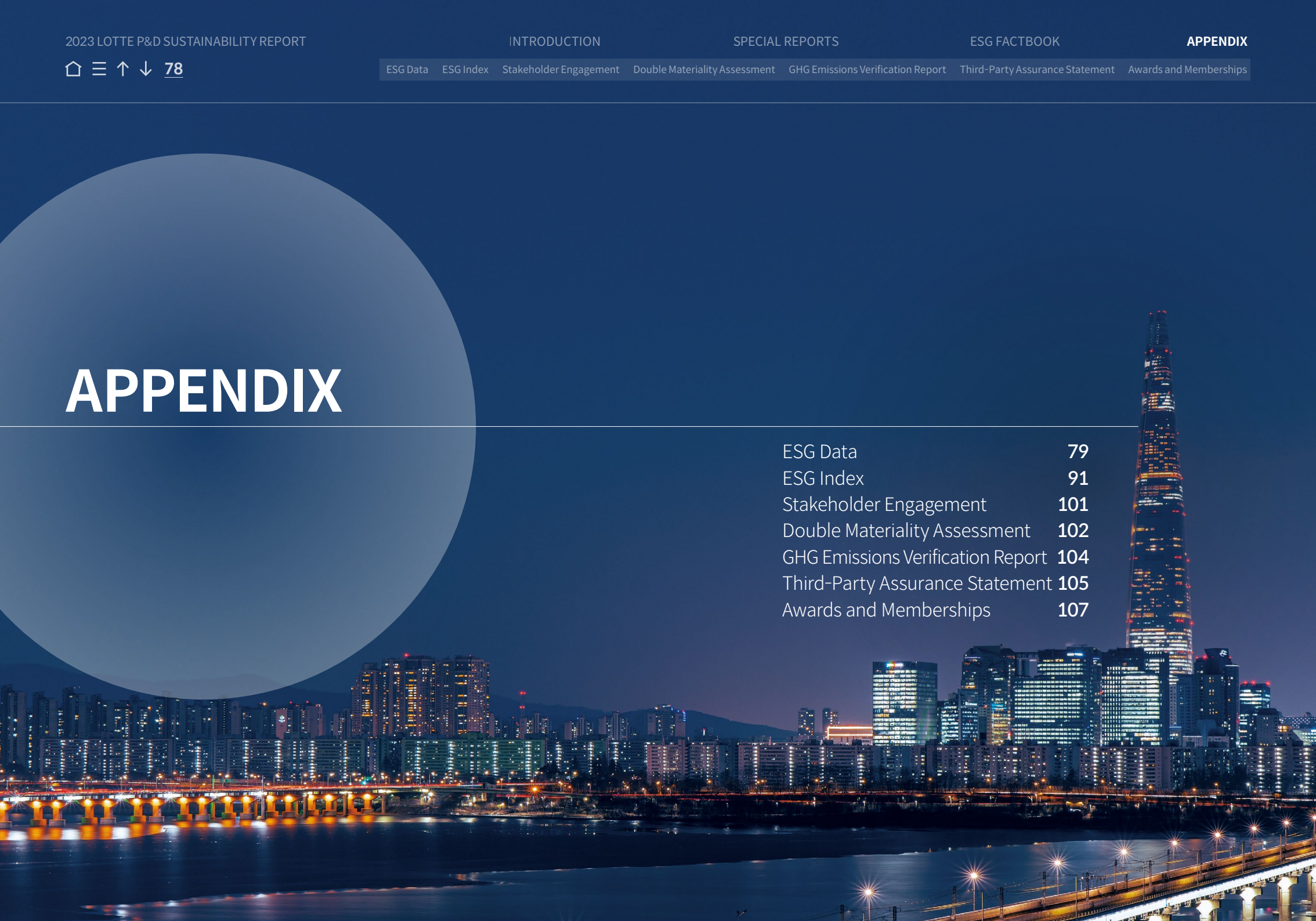
Subcontract Trade Monitoring

We carry out a monitoring of our subcontracting transactions to ensure the absence of any unjust practices within our contractual and business dealings with partner companies. Our Compliance Team conducts an anonymous survey to personnel from partner companies, inquiring if they have encountered any contractual terms or directives that contravene legal standards or constitute an unfair exertion of authority. This regular monitoring of subcontract transactions, similar to the 'VOP' channel, underscores our dedication to legal compliance and shared growth, fostering trust with our partners and reinforcing our commitment to compliance management.



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ESG Data

Environmental

GHGs and Energy

Category	Unit	2021	2022	2023	
GHG emissions ¹⁾	Scope 1 emissions	tCO ₂ eq	5,164	5,297	5,617
	Scope 2 emissions	tCO ₂ eq	30,653	32,459	32,262
	Total GHG emissions (Scope 1+2)	tCO ₂ eq	35,817	37,756	37,879
	GHG emission intensity ²⁾	tCO ₂ eq/m ²	0.08	0.09	0.09
Energy consumption ¹⁾	Non-renewable energy consumption	TJ	741	776	754
	Renewable energy consumption ³⁾	TJ	1 ⁸⁾	1	1
	Total power consumption	TJ	641	683	674
	Total energy consumption ⁴⁾	TJ	742	777	755
	Energy intensity ⁵⁾	TJ/m ²	0.002	0.002	0.002
Total power sales ⁶⁾	TJ	-	-	1.9	
Energy consumption growth rate ⁷⁾	%	2.7	4.7	-2.8	

Environmental Law Violations

Category	Unit	2021	2022	2023
No. of breaches against environmental obligations or regulations	-	0	0	0
Amount of fines incurred by violations	KRW million	0	0	0

1) [Criterion for calculating GHG emissions and energy consumption]

- Calculation criteria: As LOTTE P&D is subject to the Emission Trading System, it has calculated GHG emissions (Scope 1 and 2) in accordance with the 「Guidelines on emissions reporting and verification of the Emissions Trading System (Ministry of Environment Notification No. 2023-221)」.
- Organizational boundaries: It covers facilities under our operational control within the site of LOTTE WORLD TOWER & MALL that span 428,934m² and the area covering seven to nine floors of the Workflex Yeoksam that measures 3,687m².
- Excluded facilities: Companies participating in the Emission Trading System within the site of LOTTE WORLD TOWER & MALL.
- Types of GHGs: CO₂, CH₄, N₂O
- Global Warming Potential (GWP): Standards applied stated in the IPCC Second Assessment Report.
- Emission trading and biomass use are not applicable.
- Scope 2 emissions: Indirect emissions from the use of external electricity was calculated on a location-related basis.

2) It was calculated by dividing the total annual emissions of Scope 1 and 2 by the total area within the boundaries that spans 432,621m².

3) Renewable energy consumption (solar, solar heat, and wind).

4) Total amount of annual non-renewable and renewable energy consumption.

5) It was calculated by dividing the total amount of non-renewable and renewable energy consumption by the total area within the boundaries that spans 432,621m².

2.5) In accordance with the 「Guidelines on emissions reporting and verification of the Emissions Trading System (Ministry of Environment Notification No. 2023-221)」, the total floor area, which is equivalent to the annual production volume in the building sector, was applied as a standard when calculating GHG emission intensity and energy intensity.

6) Sales of electricity generated from fuel cells to the Korean Electric Power Corporation.

7) Total Energy use growth rate compared to the previous year.

8) The 2021 data was recalculated. The renewable energy consumption stated in the 2021 report was the new and renewable energy use of the entire site of LOTTE WORLD TOWER & MALL. Reflecting the change in organizational boundaries, new energy use was excluded for recalculation.

ESG Data

Environmental

Air Pollutant Emissions¹⁾

Category	Unit	2021	2022	2023	
NO _x	Emissions from LOTTE WORLD TOWER ²⁾	kg	630	702	585
	Emissions from LOTTE WORLD MALL ³⁾	kg	952	613	208
	Total emissions	kg	1,582 ⁴⁾	1,315	793
	Emissions intensity ⁵⁾	kg/KRW million	0.002	0.003	0.002
SO _x	Emissions ³⁾	kg	17	15	11
	Emissions intensity ⁵⁾	kg/KRW million	0.000022	0.000031	0.000027
Particulate matter	Emissions ³⁾	kg	51	46	34
	Emissions intensity ⁵⁾	kg/KRW million	0.000067	0.000094	0.000082

Waste

Category	Unit	2021	2022	2023	
Waste generation (domestic) ⁶⁾	Designated waste	ton	5	7	5
	General waste	ton	1,005	1,605	2,032
	Total waste generation	ton	1,010	1,612	2,037
Waste disposal (domestic) ⁶⁾	Incineration	ton	922	441	0
	Landfill	ton	62	134	0
	Recycling	ton	26	1,037	2,037
Waste generation (overseas) ⁷⁾	Designated waste	ton	4	5	5
	General waste	ton	550	660	825
	Total waste generation	ton	554	665	830

Water

Category	Unit	2021	2022	2023	
Water consumption (domestic) ⁸⁾	Service water (A)	ton	321,290 ¹²⁾	386,675	430,474
	With-drawal Surface water (B)	ton	N/A	N/A	N/A
	Underground water (C)	ton	95,506 ¹²⁾	96,424	85,586
	Variation in water withdrawal	%	4	16	7
Water reuse (domestic) ⁸⁾	Discharge (D) ⁹⁾	ton	45,706	35,331	22,897
	Consumption (A+B+C-D)	ton	371,090	447,768	493,163
	Water consumption intensity ¹⁰⁾	ton/m ²	0.87	1.04	1.15
Water consumption (overseas) ¹¹⁾	Total withdrawal	ton	416,796	483,099	516,060
	Total reuse	ton	55,668	85,544	89,968
	Rate of reuse compared to water withdrawal	%	13	18	17
Water consumption (overseas) ¹¹⁾	Withdrawal	ton	417,030	492,706	508,505
	Consumption	ton	293,800	352,246	390,264

1) It covers facilities (shopping malls, offices, podiums, and concert halls, etc.) under our operational control within the site of LOTTE WORLD TOWER & MALL that span 428,934m².

2) Emissions were calculated in accordance with the 「Attached Form 2-2 to the Enforcement Decree of Special Act on the Improvement of Air Quality in Seoul Metropolitan Area」.

3) The calculation was made by multiplying the LNG consumption of boilers by the emission coefficient of NO_x, SO_x, and PM each (NO_x: 3.7, SO_x: 0.01, PM: 0.03) in accordance with the 「Announcement of air pollutant emission coefficients of emission facilities (National Institute of Environmental Research Notification No. 2021-41)」.

4) The 2021 data was recalculated. The NO_x emissions stated in the 2021 report represented the total emissions of the entire site of LOTTE WORLD TOWER & MALL. The change in organizational boundaries was reflected in the recalculation.

5) It was calculated by dividing the annual total emissions by substance by annual sales.

6) The waste generation and disposal of the entire site of LOTTE WORLD TOWER & MALL were based on data reported to the Allbaro system in accordance with the Wastes Control Act.

7) It refers to the waste generation from LOTTE Center Hanoi, and the waste is collected by an organization under the Vietnamese government for disposal.

8) The calculation was made for facilities (shopping malls, offices, podiums, concert halls, etc.) under our operational control within the site of LOTTE WORLD TOWER & MALL that span 428,934m².

9) Discharge into Seokchon Lake.

10) It was calculated by dividing water consumption by the area of 428,934m².

11) Water withdrawal and consumption of LOTTE Center Hanoi.

12) The 2021 data was recalculated. The water withdrawal stated in the 2021 report represented the total withdrawal of the entire site of LOTTE WORLD TOWER & MALL. The change in organizational boundaries was reflected in the recalculation.

ESG Data

Social

Employee Composition

Category	Unit	2021	2022	2023	
Total no. of employees ¹⁾	person	222	239	252	
By age	Under 30	Number	64	75	76
		Ratio	28.8	31.4	30.2
	30 – 49	Number	143	142	154
		Ratio	64.4	59.4	61.1
	50 or above	Number	15	22	22
		Ratio	6.8	9.2	8.7
By gender	Male	Number	153	165	170
		Ratio	68.9	69.0	67.5
	Female	Number	69	74	82
		Ratio	31.1	31.0	32.5
By contract type	Regular employees ²⁾	Male	134	139	149
		Female	56	61	73
		Subtotal	190	200	222
	Ratio of regular employees to all employees	%	85.6	83.7	88.1
	Temporary employees	Male	19	27	21
		Female	13	12	9
Subtotal		32	39	30	
Ratio of temporary employees to all employees	%	14.4	16.3	11.9	
By region	Domestic	219	235	248	
	Overseas ³⁾	3	4	4	

1) Dispatched workers excluded.

2) Executives included.

3) Coverage: LOTTE Center Hanoi and P&D Vietnam

New Hire Employment

Category	Unit	2021	2022	2023	
Total no. of new hires	person	90	68	65	
By age	Under 30	Number	55	58	51
		Ratio	61.1	85.3	78.5
	30 – 49	Number	33	10	14
		Ratio	36.7	14.7	21.5
	50 or above	Number	2	0	0
		Ratio	2.22	0	0
By gender	Male	Number	67	45	42
		Ratio	74.4	66.2	64.6
	Female	Number	23	23	23
		Ratio	25.6	33.8	35.4
By region	Domestic	90	68	65	
	Overseas	0	0	0	

ESG Data

Social

Employee Turnover

Category		Unit	2021	2022	2023
By age	Under 30	Number	2	7	8
		Ratio	8.3	31.8	50.0
	30 – 49	Number	18	14	5
		Ratio	75.0	63.6	31.3
	50 or above	Number	4	1	3
		Ratio	16.7	4.5	18.8
By gender	Male	Number	22.0	15.0	11.0
		Ratio	91.7	68.2	68.8
	Female	Number	2.0	7.0	5.0
		Ratio	8.3	31.8	31.3
By region	Domestic	person	24	22	16
	Overseas	person	0	0	0
Total turnover ¹⁾	Total no. of employees who leave the company ²⁾	person	24 ³⁾	22	16
	Total turnover rate	%	10.6	9.1	6.3
Voluntary turnover ¹⁾	No. of employees who voluntarily leave the company ⁴⁾	person	22	21	14
	Voluntary turnover rate	%	9.7	8.7	5.5

1) Transfers to other subsidiaries excluded.

2) Total no. of regular employees excluding temporary employees.

3) The 2021 data was recalculated.

4) Temporary workers excluded.

Employee Diversity

Category		Unit	2021	2022	2023
Ratio of female to male remuneration ⁵⁾	Basic pay	%	100	100	100
	Performance-based bonus	%	100	100	100
Ratio of female employees by position	All employees	%	31.4	31.4	33.3
	Managers or above ⁶⁾	%	12.0	16.9	23.8
Ratio of female employees by contract type	Regular	%	30.4	31.3	33.5
	Contract	%	36.1	31.7	32.3
Disabled employees	Head count	person	4	5	5
	Ratio	%	18	2.1	2.0
Veterans	Head count	person	2	2	2
	Ratio	%	0.9	0.9	0.8

5) There is no difference in remuneration between male and female employees for the same job type and position. However, the relevant regulations are currently being amended at our business site in Vietnam, so the data from this site has been excluded from the report.

6) Employees who hold a position of manager or above.

Local Employment at Key Business Sites

Category		Unit	2021	2022	2023
Vietnam	No. of local employees hired	person	133	161	407
	Ratio of senior local managers	%	0	0	0

ESG Data

Social

Remuneration and Compensation System

Category		Unit	2021	2022	2023
Gender initial salary ratio by region where our business sites operate	Korea	%	100	100	100
	Vietnam	%	100	100	100
No. of employees who have signed up for pension programs	Defined Benefit (DB)	person	214	226	240
	Defined Contribution (DC)	person	2	2	2

Organizational Culture

Category		Unit	2021	2022	2023
Assessment of employee value creation culture	Assessment score	point	73.6	81.1	79.8
	No. of participants (rate) ¹⁾	person (%)	159(82.4)	146(86.3)	170(75.3)

1) The participation rate is calculated annually as the ratio of participants to employees who are JA-Grade or above. Employees who have retired, are on leave, or have joined or been transferred within the last three months are excluded from this calculation.

Regular Assessment of Employee Performance and Capacity Development

Category		Unit	2021	2022	2023
No. of total employees	Number	person	222	239	252
Employees assessed (by gender) ²⁾	Male	Number	129	140	147
		Ratio	58.1	58.6	58.3
	Female	Number	55	60	66
		Ratio	24.8	25.1	26.2
Employees assessed (by category) ²⁾	Regular	Number	164	171	191
		Ratio	73.9	71.5	75.8
	Contract	Number	20	29	22
		Ratio	9.0	12.1	8.7

2) Employees who have returned to the company within the last three months, those who have been newly hired within the past three months, drivers, secretaries, and those who were on leave during the assessment period are excluded from the assessment.

Employee Education

Category		Unit	2021	2022	2023
Total hours of education		hour	12,131	14,684	17,244
Educational expenses	Total educational expenses	KRW million	323.0	408.2	406.7
	Educational expenses per capita	KRW million	14	17	1.6

Education by Area

Category		Unit	2021	2022	2023
Enhancement of disability awareness	Total education provided	time	1	1	2
	No. of recipients	person	224	226	250
	Rate of recipients	%	100	94	100
Prevention on workplace sexual harassment	Total education provided	time	1	1	2
	No. of recipients	person	212	244	250
	Rate of recipients	%	100	100	100
Human rights ³⁾ Prevention on workplace bullying	Total education provided	time	1	1	1
	No. of recipients	person	212	244	250
	Rate of recipients	%	100	100	100
Educational programs in addition to statutory ones	Total education provided	time		1	1
	No. of recipients	person		198	228
	Rate of recipients	%		82	100
Education on safety and health ⁴⁾	Total educational provided	time	28	32	34
	No. of recipients	person	3,812	4,258	4,929
Environmental education	Total educational provided	time	2	5	4
	No. of recipients	person	24	26	36

3) Rate of recipients was calculated based on the number of employees at the time of education.

4) All educational programs for employees, partner companies, and tenants included.

ESG Data

Social

Parental Leave

Category		Unit	2021	2022	2023
Employees on parental leave	Eligible employees	Male	4	2	3
		Female	3	2	3
		Subtotal	7	4	6
	Employees on leave	Male	4	2	3
		Female	3	2	3
		Subtotal	7	4	6
Male and Female	Male	5	2	3	
	Female	2	2	2	
	Subtotal	7	4	5	
Employees returning from parental leave	Employees who have worked for more than 1 year after returning from parental leave	Male	3	4	2
		Female	0	2	2
	Subtotal		3	6	4
	Returning rate	Male	100	100	100
Female		100	100	100	
Retention rate ¹⁾	Male	100	75	100	
	Female	100	100	100	

1) Percentage of employees who worked for more than 12 months after returning to work in the previous reporting period.

Supply Chain Management

Category		Unit	2021	2022	2023
Total no. of suppliers		company	1,939	2,101	2,253
Annual assessment of suppliers	No. of suppliers assessed	company	34	33	33
	Support for suppliers	Consulting for labor management	company	16	19

Customer Satisfaction

Category		Unit	2021	2022	2023
Satisfaction level for office	No. of customers surveyed	person	64	83	89
	Satisfaction score	point/total points	4.1/5	4.2/5	4.2/5
Satisfaction level for residence	No. of customers surveyed	household	30	30	33
	Satisfaction score	point/total points	96.6/100	96.6/100	96.7/100

Data Security

Category		Unit	2021	2022	2023
Training on data security	No. of training sessions provided	case	2	2	4
	Rate of training recipients	%	100	100	100
Investments in data security	Entire IT budget	KRW million	5,521	7,279	9,358
	Ratio of data security budget to the total IT budget	%	11.4	11.9	8.5

ESG Data

Social

Safety and Health - Occupational Injuries (Accident)

Category	Unit	2021	2022	2023	
Employees	No. of occupational accidents	case	0	0	0
	Ratio of occupational accidents	%	0	0	0
	No. of deaths due to occupational accidents	case	0	0	0
	Ratio of death due to occupational accidents	%	0	0	0
	No. of serious occupational accidents (excluding deaths)	case	0	0	0
	Ratio of serious occupational accidents (excluding deaths)	%	0	0	0
	Total working hours	hour	436,592	484,861	514,007
Suppliers	No. of occupational accidents	case	0	0	0
	Ratio of occupational accidents	%	0	0	0
	No. of deaths due to occupational accidents	case	0	0	0
	Ratio of death due to occupational accidents	%	0	0	0
	No. of serious occupational accidents (excluding deaths)	case	0	0	0
	Ratio of serious occupational accidents (excluding deaths)	%	0	0	0

Safety and Health - Occupational Diseases (Illness)

Category	Unit	2021	2022	2023	
Employees	No. of work-related deaths	case	0	0	0
	No. of work-related illnesses (excluding deaths)	case	0	0	0
Suppliers	No. of work-related deaths	case	0	0	0
	No. of work-related illnesses (excluding deaths)	case	0	0	0

Grievance Handling¹⁾

Category	Unit	2021	2022	2023	
Employees	No. of grievances received	case	0	1	1
	Ratio of grievances handled	%	0	100	100
Suppliers	No. of grievances received	case	0	1	1
	Ratio of grievances handled	%	0	100	100
Communities	No. of grievances received	case	1	1	3
	Ratio of grievances handled	%	100	100	100

1) There were no incidents of discrimination occurred during the reporting period.

Social Contribution Investments

Category	Unit	2021	2022	2023	
Social contribution investments	KRW million	2,450	2,075	1,981	
Employee donation	No. of participants	person	194	191	195
	Collection	KRW	1,939,110	1,735,210	1,881,180
Employee volunteer work	No. of participants annually	person	64	110	272
	Total participation time	hour	146	293	406
	Participation time per person	hour	2.3	2.7	1.5

ESG Data

Governance

Board of Directors (BOD) Structure

Category	Unit	2021	2022	2023	
BOD composition	Inside director	person	3	3	3
	Independent director	person	1	1	1
	total	person	4	4	4
BOD diversity by gender	Male	person	4	4	4
	Female	person	0	0	0
BOD diversity by age	Age under 30	person	0	0	0
	Age between 30-49	person	0	0	0
	Age of 50 or above	person	4	4	4

Board of Directors (BOD) Operation

Category	Unit	2021	2022	2023
No. of board meetings held	number	10	14	12
No. of agenda items	case	29	34	32
Attendance rate	%	100	98.2	97.9
Average attendance rate for inside directors	%	100	100	97.2
Average attendance rate for independent directors	%	100	92.9	100

Ethical and Compliance Management

Category	Unit	2021	2022	2023	
Ratio of receiving corruption risk assessments ¹⁾	%	100	100	100	
Confirmed corruption cases	case	0	0	0	
Ratio of providing ethical/compliance training including anti-corruption policies and processes	BOD	%	75	75	75
	Employees	%	100	100	100

1) Targeting all employees of LOTTE P&D in the headquarters and 12 business sites in Korea.

Violation of Laws

Category	Unit	2021	2022	2023	
Unfair trade practices, such as anti-competitive practices and monopolies	No. of violations	case	0	0	0
	Fines	KRW million	0	0	0
Corruption and bribery	No. of violations	case	0	0	0
	Fines	KRW million	0	0	0
Violation of regulations regarding safety and health	Cases led to fines or penalties	case	0	0	0
	Cases led to warnings	case	0	0	0
	Cases of violating self-regulations	case	0	0	0
No. of verified complaints regarding customer privacy and customer data loss	No. of complaints reported from external parties	case	0	0	0
	No. of complaints raised by regulatory authorities	case	0	0	0
Violation of laws and regulations in social and economic sectors	No. of violations	case	0	1	0
	Fines	KRW million	0	0	0

ESG Data

Others

Consolidated Statement of Financial Position

Category	Unit	2021	2022	2023
Assets				
Current assets	KRW	855,722,297,260	650,882,356,383	776,420,258,536
Cash and cash equivalents	KRW	311,158,052,257	394,263,585,280	82,115,083,817
Trade receivables	KRW	16,350,877,390	19,343,875,259	18,988,818,935
Other receivables	KRW	9,077,320,702	14,141,814,028	20,978,829,884
Current income tax assets	KRW			1,720,304,466
Inventories	KRW	112,775,772,914	55,324,606,755	84,638,334,238
Other current financial assets	KRW	362,539,371,985	152,549,221,923	553,764,527,894
Other current assets	KRW	43,820,945,780	15,259,253,138	14,214,359,302

Category	Unit	2021	2022	2023
Non-current assets	KRW	7,703,764,301,916	8,189,893,786,798	8,304,487,008,253
Long-term trade receivables	KRW	3,234,600,638	2,826,974,789	1,408,727,635
Tangible assets	KRW	3,803,863,159,210	3,803,553,334,007	3,243,627,688,373
Investment properties	KRW	725,936,921,595	1,185,702,085,413	1,618,890,892,905
Right-of-use assets	KRW	214,604,200,976	206,995,726,875	202,273,230,605
Intangible assets	KRW	9,735,734,873	8,182,803,150	7,871,023,897
Other non-current financial assets	KRW	49,827,152,489	53,932,284,499	61,335,061,303
Net defined benefit assets	KRW	236,410,670	1,674,439,740	2,155,319,392
Investments in associates	KRW	2,890,135,086,442	2,921,388,636,927	3,162,912,448,583
Other non-current assets	KRW	6,191,035,023	5,637,501,398	4,012,615,560
Total assets	KRW	8,559,486,599,176	8,840,776,143,181	9,080,907,266,789

ESG Data

Others

Consolidated Statement of Financial Position

Category	Unit	2021	2022	2023
Liabilities				
Current liabilities	KRW	1,278,825,052,979	918,188,962,041	1,667,889,398,083
Other payables	KRW	54,624,100,007	81,072,063,139	87,347,809,412
Short term borrowings	KRW	350,000,000,000	350,000,000,000	280,000,000,000
Current portion of long-term borrowings and debentures	KRW	525,229,115,720	379,805,088,931	1,174,230,298,099
Current tax liabilities	KRW	167,935,654,417	30,468,026,607	2,324,234,371
Other current financial liabilities	KRW	94,504,209,150	38,353,091,817	87,220,136,114
Current portion of lease liabilities	KRW	13,396,877,282	14,037,747,728	14,616,084,813
Provisions	KRW		56,411,655	3,474,533
Other current liabilities	KRW	73,135,096,403	24,396,532,164	22,147,360,741
Non-current liabilities	KRW	2,978,245,080,451	3,422,063,221,696	2,693,371,592,068
Long-term borrowings and debentures	KRW	1,388,597,747,330	1,755,157,743,979	1,103,940,638,128
Other non-current financial liabilities	KRW	190,096,903,541	268,159,029,550	219,995,615,210
Non-current lease liabilities	KRW	207,401,451,659	204,918,755,747	202,494,358,065
Non-current provisions	KRW			48,530,458
Allowance for severance and retirement benefits	KRW	609,932,950	577,596,724	851,125,402
Deferred tax liabilities	KRW	1,156,969,738,751	1,161,187,174,906	1,139,497,157,749

Category	Unit	2021	2022	2023
Other non-current liabilities	KRW	34,569,306,220	32,062,920,790	26,544,167,056
Total liabilities	KRW	4,257,070,133,430	4,340,252,183,737	4,361,260,990,151
Equity				
Controlling interest	KRW	4,302,416,465,746	4,456,322,507,796	4,674,632,288,299
Capital stock	KRW	281,883,340,000	281,883,340,000	281,883,340,000
Capital surplus	KRW	84,554,414,306	85,607,051,649	85,952,013,587
Other equities	KRW	(158,312,595,788)	(158,312,595,788)	(158,312,595,788)
Accumulated other comprehensive income (loss)	KRW	(31,120,923,944)	(6,660,747)	5,599,898,618
Retained earnings	KRW	4,125,412,231,172	4,247,151,372,682	4,459,509,631,882
Non-controlling interest	KRW		44,201,451,648	45,013,988,339
Total equity	KRW	4,302,416,465,746	4,500,523,959,444	4,719,646,276,638
Total liabilities and equity	KRW	8,559,486,599,176	8,840,776,143,181	9,080,907,266,789

ESG Data

Others

Consolidated Statement of Comprehensive Income

Category	Unit	2021	2022	2023
Revenue	KRW	754,335,370,029	511,515,304,174	470,608,643,518
Costs of sales	KRW	613,793,794,868	358,795,261,196	314,436,577,873
Gross income	KRW	140,541,575,161	152,720,042,978	156,172,065,645
Selling and administrative expenses	KRW	60,150,877,824	61,899,972,120	59,637,734,508
Operating income	KRW	80,390,697,337	90,820,070,858	96,534,331,137
Other income	KRW	16,702,557,470	8,365,353,217	4,410,040,647
Other loss	KRW	5,697,480,584	2,318,229,055	27,305,490,509
Financial income	KRW	86,504,907,572	103,292,005,382	80,000,891,994
Finance cost	KRW	115,195,363,038	135,593,497,806	119,545,881,128
Impairment loss on investment in associates/ joint ventures	KRW	14,263,090,698		
Gains on valuation using equity method	KRW	271,807,513,197	27,430,724,071	22,033,403,891
Net income before tax	KRW	320,249,741,256	91,996,426,667	56,127,296,032
Tax expense (profit)	KRW	223,090,933,785	(15,685,557,400)	(159,441,959,764)
Net income (loss) from continuing operations	KRW	97,158,807,471	107,681,984,067	215,569,255,796
Net income (loss) from discontinued operations	KRW			
Current net income	KRW	97,158,807,471	107,681,984,067	215,569,255,796
Other comprehensive income	KRW	57,829,784,711	25,915,484,738	3,661,651,898
Total comprehensive income	KRW	154,988,592,182	133,597,468,805	219,230,907,694

Category	Unit	2021	2022	2023
Net profit attributable to				
Owners of the parent company	KRW	97,158,807,471	112,028,852,090	214,303,166,667
Non-controlling interests	KRW		(4,346,868,023)	1,266,089,129
Comprehensive income attributable to				
Owners of the parent company	KRW	154,988,592,182	139,444,927,102	218,418,371,003
Non-controlling interests	KRW		(5,847,458,297)	812,536,691
Earnings per share				
Basic earnings per share	KRW	1,723	1,987	3,801
Diluted earnings per share	KRW	1,723	1,987	3,801

ESG Data

Others

Tax Payment by Major Region

Category	Unit	2021	2022	2023	
Korea	Corporate income tax	KRW million	223,091	(8,856)	(153,686)
	Property tax	KRW million	15,358	21,256	19,482
	Withholding tax	KRW million	2,528	3,135	3,263
	Comprehensive real estate holding tax	KRW million	11,684	16,657	15,303
	Taxes levied for other expenses ¹⁾	KRW million	4,977	6,420	5,717
Vietnam	Corporate income tax	KRW million	0	3,321	3,358
	Taxes levied for other expenses ²⁾	KRW million	0	5	25

1) Traffic inducement contribution fee, road occupation fees, etc.

2) Taxes and public charges other than corporate income tax.

Market Status – Local Sourcing from Major Operation Regions

Category	Unit	2021	2022	2023	
Korea	Total procurement (sourcing) costs	KRW million	57,139	104,506	140,682
	Costs to purchase from local suppliers	KRW million	57,139	104,506	140,682
	Local procurement ratio	%	100	100	100
Vietnam ³⁾	Total procurement (sourcing) costs	KRW million	2,100	3,157	12,701
	Costs to purchase from local suppliers	KRW million	2,100	3,157	12,701
	Local procurement ratio	%	100	100	100

3) Based on Vietnam P&D and Coralis S.A.

Economic Value Distribution⁴⁾

Category	Unit	2021	2022	2023	
Revenue ⁵⁾	Domestic business units	KRW million	754,335	485,313	415,842
	Overseas business units	KRW million	0	27,427 ⁶⁾	64,079
Shareholders and creditors	Dividends	KRW million	0	0	0
	Interest cost	KRW million	56,526	65,564	96,345
Government	Corporate income tax	KRW million	223,091	(15,686)	(159,442)
Employees	Salaries	KRW million	16,073	19,377	21,750
	Benefits	KRW million	2,903	3,456	4,633
	Retirement pension	KRW million	1,432	1,555	1,503

4) Since 2022, LOTTE P&D has been obligated to prepare consolidated financial statements due to the acquisition and establishment of overseas subsidiaries. Accordingly, the data for 2021 was reported on a standalone basis, while those for 2022 and 2023 are prepared on a consolidated basis.

5) The sales revenue in the consolidated income statement differs from the sum of revenue of domestic and overseas business units due to internal transaction amounts.

6) As the overseas business units were incorporated in July 2022, the data is prepared based on the period from July to December 2022.

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GRI Standards

Description	This report follows the framework of GRI Standards to report LOTTE P&D's sustainability management activities from January 1, 2022 to December 31, 2023.
Applied GRI 1	GRI 1: Foundation 2021
Industry-specific standards applicability	As of the publication date in June 2024, the industry-specific standards applicable to LOTTE P&D were not available.

General Disclosures

Standard		Page	Remarks	
GRI 2 General Disclosures 2021	2-1	Organizational details	2, 8~15	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	2	
	2-5	External assurance	2, 105	
	2-6	Activities, value chain and other business relationships	6~14, 57~62	
	2-7	Employees	81	
	2-8	Workers who are not employees	-	Data unavailable ¹⁾
	2-9	Governance structure and composition	19~20, 71~72	
	2-10	Nomination and selection of the highest governance body	71~72	
	2-11	Chair of the highest governance body	71~72	
	2-12	Role of the highest governance body in overseeing the management of impacts	19~20, 71~74	
	2-13	Delegation of responsibility for managing impacts	19~20, 71~74	
	2-14	Role of the highest governance body in sustainability reporting	19~20, 71~74	
	2-15	Conflicts of interest	71~72	

1) As a business owner with fewer than 300 employees, we are not obligated to disclose data pertaining to workers who are not our direct employees.

Standard		Page	Remarks	
GRI 2 General Disclosures 2021	2-16	Communication of critical concerns	19~20, 71~72	
	2-17	Collective knowledge of the highest governance body	19~20, 71~72	
	2-18	Evaluation of the performance of the highest governance body	-	Data unavailable ²⁾
	2-19	Remuneration policies	49, 71~72	
	2-20	Process to determine remuneration	49, 71~72	
	2-21	Annual total compensation ratio	-	Disclosed in our business report ³⁾
	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	18, 22, 24, 29, 55~56	
	2-24	Embedding policy commitments	19~20, 55~56	
	2-25	Processes to remediate negative impacts	31, 55, 68, 73~77	
	2-26	Mechanisms for seeking advice and raising concerns	31, 55, 68, 73~77	
	2-27	Compliance with laws and regulations	86	
	2-28	Membership associations	107	
	2-29	Approach to stakeholder engagement	101	
	2-30	Collective bargaining agreements	-	Our company does not have a labor union or a collective agreement in place.

2) We currently do not conduct any formal assessment procedures for our Board of Directors.

3) While we do disclose data in our business reports, we do not manage this data according to the requirements set by the GRI.

ESG Index

GRI Standards

Material Topics

Standard			Page	Remarks
GRI 3 Material Topics 2021	3-1	Process to determine material topics	102	
	3-2	List of material topics	103	
Taking Action on Climate and Managing Energy				
GRI 3 Material Topics 2021	3-3	Management of material topics	24~27, 41, 79~80, 103	
GRI 302 Energy	302-1	Energy consumption within the organization	27, 79	
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	79	
	305-2	Indirect (Scope 2) GHG emissions	79	
	305-4	GHG emissions intensity	79	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	41, 80	
Building Sustainably				
GRI 3 Material Topics 2021	3-3	Management of material topics	21~23, 27, 37, 79, 103	
GRI 302 Energy	302-3	Energy intensity	21~23, 27, 37, 79	
	302-4	Reduction of energy consumption	21~23, 27, 37, 79	

Standard			Page	Remarks
Ensuring Occupational Safety and Health				
GRI 3 Material Topics 2021	3-3	Management of material topics	28~33, 83, 85, 86, 103	
GRI 403 Occupational Health & Safety	403-1	Occupational health and safety management system	28~33	
	403-2	Hazard identification, risk assessment, and incident investigation	28~33, 86	
	403-3	Occupational health services	28~33	
	403-4	Worker participation, consultation, and communication on occupational health and safety	28~33, 85	
	403-5	Worker training on occupational health and safety	28~33, 83	
	403-6	Promotion of worker health	32	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	28~33	
	403-8	Workers covered by an occupational health and safety management system	28~33	
	403-9	Work-related injuries	28~33, 85	
	403-10	Work-related ill health	28~33, 85	

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GRI Standards

Material Topics

Standard	Page	Remarks
Managing Human Resources Effectively		
GRI 3 Material Topics 2021	3-3	Management of material topics
GRI 401 Employment	401-1	New employee hires and employee turnover
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3	Parental leave
GRI 404 Training and Education	404-1	Average hours of training per year per employee
	404-2	Programs for upgrading employee skills and transition assistance programs
	404-3	Percentage of employees receiving regular performance and career development reviews

Standard	Page	Remarks
Enhancing Market Competitiveness and Generating Economic Value		
GRI 3 Material Topics 2021	3-3	Management of material topics
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed
GRI 203 Indirect Economic Impacts	203-1	Infrastructure investments and services supported
	203-2	Significant indirect economic impacts

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GRI Standards

Non-Material Topics

Standard			Page	Remarks
Economy				
GRI 202 Market Presence	202-2	Proportion of senior management hired from the local community	82	
GRI 204 Procurement Practice	204-1	Proportion of spending on local suppliers	90	
GRI 205 Anti-corruption	205-1	Operations assessed for risks related to corruption	86	
	205-2	Communication and training about anti-corruption policies and procedures	86	
	205-3	Confirmed incidents of corruption and actions taken	86	
GRI 206 Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	86	
GRI 207 Tax	207-4	Country-by-country reporting	90	
Environmental				
GRI 303 Water and Effluents	303-1	Interactions with water as a shared resource	40, 80	
	303-2	Management of water discharge-related impacts	40, 80	
	303-3	Water withdrawal	40, 80	
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Standard			Page	Remarks
Environmental				
GRI 306 Waste	306-1	Waste generation and significant waste-related impacts	39, 80	
	306-2	Management of significant waste-related impacts	39, 80	
	306-3	Waste generated	39, 80	
	306-4	Waste diverted from disposal	39, 80	
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Social				
GRI 405 Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	81-82, 86	
	405-2	Ratio of basic salary and remuneration of women to men	55-56, 81-82	
GRI 406 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	85	
GRI 414 Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	57-58, 84	
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	67-69, 86	

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SASB Index

Sustainability Disclosure Topics & Accounting Metrics

Energy Management

Code	Accounting metric	LOTTE P&D Status	Page
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	We measure 100% of the area of the operating scope of LOTTE P&D sites applied to the emissions trading system.	79
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage (2) percentage grid electricity (3) percentage renewable, by property subsector	<ul style="list-style-type: none"> Total energy consumption in 2023: 755TJ Percentage of purchased electricity in 2023: 89.3% Renewable energy ratio: 0.13% 	79
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Rate of energy use variation in 2023 compared to 2022: 2.8% reduced in energy use	79
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Not applicable (No assets held in the U.S. during the reporting period.)	-
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	LOTTE WORLD TOWER, a flagship building of LOTTE P&D, has earned the LEED Gold certification by utilizing renewable energy and applying both passive and active architectural elements. In terms of building management and property development, we will establish strategies to prioritize environmental stewardship, focusing on energy efficiency and adherence to green building standards, including certification systems for building energy performance.	21~23

Water Management

Code	Accounting metric	LOTTE P&D Status	Page
IF-RE-140a.1	Water withdrawal data coverage	Korea: 100% of areas of facilities under the control scope of LOTTE P&D out of LOTTE WORLD TOWER & MALL complex Overseas: LOTTE Center Hanoi (Vietnam)	80
IF-RE-140a.2	(1) Total water withdrawn (2) Percentage in regions with high or extremely high baseline water stress, by property subsector	1) As of 2023, total water withdrawn in Korea was 516,060 tons while total water withdrawn in LOTTE Center Hanoi (Vietnam) was 508,505 tons. 2) No business areas with high or extremely high water stress index.	80
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	In Korea, total amount of water withdrawn was increased by 7% in 2023 compared to the amount in 2022.	80
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	LOTTE WORLD TOWER & MALL raised its water resource use efficiency by using recycled water through gray water production facilities. Also, it mitigates water-related risks by using rain water storage facilities.	40

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SASB Index

Sustainability Disclosure Topics & Accounting Metrics

Management of Tenant Sustainability Impacts

Code	Accounting metric	LOTTE P&D Status	Page
IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements (2) associated leased floor area, by property subsector	Not applicable	-
IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	(1) Electricity consumption: We measure 100% of the area of the operating scope of LOTTE P&D sites applied to the emissions trading system. (2) We measure 100% of areas of facilities under the control scope of LOTTE P&D out of LOTTE WORLD TOWER & MALL complex.	79~80
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	We focus on the efforts to promote resource circulation and waste reduction, including recycling of wastepaper generated within buildings and RFID-based management of food waste.	39

Climate Change Adaptation

Code	Accounting metric	LOTTE P&D Status	Page
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Not applicable (No assets held in the U.S. during the reporting period.)	-
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	We have proactively responded to climate change risks in our eco-friendly building designs considering non-financial risk factors when initiating new investments or development projects.	25, 73~74

Activity Metrics

Code	Accounting metric	LOTTE P&D Status	Page
IF-RE-000.A	Number of assets, by property subsector	As of 2023, we own 2 domestic shopping malls and 1 overseas (Vietnam) office and residence.	8~14
IF-RE-000.B	Leasable floor area, by property subsector	428,934 m ² of areas under the control scope of LOTTE P&D out of domestic shopping malls (LOTTE WORLD TOWER & MALL)	-

ESG Index

TCFD Index

Governance

a) Describe the board's oversight of climate-related risks and opportunities.

- At LOTTE P&D, the ESG Committee, led by management, acts as the decision-making body for climate-related risks and opportunities.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

- The ESG Committee, operating under the Management Committee, examines climate-related risks and opportunities and makes informed decisions regarding them. Based on the gravity of agenda items, the Management Committee, along with the CEO, conducts additional reviews. Additionally, the Investment Review Board oversees the evaluation of non-financial risks, including ESG elements, as part of risk management associated with new investments, developments, and relocation. With the goal of promoting responsible efforts toward net-zero, progress in task implementation is linked to ESG-related KPIs at the company level.

Strategy

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

- In the short term, transition risks are projected to occur stemming from climate-related abnormal weather events, which could cause physical damage and lead to rising energy costs. Given the long lifespan of our assets, the more assets affected by climate deterioration and tightening regulations, the more intensified risks we will face. In response, we aim to transform these challenges into opportunities through asset management and development strategies that incorporate eco-friendliness into building design.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

- We consider non-financial risks, taking ESG elements into account, when making new investments or deliberating on development projects.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

- In line with our roadmap to achieve net-zero emissions by 2040, we are actively transitioning toward renewable energy sources, enhancing energy efficiency, and adopting greener raw materials and fuels, which are feasible areas within our business nature.

Risk Management

a) Describe the organization's processes for identifying and assessing climate-related risks.

- LOTTE P&D has established company-wide environmental indicators, including those related to climate change, and ensured that regular reports and reviews are conducted as part of this process. The Mall Engineering Team, responsible for environmental management, compiles annual achievements, identifies any specific issues, assesses risk occurrences, and formulates countermeasures for rectification. And then, the final review is conducted by the ESG Committee.

b) Describe the organization's processes for managing climate-related risks.

- To mitigate the risks to the minimum posed by climate change, we consistently monitor key achievement indicators, including GHG emissions and reductions. Additionally, we integrate sustainability considerations into our management practices, conducting non-financial risk assessments as part of real estate development, tailored to the characteristics of our business.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

- We classify financial and non-financial risks by area and theme for management. Additionally, the Investment Review Board examines non-financial risks, including ESG elements, when investing in new businesses or undertaking new development projects.

Metrics and Targets

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

- We manage governance for climate action, carbon emissions and intensity management, and investments aimed at reaching net-zero. These initiatives are key indicators incorporated into our company-wide ESG KPIs.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

- LOTTE P&D manages GHG emissions, with a particular focus on Scope 1 and 2 emissions. Efforts to minimize related risks are underway to reduce carbon emissions.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

- In alignment with the roadmap to reach net-zero by 2040, we have established step-by-step targets for GHG mitigation and the transition to renewable energy and tracked the progress annually. In 2023, our achievements included replacing inefficient lighting with high-efficient LED lights (resulting in a reduction of 32.76 tCO₂eq per year) and optimizing the operation of conditioning equipment (reducing emissions by 31.91 tCO₂eq per year). Moving forward, we plan to step up our efforts over the mid- to long-term.

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WEF-IBC Index

Principles of Governance

Metric	Indicator	Page
Governing Purpose	Setting Purpose	6
Quality of Governing Body	Governance Body Composition	71~72, 86
Stakeholder Engagement	Material Issues Impacting Stakeholders	57~62, 101
Ethical Behavior	Anti-corruption	75~77, 86
	Protected Ethics Advice and Reporting Mechanisms	75~77
Risk and Opportunity Oversight	Integrating Risk and Opportunity into Business Process	73~74

Planet

Metric	Indicator	Page
Climate Change	Greenhouse Gas (GHG) Emissions	24, 27, 79
	TCFD Implementation	24~27
Nature Loss	Land Use and Ecological Sensitivity	42
Freshwater Availability	Water Consumption and Withdrawal in Water-Stressed Areas	40, 80

People

Metric	Indicator	Page
Dignity and Equality	Diversity and Inclusion	56, 82
	Pay Equality	83
	Wage Level	90
	Risk for Incidents of Child, Forced or Compulsory Labor	-
Health and Well-Being	Health and Safety	28~33, 85
Skills for the Future	Training Provided	45~48, 83

Prosperity







Metric	Indicator	Page		
	Diversity and Inclusion	81		
	Economic Contribution	90		
Employment and Wealth Generation	Financial Investment Contribution: Total capital expenditures (CapEx) minus depreciation (Unit: KRW million)	-		
		2021	2022	2023
		1,142,764	-59,838	-54,983
Innovation of Better Products and Services	Total R&D Expenses	Not applicable		
Community and Social Vitality	Total Tax Paid	90		

ESG Index

UN SDGs







UN Sustainable Development Goals

Our response activities

	<p>SDG 3. Good Health and Well-being 3.4) By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being 3.8) Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality, and affordable essential medicines and vaccines for all 3.9) By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<ul style="list-style-type: none"> • Supported professional psychological counseling services through the Employee Assistance System (EAP) • Supported medical insurance subscription and health checkups for employees and their immediate family members • Conducted indoor air quality management and fine dust monitoring for the health of our customers
	<p>SDG 4. Quality Education 4.4) By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship 4.7) By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development</p>	<ul style="list-style-type: none"> • Operated a training system for each employee job or position • Established annual employee training goals and monitor the progress of the performance • Operated 'Out Placement,' a support program for job change or retirement to assist the life after retirement
	<p>SDG 5. Gender Equality 5.1) End all forms of discrimination against all women and girls everywhere 5.4) Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate 5.5) Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<ul style="list-style-type: none"> • Operated a family-friendly system for each period of pregnancy, childbirth, and childcare • Prohibited discrimination based on gender through LOTTE Group Human Rights Management Charter and LOTTE P&D Human Rights Management Regulations
	<p>SDG 6. Clean Water and Sanitation 6.3) By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally 6.4) By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity 6.5) By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate 6.6) By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes</p>	<ul style="list-style-type: none"> • Managed water practice water conservation through gray water production facilities • Established internal management standards that comply with or are more strengthened than legal standards for water and wastewater management, and monitor environmental performance accordingly • Continuously carried out activities to improve water quality, transparency, and odor of Seokchon Lake, which is important for the local community's aquatic ecosystem
	<p>SDG 7. Affordable and Clean Energy 7.3) By 2030, double the global rate of improvement in energy efficiency</p>	<ul style="list-style-type: none"> • Reduced energy use by 2.8% compared to the previous year in 2023 by identifying and implementing areas to improve energy efficiency
	<p>SDG 8. Decent Work and Economic Growth 8.4) Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead 8.5) By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	<ul style="list-style-type: none"> • Strengthened the eco-friendliness of our businesses through sustainable buildings and green development projects • Prohibited the gender-related discrimination in the areas of employment and wage

ESG Index

UN SDGs

UN Sustainable Development Goals	Our response activities
 <p>SDG 9. Industry, Innovation and Infrastructure 9.4) By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<ul style="list-style-type: none"> • Applied eco-friendly facilities in LOTTE WORLD TOWER • Acquired eco-friendly building certifications, such as LEED, G-SEED, etc.
 <p>SDG 10. Reduced Inequalities 10.2) By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>	<ul style="list-style-type: none"> • Laid the foundation for promoting human rights and diversity through the LOTTE Group Human Rights Management Charter and LOTTE P&D Human Rights Management Regulations • Carried out activities to respect the diversity of stakeholders, including employees and customers by providing human rights training to improve awareness of the disabled and distributing manuals for responding to disabled customers
 <p>SDG 11. Sustainable Cities and Communities 11.2) By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, people with disabilities and older people 11.6) By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management 11.7) By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older people and people with disabilities</p>	<ul style="list-style-type: none"> • Invested in Jamsil Metropolitan Transit Center • Established public green space, such as the green space within the complex and terrestrial biotope • Conducted air quality improvement activities such as monitoring indoor air quality and introducing low-NOx boilers • Reduced waste and promoted resource circulation through recycling wastepaper generated within the building
 <p>SDG 12. Responsible Consumption and Production 12.3) By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses 12.5) By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 12.6) Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle 12.8) By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p>	<ul style="list-style-type: none"> • Cut down on emissions by automatically measuring food waste emissions based on RFID and setting the level of fees based on it • Practiced resource circulation by providing reusable cups not only to LOTTE P&D but also to tenant companies • Published Sustainability Reports every other year and disclosed our ESG management performance via various channels, such as media and website when necessary
 <p>SDG 13. Climate Action 13.1) Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries 13.2) Integrate climate change measures into national policies, strategies and planning 13.3) Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<ul style="list-style-type: none"> • Established a 2040 Net Zero Roadmap and set carbon reduction goals as well as implementation plans by each period • Prepared plans to identify climate change-related risk factors and response measures • Conduct specialized training on climate change and energy for organizations dedicated to environmental management
 <p>SDG 16. Peace, Justice and Strong Institutions 16.5) Substantially reduce corruption and bribery in all their forms 16.10) Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements</p>	<ul style="list-style-type: none"> • Operated a whistleblowing system that can be used by internal and external stakeholders • Conducted ethical and compliance training for the entire employees • Promoted the acquisition of ISO 37301 certification • Provided data security training and mock training for employees while establishing and operating a data security system, including essential security solutions

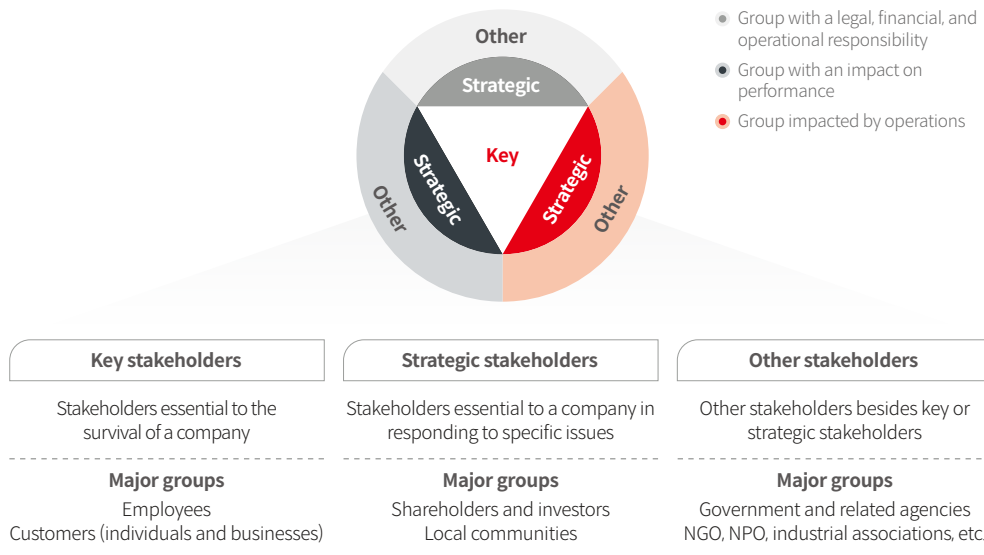
Stakeholder Engagement

Stakeholder Group

Identification of Stakeholder Groups

We acknowledge the pivotal role of stakeholder engagement in our sustainable management. We have identified key stakeholder groups and maintain dialogue with them via diverse platforms. Following the ISO 26000 (guidance on social responsibility), we have categorized stakeholders into key, strategic, and other groups, encompassing our employees, customers, shareholders, investors, local communities, governmental bodies, and associated institutions. By operating communication channels for each group and regularly gathering their principal concerns and perspectives, we ensure these insights are integrated into our sustainability management. Going forward, we will foster the healthy trust through transparent communication with all stakeholders, further growing as an ethically responsible company.

Classification Criteria of Stakeholder Groups



Stakeholder Communication Channel

Communication Channels by Stakeholder Groups

Category	Major interests	Key communication channels
Employees	<ul style="list-style-type: none"> Horizontal communication Development of job competencies Fair evaluation and compensation Expansion of welfare benefits Work-life balance 	<ul style="list-style-type: none"> Group channels: Junior Board, Organizational Culture TFT, baseball watch, Delightful Friday, ICU Workshop, Labor-Management Council Personal channels: Peer counselors, mentoring, company clubs Other regular channels: MOIN personnel welfare system bulletin board, chat GPT Q&A program on personnel and labor regulations
Customers (individuals and businesses)	<ul style="list-style-type: none"> Differentiated products and services Grievance handling and improvement Customer safety and health Customer data protection Facilitating communication 	<ul style="list-style-type: none"> Constant operation: Homepage, four major social media channels, real-time customer service, publishing web magazine (GEEP) Periodic operation: Office tenant satisfaction survey (semi-annually), apartment resident satisfaction survey (annually)
Shareholders and investors	<ul style="list-style-type: none"> Financial soundness Investor protection Distribution of business performance Sound governance structure 	<ul style="list-style-type: none"> Constant operation: Homepage Periodic operation: General shareholders' meetings (annually), major regular reports (quarterly/semi-annually, annually), board meetings (quarterly/semi-annually) When necessary: IR (corporate public relations to investors) activities
Local communities	<ul style="list-style-type: none"> Community investment and engagement Community contribution activities 	<ul style="list-style-type: none"> Constant operation: Joint project between tenants (The Maru), community sharing events Periodic operation: Culture Day for People with Disabilities at LOTTE WORLD TOWER (monthly) Annual operation: Tree planting at Seokchon Lake (annually), Pat-on-The-Back Happy Box, rice sharing (semi-annually), etc.
Government and related agencies	<ul style="list-style-type: none"> Ethical and compliance management Transparent tax payment Compliance with laws and regulations Participation in government policy 	<ul style="list-style-type: none"> Constant operation: Press release When necessary: Meetings and conferences, policy suggestions, briefing sessions

Double Materiality Assessment

Double Materiality Assessment Process

Conducting a Double Materiality Assessment

With the aim of identifying and managing ESG issues that matter to us, we have published our sustainability reports and conducted double materiality assessments. In particular, we have adopted the concept of double materiality assessment, which was introduced by the GRI Standards 2021, a global standard for disclosure. This enables us to assess both the impact of our business operations on the environment and society, and the impact of external ESG issues on our finances.



1) SASB, MSCI, DJSI
 2) Employees and ESG professionals surveyed
 3) GRI, TCFD, ESRS, KCGS, UNGC, ISO 26001, UN SDGs, WEF-IBC, K-ESG
 4) External stakeholders surveyed

Double Materiality Assessment

Results of Double Materiality Assessment

Derived Material Issues

Through the double materiality assessment conducted in 2023, we pinpointed five key material issues that hold significant impact and financial materiality. In comparison to our previous evaluation, two new elements, 'Taking Action on Climate and Managing Energy,' and 'Enhancing Market Competitiveness and Generating Economic Value' have been added.

Area	Issue	Impact Materiality	Financial Materiality	Double Materiality
Environment	Taking Action on Climate and Managing Energy	●●●	●●●	●●●
	Preserving Biodiversity and Ecosystems	●○○	●○○	●○○
	Minimizing Environmental Impact	●○○	●●○	●○○
	Managing Waste and Effluents	●○○	●○○	●○○
	Building Sustainably	●●●	●●○	●●●
Society	Ensuring Occupational Safety and Health	●●●	●●●	●●●
	Protecting Customer Safety and Health	●●○	●○○	●○○
	Elevating Customer Satisfaction	●●○	●○○	●●○
	Securing Customer Data Privacy and Data Security	●○○	●●○	●○○
	Managing Human Resources Effectively	●●○	●●●	●●●
	Upholding Human Rights and Embracing Diversity	●●●	●○○	●●○
	Enhancing Organizational Culture	●○○	●○○	●○○
	Managing ESG in the Supply Chain and Promoting Shared Growth	●●○	●●○	●●○
Governance	Engaging with and Developing Local Communities	●○○	●○○	●○○
	Maintaining Sound Governance	●●○	●●○	●●○
	Upholding Ethics and Compliance	●●○	●●●	●●○
	Managing Financial and Non-financial Risks	●○○	●●●	●●○
Economy	Engaging Stakeholders and Promoting Transparency	●○○	●○○	●○○
	Enhancing Market Competitiveness and Generating Economic Value	●●●	●●○	●●●

※ Tier 1 : ●●●, Tier 2 : ●●○, Tier 3 : ●○○

Our Approach to Key Material Issues

Key Material Issue	Approach	Page
Taking Action on Climate and Managing Energy ¹⁾	LOTTE P&D has intensified its efforts to combat climate change, guided by its roadmap to achieve net-zero emissions by 2040. In addition to reducing GHG emissions, we are conducting various activities to enhance energy efficiency and expedite the transition to renewable energy. To gear up for the escalating impacts of climate change and effectively adapt to projected changes, we have been keeping track of climate-related risks and opportunities and have advanced our risk management.	24~27, 41, 79~80, 103
Building Sustainably	From the design and construction stages, elements of energy efficiency and surrounding nature were considered in the construction of the LOTTE WORLD TOWER. Being aware of the impact of buildings on their surroundings throughout their entire life cycle, all measures are taken into account to minimize their adverse impact.	21~23, 27, 37, 79, 103
Ensuring Occupational Safety and Health	In response to the growing demand for occupational safety and health from stakeholders, we have established a dedicated organization responsible for safety management to implement related policies and activities. To ensure that our employees, suppliers, and customers enjoy a safe environment, we will ramp up our inspections and training, and also scale up investments in safety.	28~33, 83, 85~86, 103
Managing Human Resources Effectively	Employees are indispensable to our sustainable growth. Therefore, we provide various opportunities for employees to sharpen their job skills and other abilities. In addition to that, we ensure that they are rewarded fairly based on their efforts and performance through our fair systems and work environment.	44~54, 81~84, 103
Enhancing Market Competitiveness and Generating Economic Value ¹⁾	The experience in launching and operating the LOTTE WORLD TOWER & MALL has propelled us towards becoming a global integrated real estate firm. Our business portfolio spans from building operations and real estate asset management to alternative investments and development. Additionally, we aim to provide unique experiences to customers with fresh ideas and elevate our brand value while communicating with a wide range of stakeholders.	64~66, 85, 87~90, 103

1) Newly added key material issues compared to 2021

Greenhouse Gas Emissions Verification Report

[Verification Opinion]

• Subject of Verification

Statement on the greenhouse gas (GHG) emissions of LOTTE P&D for the year 2023

• Verification Standards

「Guidelines for Reporting and Verification of Emissions under the GHG Emissions Trading Scheme (Ministry of Environment Notification No.2023-221)」, 「Guidelines for the Verification of the GHG Emissions Trading Scheme Operation (Ministry of Environment Notification No.2021-112)」, and the emission calculation plan distributed to NGMS

• Verification Procedure

The verification has been conducted according to the procedures under the 「Guidelines for Reporting and Verification of Emissions under the GHG Emissions Trading Scheme (Ministry of Environment Notification No.2023-221)」 and the emission calculation plan distributed to NGMS, and was conducted to satisfy a reasonable level of assurance.

• Limitations of Verification

This verification has applied sampling methods according to the verification plan recognized by the National Institute of Environmental Research, based on the regulations and emission calculation plan distributed to NGMS, related data and information provided by LOTTE P&D and relevant systems regarding GHG emissions. Therefore, it implies limitations on the detection errors that may rise due to limitations in sampling

• Verification Opinion

The 2023 GHG emissions statement of LOTTE P&D contains errors presented in the above 'limitations of verification', and uses overall accurate parameters and activity data, satisfying the importance criteria (less than 5.0%). Therefore, in accordance with the 「Guidelines for Reporting and Verification of Emissions under the GHG Emissions Trading Scheme」, the GHG emissions described in the statement are determined to be 'appropriate'.

• Overall Opinion

GHG emissions and energy consumption of LOTTE P&D of the year 2023 has been appropriately collected, compiled, and reported in accordance with the guidelines. It has been confirmed through verification that emissions from main facilities (which account for 99% of the total GHG emissions) have been calculated and reported without omissions.

March 27, 2024

Verification Institute: Korea Management Registrar

CEO: Hwang Eun-ju



Third-Party Assurance Statement

Dear Management and Stakeholders of LOTTE PROPERTY & DEVELOPMENT

• Introduction

Korean Standards Association (“KSA”) was commissioned by LOTTE PROPERTY & DEVELOPMENT to perform a third-party Assurance Engagement of ‘2023 LOTTE PROPERTY & DEVELOPMENT Sustainability report’(the “Report”). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. LOTTE PROPERTY & DEVELOPMENT has sole responsibility for the content and performance contained in this Report.

• Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of LOTTE PROPERTY & DEVELOPMENT apart from undertaking a third-party assurance on the Report. We have no other contract with LOTTE PROPERTY & DEVELOPMENT that may undermine credibility and integrity as an independent assurance agency.

• Assurance Standards: AA1000AS v3

• Assurance Level and Type: Moderate, Type1

Note1: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

Note2: Type 1 assurance has a narrower scope of engagement than Type 2 assurance because it is limited to only adherence with the four principles of AA1000AP.

• Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of LOTTE PROPERTY & DEVELOPMENT during the reporting period. While the company’s environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- In adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- In accordance with GRI Standards 2021

Topic Standards

201-1, 202-2, 203-1~2, 204-1, 205-1, 206-1, 207-4, 302-1, 305-1~2, 305-4, 305-7, 302-3~4, 401-1~3, 403-1~7, 404-2~3, 405-1~2, 406-1, 414-2, 418-1

• Assurance Methodology

We used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder participation and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- A review of the financial performance data.
- Examination of internal documents and basic materials.

Third-Party Assurance Statement

• Assurance limitations

We assumed that the data and evidence provided by the company were complete and sufficient. We provided limited assurance through data inquiry and analysis as well as limited sampling methods.

• Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. We were not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, we present our opinions of the '2023 LOTTE PROPERTY & DEVELOPMENT Sustainability report' as follows.

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has LOTTE PROPERTY & DEVELOPMENT engaged its stakeholders in strategically responding to sustainability?

KSA believes LOTTE PROPERTY & DEVELOPMENT is aware of the importance of stakeholder participation and is making an all-out effort to establish a process that will increase their participation. LOTTE PROPERTY & DEVELOPMENT has selected stakeholders including employees, customers (individual and corporate), shareholders and investors, community, government and relevant agencies to receive diverse feedback and opinions.

Materiality

- Has LOTTE PROPERTY & DEVELOPMENT included material information in the Report to help stakeholders make informed decisions?

We are not aware of any significant omissions or exclusions of data that are material to stakeholders. We verified that LOTTE PROPERTY & DEVELOPMENT conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has LOTTE PROPERTY & DEVELOPMENT appropriately responded to stakeholder requirements and interest in this Report?

We verified that LOTTE PROPERTY & DEVELOPMENT responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. We are not aware of any evidence that LOTTE PROPERTY & DEVELOPMENT' response to significant issues of stakeholders was reported inappropriately.

Impact

- Has LOTTE PROPERTY & DEVELOPMENT appropriately monitored its impact on the stakeholders?

We verified that the company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the company appropriately publishes its findings in the Report.

June 2024

KSA Chairman & CEO **Myung Soo Kang**



The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, certified GRI training partner, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and UN CDM DOE (development operational entity), and as an assurance provider of the Korean government's greenhouse gas energy target management system.

Awards and Memberships

Major Awards and Certifications

Major Awards

Date	Awarding organization	Awards
Dec. 2021	Labor-Management Cooperation Division in Ministry of Employment and Labor	Minister's Award from the Ministry of Employment and Labor at the Labor-Management Culture Awards
Jan. 2022	IF DESIGN AWARD	IF DESIGN AWARD 2022
May. 2022	Ministry of Employment and Labor	Steel Tower Order of Industrial Service Merit for Employment Equality Contribution
Jun. 2022	Seoul Metropolitan Government	Grand Prize at the Seoul Environment Awards (Energy Transition Category)
Aug. 2022	Seoul Metropolitan Government	Grand Prize at the Good-Light Awards
Nov. 2022	Ministry of the Interior and Safety	Award Certificate at the Prime Minister's Awards by Ministry of the Interior and Safety (Energy Efficiency Category)
Nov. 2023	National Fire Agency	22nd Korea Safety Awards (Fire Administration Commissioner's Award)

Certification Status

Certified period	Certification authority	Certifications
Dec. 2016~Nov. 2024	Minister of Gender Equality and Family · Korea Management Registrar	Best Family-Friendly Management Certification
Oct. 2018~Nov. 2023	Ministry of Culture, Sports and Tourism Regional Culture & Development Agency	Leisure-Friendly Certification
Jul. 2019~Dec. 2024	Ministry of Employment and Labor	Best labor-management culture enterprise
Jul. 2019~Current	Korea Productivity Center	Energy management systems certification (ISO 50001)
Oct. 2023~Oct. 2026	Korea International Standard Certifications	Occupational health and safety management systems certification (ISO 45001)

Membership Status

Federation of Korean Industries	Council on Tall Buildings and Urban Habitat (CTBUH)
Fair Competition Federation	Korea Facility Management Association
Korea Proptech Forum	Korea Construction Engineers Association
Korea International Trade Association	Korea Electric Engineers Association
Korea Personal Improvement Association	Korean Institute of Landscape Architecture
Korea MICE Association	Korea Mechanical Construction Contractors Association
Seoul MICE Alliance	Korea Academy of OOH Advertising



