

DELIVERING SUSTAINABLE VALUES TO FUTURE GENERATIONS

2025 LOTTE GLOBAL LOGISTICS SUSTAINABILITY REPORT



About this Report



Cover Story

Expressing the vision of Lotte Global Logistics, a company opening new horizons in logistics by delivering sustainable values for future generations through innovation and global network-based one-stop services.

Notes on Content

This report was prepared with a focus on information that is both material to stakeholders and has a high impact, referencing disclosure standards that align with the purposes of information users and ensure comparability and reliability. The report contains information regarding the present and past, along with forward-looking statements based on estimates and assumptions about the future business environment. Such predictive information may vary depending on changes in various business environments, including domestic and international regulations, market conditions, and industrial structures, some of which may be influenced by factors that are difficult for the company to control or accurately predict. Furthermore, some quantitative information included in this report consists of estimates derived from currently available market proxies and measurement methodologies, and actual values may differ depending on the methodology applied.

Overview

This fourth Sustainability Report of Lotte Global Logistics Co., Ltd. is published annually to transparently disclose our ESG management direction and key activities and achievements across economic, environmental, social, and governance domains to our stakeholders. In the process of preparing this report, we conducted a double materiality assessment to identify the significance of both environmental and social impacts as well as financial impacts, and to gather and reflect the opinions of our stakeholders in determining the core reporting topics. Lotte Global Logistics continuously manages its efforts and achievements across all ESG domains in pursuit of its sustainability management vision, and will remain committed to transparently sharing relevant information and actively incorporating it into our business operations, grounded in ongoing engagement with stakeholders.

Reporting Period

This report covers our major sustainability management activities and achievements from January 1, 2025, to December 31, 2025, while also including information from the first half of 2026 for some key activities. For quantitative performance, three-year data from 2023 to 2025 is provided to allow for the identification of annual trends. This report is published on an annual cycle, and the previous report was published in June 2025.

Reporting Scope

Regarding quantitative financial performance, this report has been prepared on a consolidated basis in accordance with the Korean International Financial Reporting Standards (K-IFRS), including Lotte Global Logistics' consolidated subsidiaries. Other qualitative activities and non-financial performance data pertain solely to the Headquarters in Korea and all business sites. For data that covers only specific business sites, the scope is indicated with footnotes or additional explanations.

Reporting Principles

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021, an internationally recognized standard for sustainability reporting. It also incorporates the principles and indicators set forth in the SASB (Sustainability Accounting Standards Board) industry standards and the TCFD (Task Force on Climate-related Financial Disclosures) recommendations. Building on these frameworks, the report references the Core indicators of the SCM (Stakeholder Capitalism Metrics) as outlined by the WEF-IBC (World Economic Forum International Business Council), with the aim of providing more objective and standardized information. Furthermore, Lotte Global Logistics endorses the Ten Principles of the UNGC (UN Global Compact) and reports on its business activities and performance in alignment with these principles.

Data Assurance

To ensure the fairness, reliability, and completeness of the reporting process and overall information, we commissioned BSI Korea, an independent assurance provider, to conduct a third-party assurance of this report. The assurance was performed in accordance with the international assurance standard AA1000AS (Moderate level, Type 2), and the results can be found in the 'Third-Party Assurance Statement' in the Appendix.

Issued by

Address	10, Tongil-ro, Jung-gu, Seoul, Republic of Korea
Contact	Lotte Global Logistics ESG Management Team
Telephone	02-2170-3094
Email	junseob.shin@lotte.net
Date of Issuance	June 2026

Table of Contents

Introduction

About this Report	02
Table of Contents	03
CEO Message	05
About LOTTE GLOBAL LOGISTICS	06
Global Network	07
History	09
Business Portfolio	10

ESG Approach

ESG Governance	12
ESG Management Framework	13
ESG Internalization	15
ESG Highlight	16
Stakeholder Engagement	17
Double Materiality Assessment	18

ESG Impact

Environmental

Action on Climate Change	23
Environmental Management	32
Biodiversity Conservation	39

Social

Human Rights Management	46
Talent Management	52
Occupational Safety and Health	62
Consumer-Centered Management	72
Data Security and Protection	76
Social Contribution	80

Governance

Responsible Management of the Board	85
Ethics and Compliance	89
Supply Chain Sustainability	94
Risk Management	99

Appendix

ESG Data	102
GRI Index	115
SASB Index	118
TCFD Index	118
UNGC Index	119
WEF-IBC Index	120
Certificates, Awards and Memberships	121
GHG Emissions Assurance Statement	122
Third-Party Assurance Statement	123



Introduction

- CEO Message
- About LOTTE GLOBAL LOGISTICS
- Global Network
- History
- Business Portfolio

ESG Approach

ESG Impact

Appendix

Introduction

CEO Message	05	History	09
About LOTTE GLOBAL LOGISTICS	06	Business Portfolio	10
Global Network	07		

Introduction

CEO Message

About LOTTE GLOBAL LOGISTICS

Global Network

History

Business Portfolio

ESG Approach

ESG Impact

Appendix

CEO Message



“Lotte Global Logistics strives to build a responsible logistics system for a sustainable future and to earn the trust of all stakeholders.”

Dear valued stakeholders,

We extend our deepest gratitude for your unwavering trust and support in the sustainable growth and development of Lotte Global Logistics.

The year 2025 was a year in which uncertainties across the logistics industry intensified more than ever due to the spread of global neo-protectionism, low growth and sluggish consumption in the domestic economy, and intensifying competition among companies.

Despite these challenging conditions, Lotte Global Logistics has strived to strengthen its inherent competitiveness in logistics while further solidifying the foundation for a sustainable future amidst the flow of change. We enhanced our capabilities as a global logistics firm through milestones such as the opening of a new automated fulfillment center for iHerb in the United States and the groundbreaking of a cold chain center in Dong Nai, Vietnam. We also continued to advance the development of a smart logistics system powered by AI technology, alongside the expansion of customized customer services.

The business environment in 2026 is expected to remain challenging, with rising oil and raw material costs stemming from compounding global crises, as well as a slowdown in the growth of the parcel delivery market. Nevertheless, we will press forward with decisive action to deliver impactful results and LEAD the global logistics market. We will actively venture into high-value-added new businesses such as bio and defense logistics and strengthen our competitiveness through delivery differentiation policies. At the same time, we will overcome crises and become a company that takes another leap forward through the expansion of core strategic global networks and strategic alliances with international companies.

[Introduction](#)
[ESG Approach](#)
[ESG Impact](#)
[Appendix](#)

In this process, we will build an ESG management framework capable of responding in a timely manner to the increasingly stringent ESG regulations at home and abroad. In 2026, we will focus on the following priorities(E) eco-friendly energy transition activities to reduce carbon emissions and packaging development to minimize packaging materials; (S) maintaining a zero-accident principle at our business sites through safety accident prevention initiatives, strengthening the protection of customer personal information, and implementing community contribution activities; (G) strengthening a fair and transparent governance framework. Through these efforts, we will strive to become a ‘sustainable logistics partner’ for our customers, shareholders, and society at large.

We look forward to your continued support and encouragement on Lotte Global Logistics’ journey toward sustainability.

Thank you.

June 2026

Lotte Global Logistics CEO Kang Buong-ku



About LOTTE GLOBAL LOGISTICS

Company Profile

Lotte Global Logistics is a comprehensive logistics company providing logistics services both domestically and internationally, offering customized logistics solutions across a diverse range of business areas, including parcel delivery, international logistics, and SCM. Through integrated logistics services that connect our nationwide logistics network with global hubs, we continuously enhance logistics efficiency and service quality. We are also advancing digital transformation and building an eco-friendly logistics system, introducing smart technologies across our overall logistics operations to improve operational efficiency. Furthermore, we are expanding our overseas network to strengthen competitiveness in the global market, and working to enhance customer value and realize responsible business management on the foundation of sustainable logistics services.

Overview

Name	Lotte Global Logistics
CEO	Kang Buong-ku
Date of Establishment	1996. 10. 14
HQ Location	10 Tongil-ro, Jung-gu, Seoul, Republic of Korea (Yonsei Severance Foundation Building)
Business Area	Comprehensive logistics (Parcel service/Domestic logistics/ International logistics)
Headcount	2,252 (Male : 1,851, Female : 401)

As of December, 2025

Financial Position and Key Highlights

Total Assets	KRW 2,744.7 billion
Operating Profit	KRW 81.7 billion
Sales	KRW 3,401.5 billion

Credit Rating

Corporate Bond



A

Commercial Paper



A2

As of December 2025, on a consolidated basis

Mission & Vision

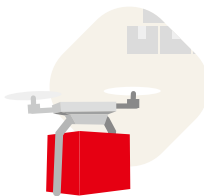
Mission

Connecting World, Enrich Life

Vision

Change Logistics, Create Value, Connect Customer

Strategic growth direction



Leading



Expanding



Adding-Value



Differentiating

Global Network

Headquarters and Domestic Network



Terminals



20

- Jincheon Mega Hub Terminal
- Southeast Area Terminal
- Gunpo Terminal
- Seoul Northern Terminal
- Seoul Eastern Terminal
- Seoul Guro Terminal
- Incheon Terminal
- Busan Western Terminal
- Gwangju Terminal
- Apparel-only Terminal
- Hwaseong Sub Terminal
- Yongin Sub Terminal
- Pocheon Sub Terminal
- Dongdaegu Sub Terminal
- Busan Central Sub Terminal
- Paju Sub Terminal
- Daejeon Sub Terminal
- Busan Eastern Sub Terminal
- Gimpo Sub Terminal
- Cheonan Sub Terminal

Parcel Service Branches



37 (Main Branches)

- Seoul Southern District Branch
- Seoul Northern District Branch
- Seoul Guro-gu Branch
- Gunpo Branch
- Bucheon Branch
- Yongin Branch
- Pyeongtaek Branch
- Gangwon Branch
- Daejeon Branch
- Dangjin Branch
- Dongdaegu Branch
- Gumi Branch
- Pohang Branch
- Busan Western District Branch
- Busan Eastern District Branch
- Jinju Branch
- Gunsan Branch
- Mokpo Branch
- Jeju Branch

SCM Logistics Centers



174 (Main Centers)

- Yangsan Integrated Smart Automation Center
- Icheon Outsourcing Center
- Gimhae Mart Center
- Gimpo Mart Online Center
- Osan Mart Center
- Deokpyeong Outsourcing Center
- Gwangmyeong Bakery Center
- Opo Outsourcing Center
- Jeju Center

Global Logistics Center

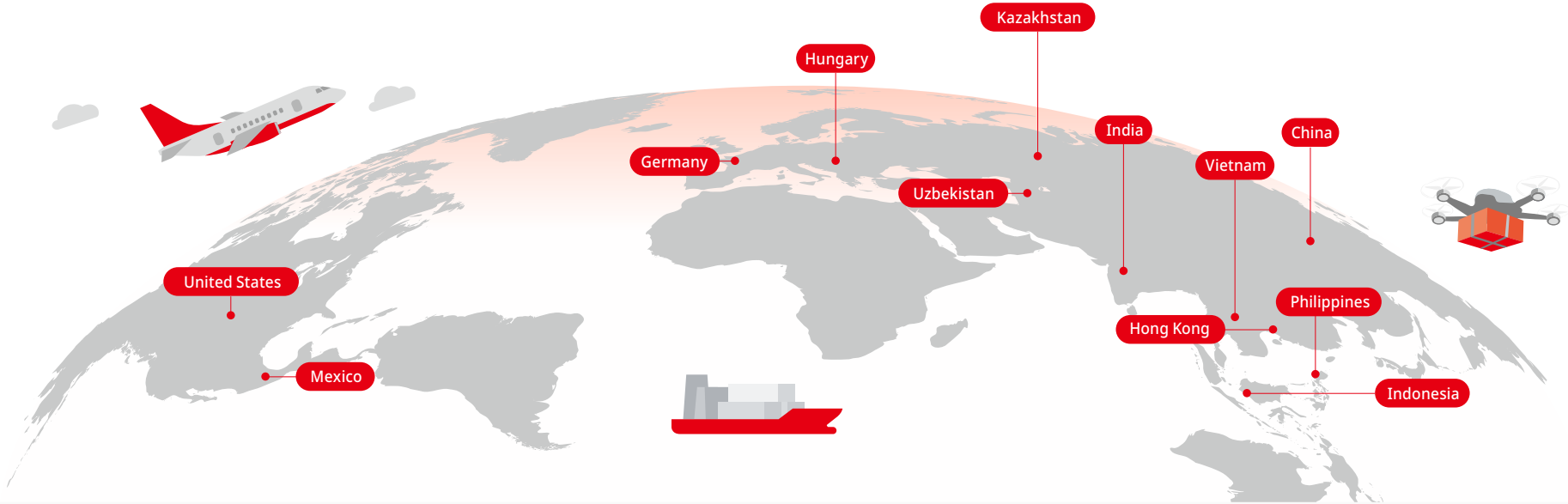


6

- Incheon Airport Center
- Incheon International Express Center
- Uiwang Intermodal Center
- Busan Intermodal Center
- Gwangyang Intermodal Center
- Port Operation Team

Global Network

Global Network



Asia

China	SHANGHAI HYUNDAI ASIA SHIPPING INTERNATIONAL FREIGHT FORWARDING CO., LTD. (China)	Shanghai (corporate), Wuxi (branch), Dongguan (branch), Tianjin (branch)
Hong Kong	LOTTE GLOBAL LOGISTICS (HONGKONG) CO., LIMITED	Hong Kong (corporate)
Vietnam	LOTTE VINATRANS GLOBAL LOGISTICS (VIETNAM) CO., LTD	Hanoi (branch), Ho Chi Minh City (transportation corporate)
	LOTTE GLOBAL LOGISTICS VIETNAM CO., LTD.	Long Hau (warehouse corporate)
India	LOTTE GLOBAL LOGISTICS (INDIA) PRIVATE LIMITED	India (corporate)
Indonesia	PT. LOTTE GLOBAL LOGISTICS INDONESIA	Jakarta (corporate)
Philippines	LOTTE GLOBAL LOGISTICS PHILIPPINES, INC.	Manila (corporate)

America

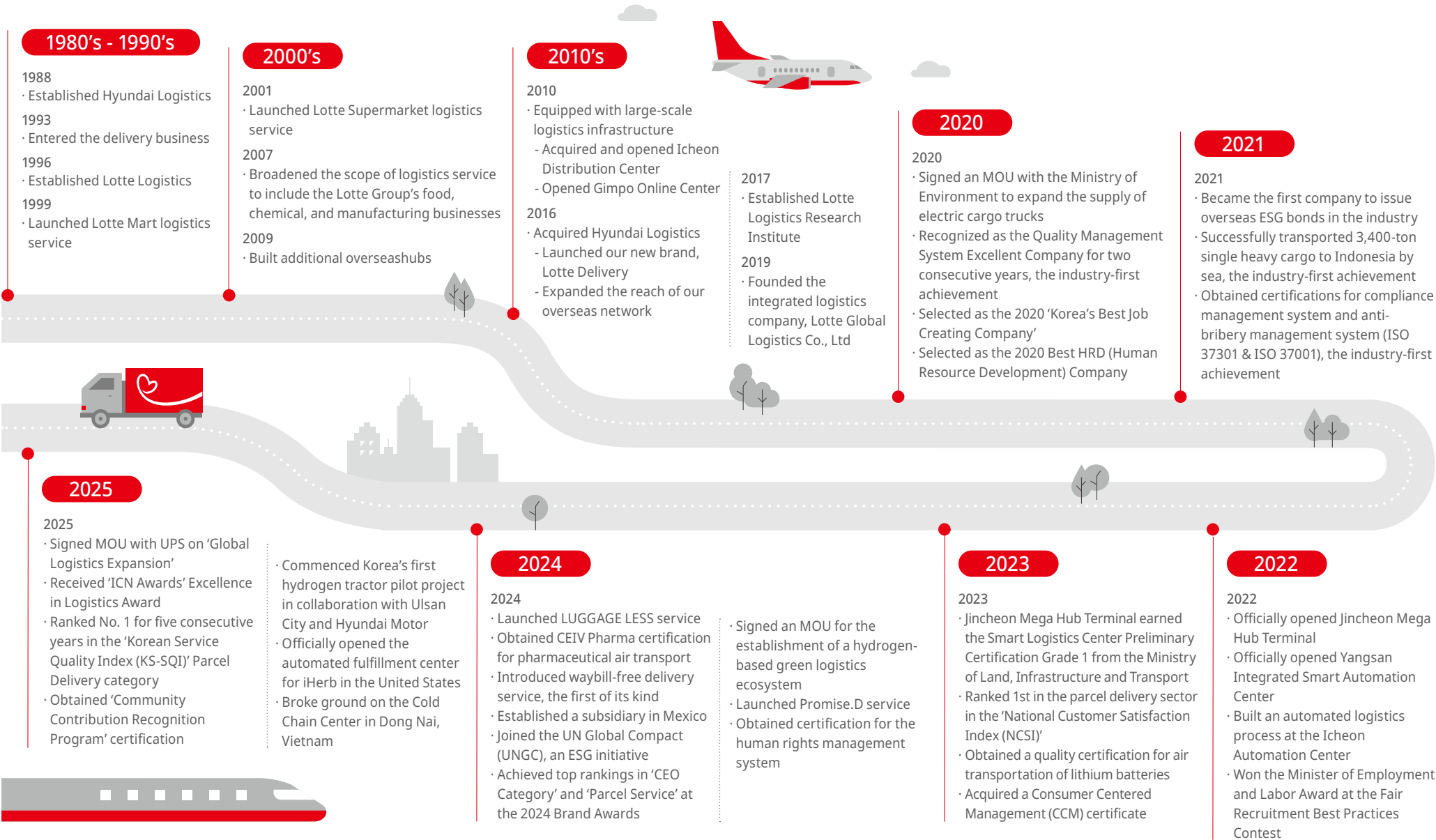
United States	LOTTE GLOBAL LOGISTICS (NORTH AMERICA) INC.	Dallas (corporate), Houston (branch)
	LOTTE GLOBAL LOGISTICS (USA) INC.	LA (branch), Chicago (branch), New York (branch)
Mexico	LOTTE GLOBAL LOGISTICS, S.A DE C.V	Monterrey (corporate)

Europe

Germany	LOTTE GLOBAL LOGISTICS (GERMANY) GMBH	Hamburg (corporate), Frankfurt (branch)
Hungary	LOTTE GLOBAL LOGISTICS HUNGARY KFT.	Budapest (corporate)
Kazakhstan	LOTTE GLOBAL LOGISTICS KAZAKHSTAN CO., LTD	Almaty (corporate)
Uzbekistan		Tashkent (branch)

History

Company History



Business Portfolio

Business Segments

TLS (Total Logistics Service)

SCM (Supply Chain Management)

Responsible for the overall operation of customers' logistics centers, connecting the flow of logistics through inland transportation and delivery services.

Container Inland Transportation

Connects ports and inland logistics hubs through intermodal transportation services that integrate rail and road networks.

Port Operations Service

Manages the full scope of port logistics operations, including cargo handling, storage, and inbound/outbound operations within the port, serving as a key hub connecting maritime and inland logistics.

International Logistics Service

Provides comprehensive logistics services leveraging a global logistics network, centered on maritime and air freight forwarding.



LM (Last-Mile)

Parcel Service

Built on a nationwide delivery network, provides reliable and swift delivery services to both individual and corporate customers.

Fulfillment Service

Handles the entire process from receiving, storage, and picking through to outbound processing and delivery, as an integrated logistics service optimized for the e-commerce environment.



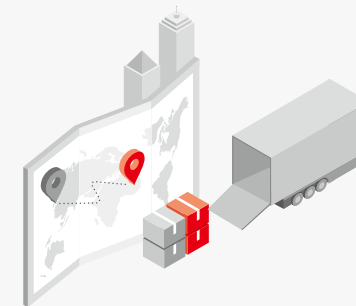
GBS (Global Business Support)

Global Hub Logistics

Establishes logistics hubs across key regions, including the Americas, Asia, and Europe, providing integrated logistics services grounded in local expertise.

International Transportation Service

Provides global transportation services centered on maritime and air freight forwarding, delivering transportation solutions optimized for the diverse characteristics of each cargo type.



LIST (Lotte Innovation & Solution & Synergy & Technology)

Logistics Consulting

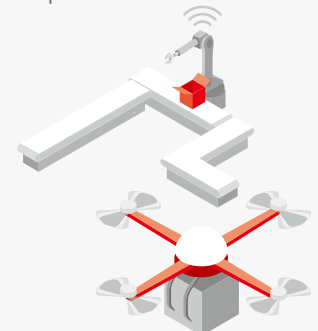
Diagnoses the overall logistics operations of customers and presents directions for improvement, supporting the development of efficient logistics strategies based on logistics network analysis and operational process diagnostics.

Digital Transformation and Automation

Implements and operates automated equipment and IT systems to enhance the efficiency and productivity of logistics center operations.

Smart Logistics Operating Platform

Integrates and manages logistics operations on the basis of automation and digital technologies, and drives continuous advancement to improve the efficiency of logistics processes.



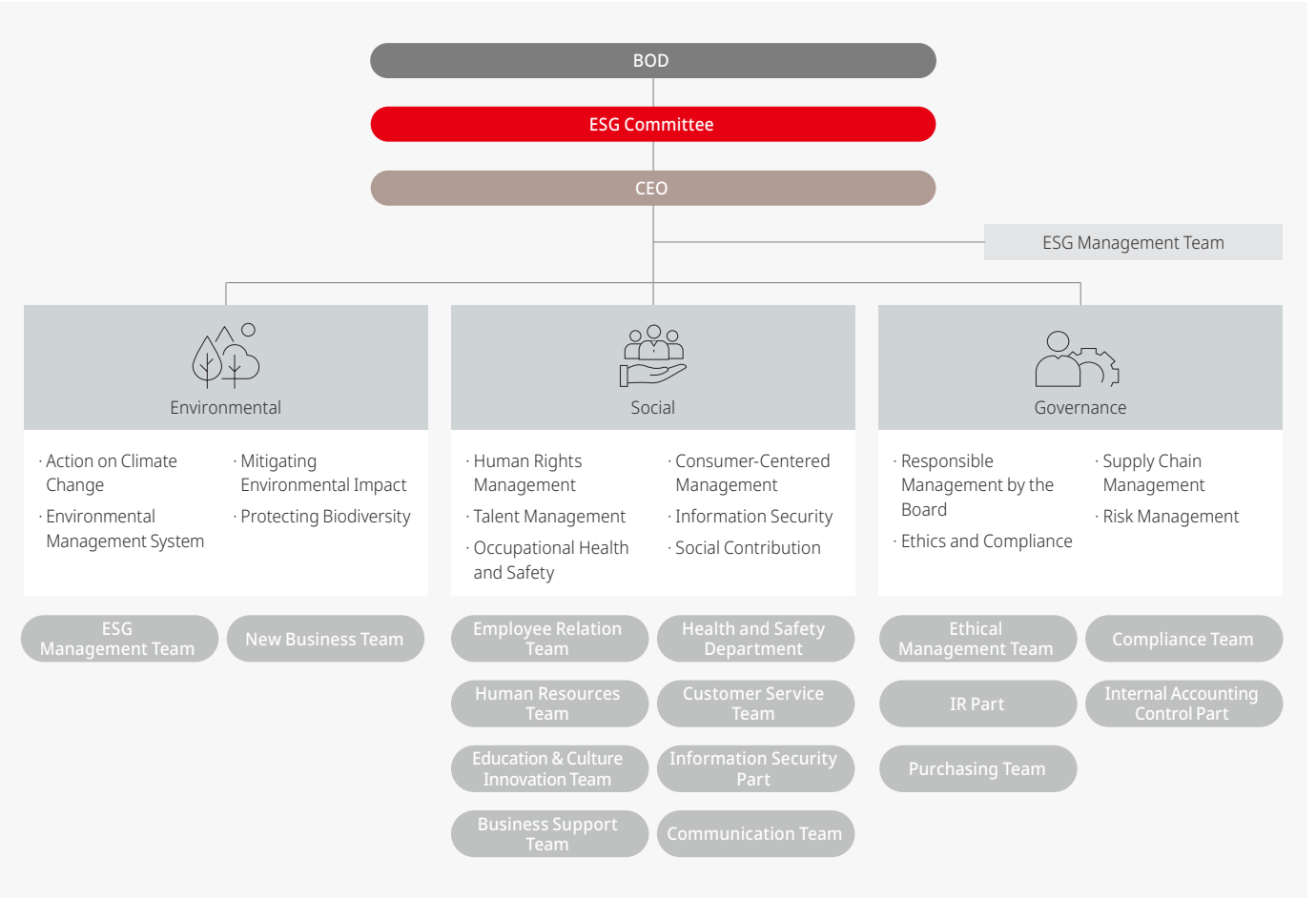
ESG Approach

ESG Governance	12	ESG Highlights	16
ESG Management Framework	13	Stakeholder Engagement	17
ESG internalization	15	Double Materiality Assessment	18

ESG Governance

ESG Management System

Lotte Global Logistics operates a company-wide ESG management system centered on a dedicated ESG organization to respond to stakeholder demands for ESG management. The dedicated ESG organization oversees ESG strategy establishment and task implementation, and reports major progress and issues to the ESG Committee, the highest decision-making body. The ESG Committee reviews strategic directions for major non-financial values such as environment, safety, and ethics, and monitors company-wide ESG activities. Furthermore, the company internalizes ESG management by incorporating ESG goals and performance into department KPIs, and pursues continuous improvement and operational capability strengthening.



ESG Committee

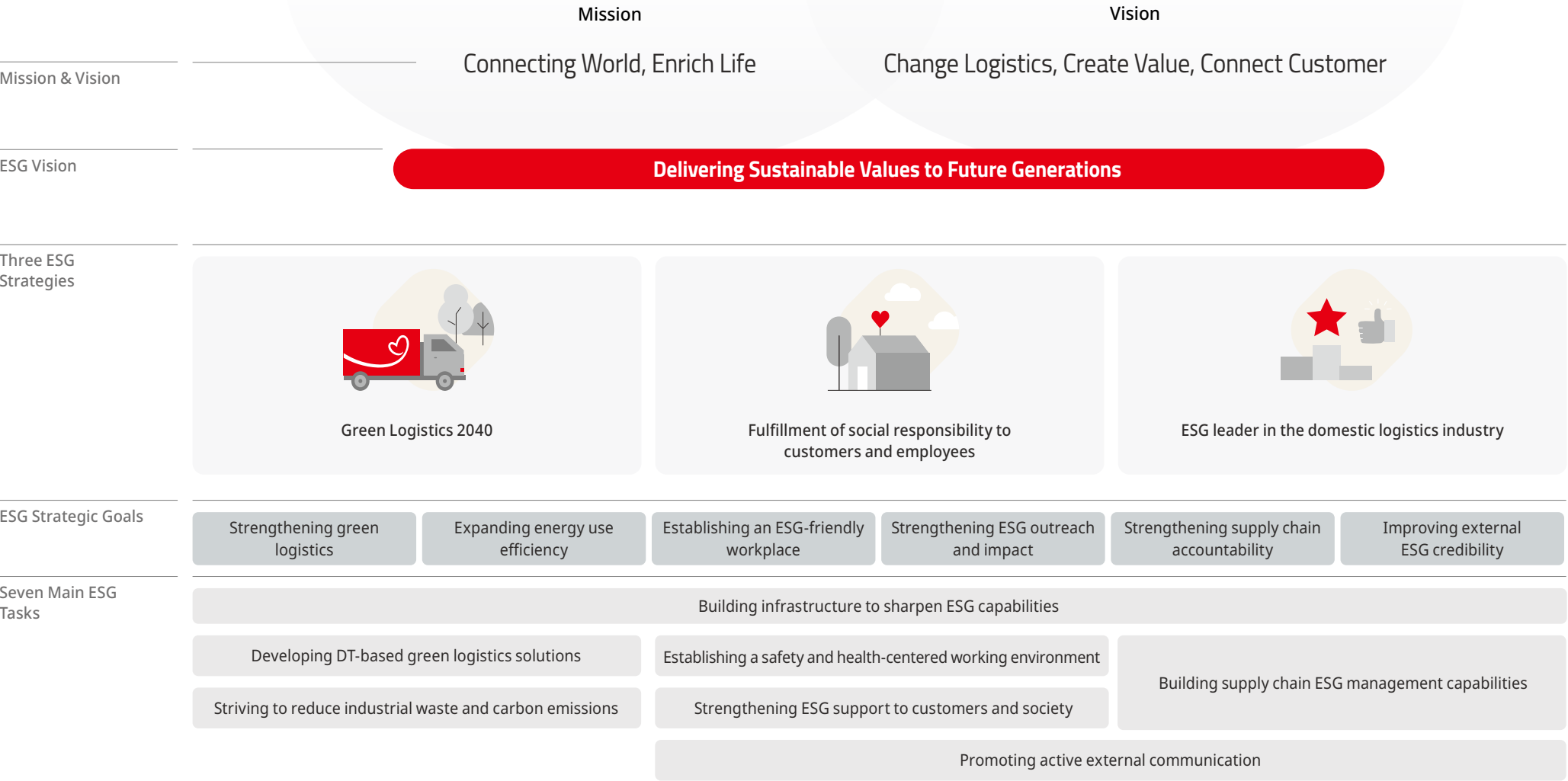
As the highest decision-making body under the Board of Directors, the ESG Committee is responsible for establishing ESG strategies and policies and setting mid- to long-term directions. It reviews response directions for major non-financial values such as environment, safety, and ethics, and regularly monitors the progress and performance of company-wide ESG activities. Furthermore, the committee reviews major ESG risks and opportunities to incorporate them into management decision-making and performs the role of proposing directions for improvement when necessary. Additionally, it oversees company-wide ESG management through the deliberation and resolution of major ESG-related agendas to be reported to the Board.

ESG Management Team

The ESG Management Team is a working-level organization that oversees the establishment and execution of company-wide ESG strategies, performing roles such as deriving ESG priority tasks, managing implementation, and managing performance indicators. It solidifies the direction of company-wide ESG initiatives by analyzing domestic and international ESG regulations and trends and reflecting stakeholder requirements. Furthermore, the team supports the implementation of ESG tasks through collaboration with each department, and monitors performance by collecting and managing relevant data. Additionally, it continuously advances the foundation for company-wide sustainability management by providing operational support for overall ESG activities and strengthening internal management systems.

ESG Management Framework

ESG Management Strategy Framework



ESG Management Framework

Our Seven Critical ESG Tasks

Main ESG Tasks	UN SDGs	Commitment	2025 Achievements
 Building infrastructure to sharpen ESG capabilities	 	Sharpening ESG management capabilities	· Established the Outside Director Committee under the Board of Directors · Operated an ESG education program for all employees · Developed a company-wide human rights manual
 Developing DT-based green logistics solutions	  	Introducing and internalizing smart logistics technologies to lead the logistics industry	· Implemented AI-based logistics load optimization · Introduced route optimization features for parcel delivery drivers · Promoted Bipedal AI Humanoid pilot programs at logistics sites
 Striving to reduce industrial waste and carbon emissions	  	Achieving carbon neutrality by developing eco-friendly logistics infrastructure	· Operated a logistics energy IT management system · Built eco-friendly solar power generation infrastructure · Developed eco-friendly packaging solutions
 Establishing a safety and health-centered working environment	 	Providing a safe work environment through prevention-focused safety and health activities	· Built a safety and health management system based on ISO 45001 · Operated safety and health KPIs and managed performance · Strengthened workplace safety improvements through smart technologies
 Strengthening ESG support to customers and society	 	Carrying out practical external ESG activities	· Strengthened employee engagement through a culture of participation · Expanded social contribution activities through business linkage · Strengthened community safety through social contribution activities at overseas subsidiaries
 Promoting active external communication	 	Strengthening stakeholder engagement grounded in objective and transparent information disclosure	· Diversified and advanced stakeholder communication channels · Joined the global ESG initiative, UNGC · Annually published Sustainability Reports
 Building supply chain ESG management capabilities	  	Enhancing ESG management standards across the entire supply chain and building a sustainable cooperative framework	· Strengthened supply chain ESG risk assessment (expanded on-site inspections) · Supported greenhouse gas calculation and management for partner companies · Provided shared growth support and improved working conditions for partner companies

ESG internalization

ESG Training Program

Lotte Global Logistics offers online and offline ESG training content for all employees to promote ESG internalization across the organization. In 2025, a total of 7 training programs were conducted, through which we are raising employee ESG awareness and strengthening task application competencies.

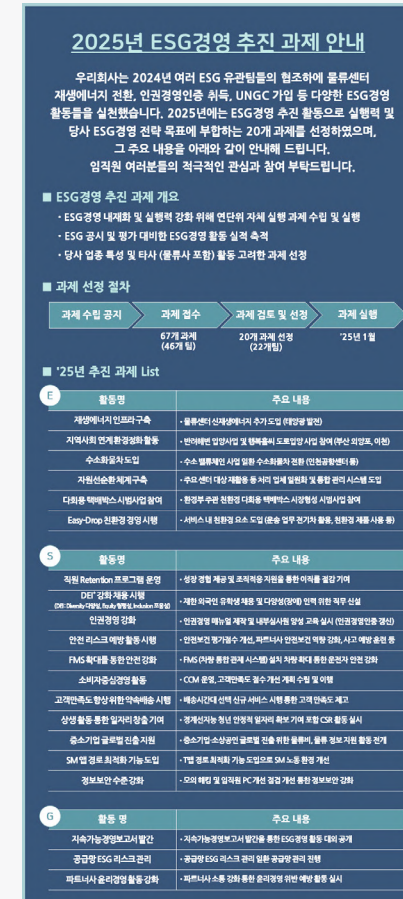


ESG training content

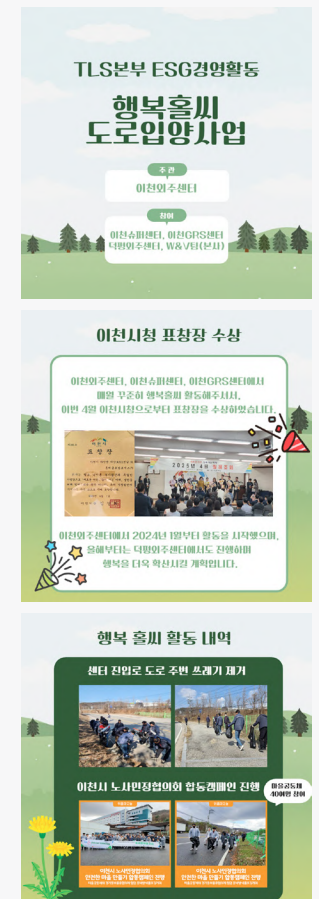
Program	Date	Type
Our Company's ESG	2025.09.08~2025.10.31	Face-to-face, Online
2025 Lotte Code of Conduct	2025.05.01~2025.10.31	Online
Learn ESG management from a leading global logistics firm!	2025.01.01~2025.01.31	Online
An inevitable journey toward sustainability management	2025.05.01~2025.05.31	Online
Answering the most frequently asked questions by ESG practitioners	2025.05.01~2025.05.31	Online
ESG Living in the Era of Climate Crisis and Carbon Neutrality	2025.06.01~2025.06.30	Online
Prepare for the Era of Carbon Neutrality and ESG	2025.10.01~2025.10.31	Online

Sharing Our ESG Management Activities

Lotte Global Logistics continuously shares ESG management activities through our internal website to raise employee awareness of ESG management. Composed of a wide range of topics, including overall ESG strategy progress and current key issues, these updates improve employee understanding of ESG and encourage voluntary participation across the organization.



Sharing ESG management activities (1)



Sharing ESG management activities (2)

ESG Highlights

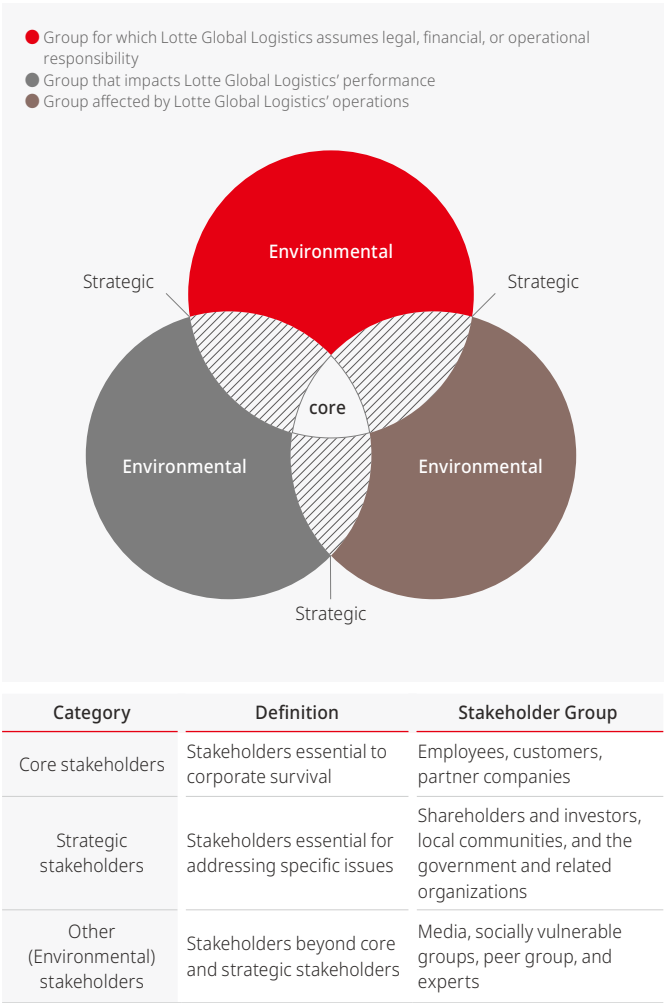
2025 ESG Key Achievements

Environmental	Social	Governance
Carbon emissions mitigated by approximately 893 tCO₂eq annually through eco-friendly vehicle transition (electric and hydrogen trucks) Cumulative transition of 96 electric trucks → 776tCO₂eq reduced, Cumulative transition of 2 hydrogen trucks → 117tCO₂eq reduced 	‘Human Rights Management Manual’ established to advance human rights management Human Rights Management System certification obtained and manuals revised for key human rights management activities 	Zero violations of ethical standards and compliance regulations achieved Sound business environment without violations maintained through the operation of ethics and compliance management systems 
Renewable energy power generated by approximately 9,866 MWh through solar power generation facility operation Self-generation : 1,182MWh, Power Purchase Agreement (PPA) : 8,684MWh 	Zero serious industrial accidents achieved for 3 consecutive years Zero industrial accidents achieved through safety management framework strengthening and prevention-centered activities 	Ethics and compliance management system established based on ISO 37301 and ISO 37001 Ethics and compliance risks prevented through compliance operation based on compliance and anti-corruption management system certifications 
‘LecoP’ launched through eco-friendly packaging solution development Logistics efficiency improved and environmental impact reduced through customized packaging technology development based on eco-friendly materials, automation, and PoC 	A+ grade achieved in the parcel delivery service evaluation by the Ministry of Land, Infrastructure and Transport Customer value and reliability elevated through data-driven service advancement and quality standardization 	Supply chain ESG risk assessment conducted for partners Written assessments conducted for all 44 core partners, with on-site inspections performed for 34 partners 
Violations of environmental laws and regulations : Zero Environmental management standards observed and prevention-centered operational framework continuously implemented 	Zero information security violations and personal information leaks achieved Stable information security level maintained through prevention-centered security management and control activities 	‘Contract Review Committee’ established to strengthen internal control Adequacy and risks pre-reviewed, contract-related disputes prevented prior to major contract conclusions, and internal control strengthened 

Stakeholder Engagement

Our Commitment to Stakeholder Communication

Lotte Global Logistics recognizes the significant impact of stakeholder communication on sustainable management and actively engages with stakeholders through a variety of channels. Guided by the ISO 26000 stakeholder categories, Lotte Global Logistics identifies core and strategic stakeholders, defining customers, employees, partner companies, shareholders and investors, local communities, and the government and relevant organizations as key stakeholders. Furthermore, the company collects stakeholder opinions through its communication channels, incorporating them into its business management, while strengthening trust-based relationships grounded in ongoing engagement.



Stake holders	Employees	Customers	Partner Companies	Shareholders and investors	Local Communities	Government and Related Organizations
Communication Channels	· Job fairs · Company Development Council · LGL One-on-One Meeting · Junior board · Ombudsman center · Imagination and innovation hub	· Website (Voice of the Customer) · SNS channel · Customer service center · Customer satisfaction surveys	· Partner meetings · Partner workshops · Partner reporting channels	· General shareholders' meetings · Corporate Briefings · Management disclosure · Investor Meetings · IR activities	· Website · SNS channel · Media coverage	· Policy meetings · Networks of associations and organizations
Issues of Concerns	· Employment Stability · Ethical Management · Compensation and Employee Benefits Enhancement · Horizontal Corporate Culture · Talent Development	· Service Development and Innovation · Customer Value Enhancement · Eco-friendly Technology · Customer Personal Information Protection	· Shared Growth · Fair Trade and Technology Cooperation · Strengthening Communication with Partner Companies · Supply Chain ESG Management	· Service Development and Innovation · Risk Management · Shareholder Value Enhancement · Business Portfolio Diversification · Transparent Information Disclosure	· Social Contribution Activities · Social and Environmental Responsibility Fulfillment · Environmental Impact Mitigation	· Abiding by laws and Regulations · Fulfilling Social Responsibility · Ensuring transparent tax Payments · Transparent Information Disclosure
Our Responses	· Environmental Management · Taking Action on Climate Change · Human Rights Management · Talent Management · Occupational Safety and Health	· Action on Climate Change · Customer-Centered Management · Information Security · Risk Management	· Human Rights Management · Occupational Safety and Health · Managing Supply Chain Sustainability · Ethics and Compliance Management	· Action on Climate Change · Protecting Biodiversity · Responsible Management by the Board · Ethics and Compliance · Risk Management	· Action on Climate Change · Protecting Biodiversity · Social Contribution and Safety	· Action on Climate Change · Responsible Management by the Board · Ethics and Compliance · Risk Management

Double Materiality Assessment

Materiality Assessment Process

Issue Pool Creation

Lotte Global Logistics analyzed global ESG disclosure guidelines, ESG assessment indicators, and ESG-related laws and regulations to understand the economic, environmental, and social impacts of its overall business activities, and identified 48 sustainability issues as a result. To develop a deeper understanding of the business, environmental, and social context of the 48 identified Long-List issues, the company conducted media research, benchmarking, ESG expert assessments, and an analysis of past material issues, and ultimately identified a final Short-List of 17 issues.

IRO (Impact, Risk, and Opportunity) Identification

An IRO analysis was conducted on the 17 Short-List issues, comprehensively considering the impact and likelihood of occurrence of each issue. Drawing on domestic and international laws and regulations, ESG agendas, case studies from peer companies, and industry trend coverage, the company identified opportunity and risk factors from a business operations perspective across short-, medium-, and long-term timeframes, as well as positive and negative impact factors from environmental and social perspectives.

Materiality Assessment

An online survey was conducted with the participation of both internal and external stakeholders. For internal employees, the assessment evaluated the scale and likelihood of risks and opportunities arising from each issue on Lotte Global Logistics' business operations and financial standing. For external stakeholders, the assessment identified the stakeholder groups affected by each issue and evaluated the scale and likelihood of impact on each stakeholder group from both qualitative and financial perspectives.

Material Issue Selection

Taking into account both the business significance and environmental and social impact of each issue, five material issues with the highest level of influence were selected through the materiality assessment. The selected material issues are incorporated into the development of the company-wide risk management strategy, with the response direction and management measures for each issue being further specified. In addition, implementation status is reviewed on a regular annual basis to continuously advance the level of management, and key findings are utilized in business decision-making.

Research Items for Long-List Identification

Initiatives	Reviewing global ESG disclosure principles, standards, and guidelines
External Assessments	Analyzing ESG assessment criteria and disclosure requirements from domestic and international rating agencies
Laws and Regulations	Reviewing domestic and international ESG disclosure-related legal requirements and reporting standards

Research Items for Short-list Identification

Media Research	Classification ESG-related media coverage and classifying by tone (positive, neutral, negative)
Expert Assessment	Evaluating issue impact reflecting Lotte Global Logistics' business characteristics, conducted with ESG consultants
Bench marking	Analyzing material issues among peer industry players and leading companies
Previous Reports	Analyzing Lotte Global Logistics' material issues, selection rationale, and trends over the past three years

Stakeholder Survey Overview

Survey Period	February 4 – February 13, 2026
Survey Method	Online Survey
Participants	Lotte Global Logistics employees and external stakeholders

Materiality Assessment Approach

Issue Pool Creation
① ESG Disclosure Guidelines · GRI, SASB, TCFD, WEF, ISSB
② ESG Assessment Indicators · KCGS, DJSI, EcoVadis
③ ESG Laws and Regulations · ESRS

Lotte Global Logistics Long-List (Industry-Specific Issues)

Benchmarking	Media Research
Material Issues of Peer Companies, ESG KPIs	ESG-related Coverage, Classified by Tone
Expert Assessment	Previous Material Issues
Evaluation of Issue Impact Reflecting Business Characteristics	Analysis of Material Issue Trends over the Past Three Years

Lotte Global Logistics Short-List (IRO Identification by Issue)

Internal Employees
· Business Significance · Business Impact
Survey
External Stakeholders
· Environmental and Social Significance · Impact from Qualitative and Financial Perspectives

Top 5 Material Issues
① Occupational Health and Safety
② Customer-Centered Management
③ Action on Climate Change
④ Human Rights Management
⑤ Ethics and Compliance

Researching ESG Issue

Understanding Business, Environmental, and Social Context

Assessing IRO (Impact, Risk, and Opportunity) and Priority

Identify Material Issue

Double Materiality Assessment

Materiality Assessment Outcomes

[illegible]

Double Materiality Assessment

Material Issues Impact and Management Approach

Material Issue	I (Impact)	R (Risk)/O (Opportunity)	Business Strategy	2025 Performance	Key Targets
 Occupational Safety and Health	Positive Protecting workers' lives and health through a reduction in workplace accidents	Opportunity Improving operational efficiency through the introduction of automation and smart logistics	· Establishing and implementing a risk assessment-based, autonomous prevention-centered safety management system across all business sites	· Conducting risk assessments by business site and implementing 100% of corrective actions	· Building a sustainable safety management System through the introduction and advancement of smart safety technologies
	Negative Causing casualties in the event of accidents at logistics centers or during transportation	Risk Incurring financial losses from fines and litigation in the event of serious accidents	· Advancing workplace safety management through the utilization of digital safety management systems and improvements to the work environment	· Operating a phased safety management Audit process to conduct safety inspections for business sites and partner companies	· Expanding investment in safety and health by 6.5% year-on-year
	Negative Causing musculoskeletal disorders due to repetitive tasks and heavy lifting	Risk Disrupting operations due to work stoppages and logistics delays		· Zero serious accidents recorded	· Maintaining zero serious accidents
 Consumer-Centered Management	Positive Enhancing customer satisfaction through the provision of reliable delivery services	Opportunity Securing contract renewals and new customers through improved customer satisfaction	· Building a Consumer-Centered Management system and improving service quality based on VOC	· Advancing VOC-linked service improvements based on CCM framework operations and service quality indicator management	· Maintaining an A+ or higher rating in the Ministry of Land, Infrastructure and Transport parcel service assessment
	Positive Protecting consumer rights and interests through improvements in service quality	Opportunity Expanding revenue through data-driven customer management	· Strengthening customer trust and service competitiveness through external certifications and partnerships	· Enhancing customer satisfaction through AI contact center advancement and employee training and VOC case sharing	· Enhancing customer value through data-driven service advancement and quality standardization
	Negative Causing customer harm and erosion of trust in the event of personal data breaches	Risk Incurring compensation and refund costs due to service disruptions			
 Action on Climate Change	Positive Improving Resource Efficiency through Advanced Energy Management of Logistics Centers	Opportunity Capturing new business opportunities driven by growing demand for eco-friendly logistics services	· Building a low-carbon energy operations framework through the expansion of renewable energy transition	· Reducing approximately 893 tCO ₂ eq of annual carbon emissions through the transition to eco-friendly vehicles	· Expanding carbon emission reductions through renewable energy transition (4,519 tCO ₂ eq in 2026 → 61,980 tCO ₂ eq in 2040)
	Positive Reducing the environmental burden through the establishment of an eco-friendly logistics system	Risk Incurring rising costs due to tightening carbon emission regulations	· Pursuing optimization and efficiency improvements in energy consumption at logistics centers	· Generating approximately 9,866 MWh of annual renewable energy through the operation of solar power generation facilities	· Accelerating low-carbon transition through the expansion of renewable energy and zero-emission vehicle adoption
	Negative Emitting greenhouse gases and air pollutants during the transportation process	Risk Bearing initial cost burdens associated with investment in eco-friendly transition	· Reducing carbon emissions in logistics transportation through the transition to eco-friendly vehicles	· Maintaining Smart Logistics Center certification	
 Human Rights Management	Positive Creating a fair labor environment through the protection of human rights, including those of partner companies	Opportunity Reducing operational risks through securing supply chain stability	· Building and expanding a management system based on the company-wide human rights manual	· Establishing the Human Rights Manual to advance human rights management	· Strengthening human rights violation prevention and monitoring system
	Negative Risking human rights violations in the event of inadequate labor conditions at partner companies	Risk Declining revenue due to legal sanctions and reputational risks	· Maintaining Human Rights Management System certification and strengthening operational effectiveness	· Conducting human rights impact assessments across 14 related departments	· Advancing human rights management framework and education programs
	Negative Risking occurrences of excessive working hours and overwork issues	Risk Suspending business and terminating contracts in the event of human rights issues	· Improving the level of human rights management through regular monitoring and assessment of human rights issues	· Achieving a 100% resolution rate for human rights grievance submissions	· Securing a foundation for the continued operation of the human rights management system
 Ethics and Compliance	Positive Strengthening trust with stakeholders, including partner companies and customers, through ethical management	Opportunity Proactively preventing legal and reputational risks through the establishment of ethical governance	· Operating a responsible management framework based on ethics and compliance codes of conduct and practice guidelines	· Completing ethics and compliance pledge signings by all employees	· Strengthening compliance risk management through compliance monitoring
	Positive Maintaining sound trade practices through the prevention of compliance violations	Opportunity Strengthening management stability by responding flexibly to changes in laws and regulations	· Strengthening internal controls through the operation of a compliance and anti-bribery management system	· Establishing and operating the Contract Review Committee to strengthen internal controls	· Strengthening internal controls through the operation of the Fair Trade Voluntary Compliance Program (CP)
	Negative Limiting new revenue generation opportunities due to investor and customer attrition	Risk Generating corporate governance issues due to ethical violations	· Building a stakeholder-centered ethical management system and embedding it into organizational culture	· Securing an 'Adequate' rating across all items in the compliance control standards validity assessment	· Maintaining zero violations of ethical codes and compliance regulations

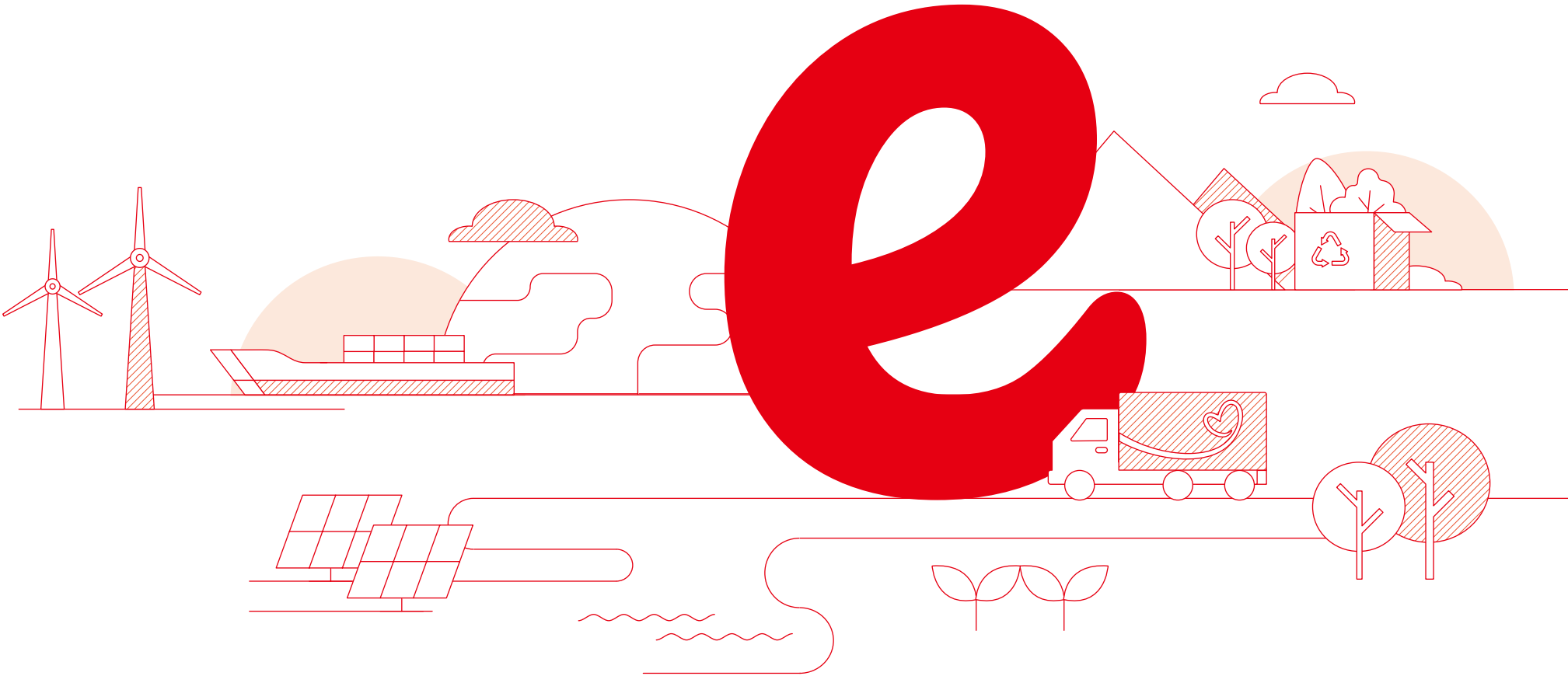


ESG Impact

Environmental	22
Social	45
Governance	84

Environmental

Action on Climate Change	23
Environmental Management	32
Biodiversity Conservation	39



Action on Climate Change

Governance

Board of Directors

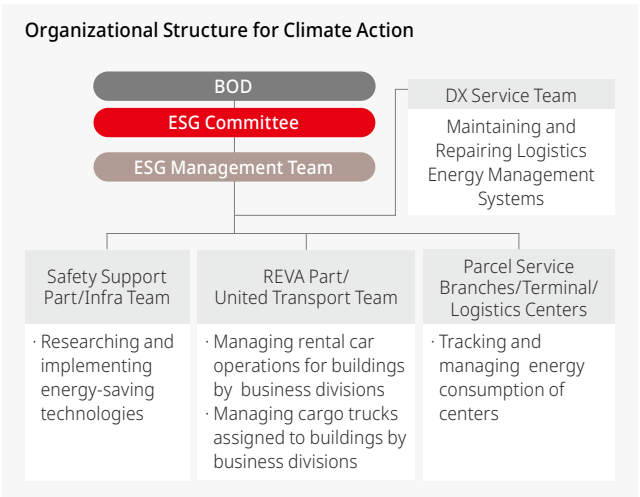
- Overseeing climate action strategies and key decision-making
 - Considering climate-related risks and opportunities in the process of formulating climate-related policies and strategies
 - Overseeing climate change impact factors when pursuing major investments and business initiatives

Dedicated Organization

- Managing company-wide climate action initiatives and environmental and energy operations
 - Reporting climate action activities and performance to the ESG Committee and supporting the implementation of business division initiatives
 - Managing greenhouse gas(GHG) and energy consumption, and operating the environmental management system

Climate Change KPI Operations

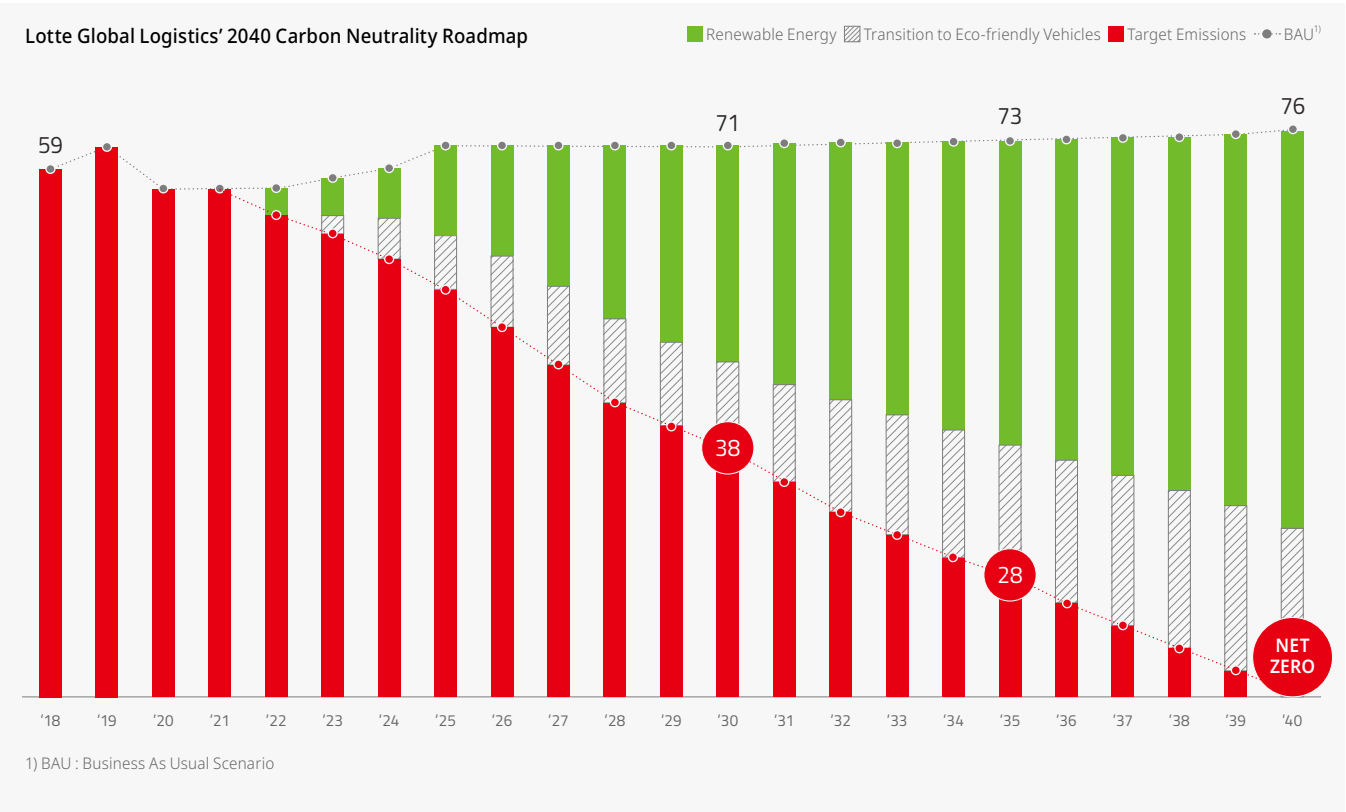
- Operating key performance indicators (KPIs) in the environmental domain, including Action on Climate Change
- Conducting KPI-based performance evaluations targeting responsible executives and dedicated departments



Strategy

Green Logistics 2040

- Establishing a carbon neutrality goal and a mid-to-long-term reduction roadmap
 - Setting the climate action goal 'Green Logistics 2040' to define the mid-to-long-term direction for achieving carbon neutrality
 - Setting a goal to reduce greenhouse gas(GHG) emissions by 35% from 2018 levels by 2030 and establishing a phased reduction roadmap
- Advancing key initiatives to achieve carbon neutrality
 - Pursuing energy consumption management and energy efficiency improvement activities at business sites
 - Continuing to advance initiatives to reduce GHG emissions, including expanding the use of renewable energy



Action on Climate Change

Strategy

GHG Reduction Implementation Strategy

Transition to Renewable Energy

- Setting a Renewable Energy Transition Roadmap
 - Setting a mid-to-long-term plan to replace fossil fuel-based electricity consumption at logistics centers with renewable energy
- Expanding Renewable Energy Procurement and Utilization
 - Reviewing diverse renewable energy procurement options, including signing PPAs and purchasing RECs
 - Expanding the adoption of renewable energy in consideration of the electricity consumption structure at each business site

Energy Efficiency Improvement

- Strengthening Energy Consumption Management at Logistics Centers
 - Analyzing electricity consumption status and energy usage patterns at logistics centers
 - Optimizing electricity consumption through improvements in facility operations
- Pursuing Investment in Energy Efficiency Improvement
 - Continuing to advance energy-saving activities, including the adoption of high-efficiency facilities
 - Reducing energy consumption through facility improvements and operational efficiency enhancement

Transition to Eco-friendly Vehicles

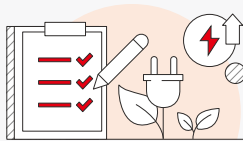
- Establishing an Eco-friendly Vehicle Transition Strategy
 - Establishing a plan for the zero-emission transition of freight vehicles based on the K-EV100 agreement
 - Pursuing a phased vehicle transition in consideration of logistics operations characteristics
- Expanding the adoption and Operation of Zero-emission Vehicles
 - Reducing greenhouse gas (GHG) emissions during the transportation process through the adoption of zero-emission vehicles, including electric and hydrogen-powered vehicles
 - Promoting the prioritized adoption of eco-friendly vehicles upon vehicle replacement

Climate Action Execution Strategy



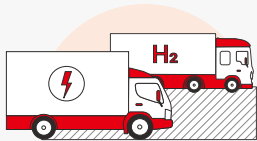
Transition to Renewable Energy

- **PPA¹⁾ Contracts**
 - PPA promotion for owned and long-term leased logistics centers
 - Analysis of eligible sites for PPA adoption
 - Review of projected costs and benefits
- **Installing On-site Solar Power Infrastructure**
 - Installation of solar power systems at logistics centers
- **REC²⁾ Purchases**



Energy Efficiency Improvement

- **Operational Efficiency Enhancement**
 - Identification of logistics centers subject to energy diagnosis
 - Conducting energy diagnosis and implementation of energy-saving measures (e.g., idle power control, opening/closing system management, LED lighting installation)
- **Energy-saving Investment**
 - Adoption of electricity-saving technologies (e.g., inverters for refrigeration and freezing systems)
- **Energy Conservation Campaigns**



Transition to Eco-friendly Vehicles

- **Converting to Electric Vehicles**
 - Diesel freight trucks
 - Electric freight trucks replacement
- **Converting to Hydrogen Vehicles**
 - Diesel freight trucks
 - Hydrogen freight trucks replacement



1) PPA : Power Purchase Agreement (a contract between a renewable energy generator and a power-consuming company for the supply and purchase of electricity)
2) REC : Renewable Energy Certificates

Action on Climate Change

Strategy

GHG Emissions Management Framework

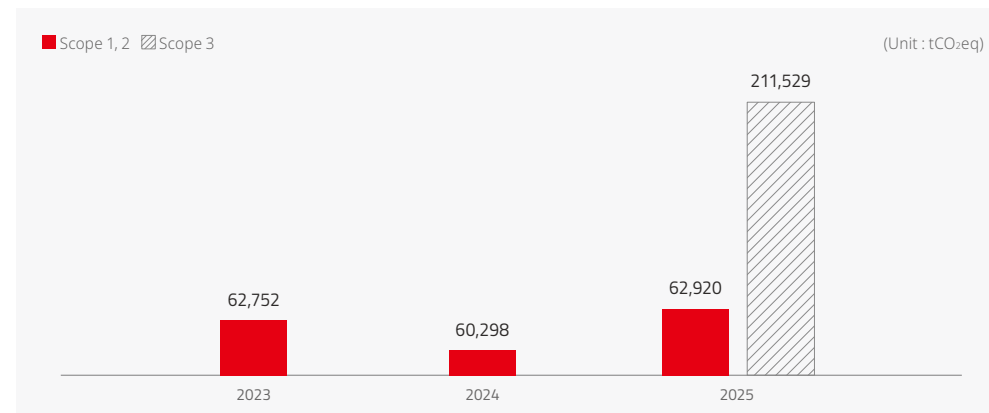
Scope 1, 2 GHG Emissions Management

- Calculating Greenhouse Gas (GHG) emissions and operating management systems
 - Calculating and managing Scope 1 and 2 emissions generated during logistics vehicle fuel use and business site electricity consumption
- Promoting GHG emissions reduction activities based on logistics operations
 - Mitigating GHG emissions in logistics operations through vehicle operation efficiency improvements and business site energy consumption optimization
- Expanding GHG emissions management to domestic and overseas business sites
 - Advancing the management system by gradually expanding the scope of emissions management from domestic business sites to overseas business sites

Scope 1, 2 Emissions Management Direction



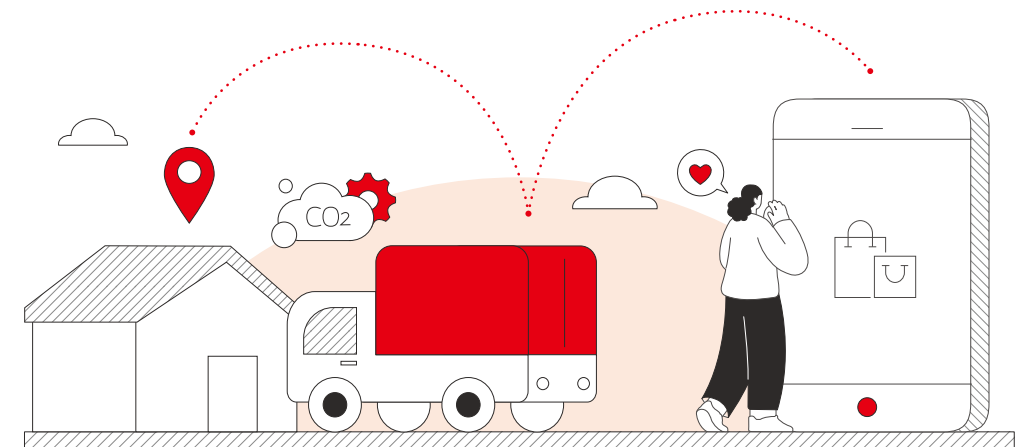
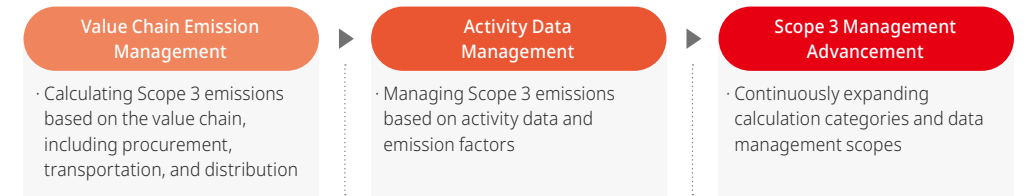
Scope 1, 2, 3 Emissions



Scope 3 GHG Emissions Management

- Establishing a Scope 3 emissions calculation system based on the logistics value chain
 - Calculating emissions centered on major value chain categories, including customer service, procurement, transportation, and distribution activities in 2026
- Managing indirect emissions during transportation and logistics operations
 - Calculating and managing Scope 3 emissions based on activity data and emission factors
- Advancing the Scope 3 emissions management system
 - Continuously strengthening management levels by gradually expanding calculation categories and data management scopes

Scope 3 Emissions Management Direction



Action on Climate Change

Strategy

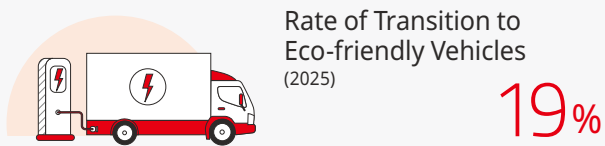
LGL STORY

Promoting K-EV100

- Participating in the K-EV100 campaign and expanding the transition to eco-friendly vehicles
- Promoting the transition to eco-friendly freight vehicles through participation in the Ministry of Environment's 'K-EV100' campaign in 2021
 - Expanding the adoption of electric passenger cars for business use alongside the freight vehicle transition

Generating outcomes from the transition to eco-friendly transportation

- Transitioning to a cumulative total of 96 electric freight vehicles and 3 hydrogen freight vehicles by 2025
- Achieving a carbon emissions reduction of approximately 893 tCO₂eq per year and energy savings of approximately 11.2 TJ through the transition to eco-friendly vehicles



Environmental Impact of Transition to Eco-friendly Transportation (Cumulative)

Category	No. of Vehicles Converted	Carbon Emissions Reduced (tCO ₂ eq)	Energy Saved (TJ)
Electric Freight Trucks	96	776	9.5
Hydrogen Freight Trucks	3	117	1.7
Total	99	893	11.2

Transitioning to Hydrogen Freight Vehicles

- Expanding the adoption and operation of hydrogen freight vehicles
- Commencing the operation of the first hydrogen freight vehicle in May 2023
 - Adopting an additional second hydrogen freight vehicle at the Incheon Airport Center in July 2024
 - Participating in the hydrogen tractor demonstration project in Ulsan City in December 2025

Operating outcomes and expected effects of hydrogen freight vehicles

- First Vehicle : Total operating distance of 73,777 km and a monthly average of 6,148 km
- Second Vehicle : Annual operating distance of 34,158 km and a monthly average of 5,693 km



Ulsan City Hydrogen Freight Vehicle Demonstration Project

Low-carbon Logistics Transition

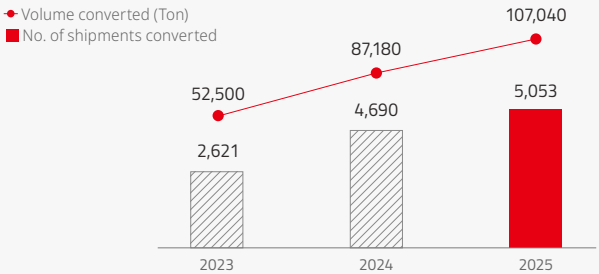
Expansion of Railway-based Transportation

- Singwangyango-friendly logistics through the transition to rail transportation
 - Reducing carbon emissions compared to freight vehicle transport through the transition to rail transport
 - Promoting the transition to rail transport centered on key routes, including Uiwang (Obong) – Busan New Port
 - Promoting the transition to rail transport on the newly added West-Hwaseong – Busan New Port route
- Rail transport conversion outcomes
 - Achieving 5,053 rail transport conversions and a converted volume of 107,040 tons in 2025
 - Signing an additional agreement for the rail transport conversion project on the Singwangyang Port – Uiwang (Obong) route

2025 Rail Transport Conversion Project

	Uiwang (Obong) → Busan New Port	Uiwang (Obong) → Busan North Port	Singwangyang Port → Uiwang (Obong)
No. of shipments converted	2,072	1,418	1,563
Volume converted	39,732tons	29,796tons	37,512tons

Trend of Rail Transport Conversion



Action on Climate Change

Strategy

Low-carbon Logistics Transition

Certified Smart Logistics Center

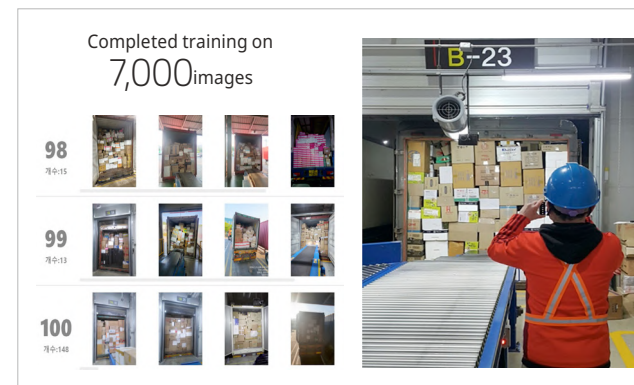
- Maintaining Certified Smart Logistics Center status for the Jincheon Mega Hub Terminal
 - Conducting regular inspections in accordance with the Act on the Development and Management of Logistics Facilities and Certified Smart Logistics Center certification standards
 - Proactively managing operational risks by verifying compliance with certification requirements
- Maintaining and advancing certification level based on quantitative assessments
 - Managing certification scores and grades through functional and foundational area evaluations
 - Identifying areas for improvement based on regular inspection results and continuously enhancing operational standards
- Strengthening efficiency and reliability through the establishment of a smart logistics operations system
 - Enhancing processing efficiency and accuracy through automation and digitally-based logistics operations
 - Securing logistics quality and external credibility through maintaining Grade 1 certification



AI-based Logistics Load Optimization

- Developing an AI-based cargo load efficiency management system
 - Developing a logistics load efficiency management system through AI training using images of freight containers
 - Automatically determining cargo loading status based on logistics operations data and image analysis
- Promoting AI-based logistics operations efficiency
 - Analyzing loading efficiency through the logistics management system to provide optimized transportation routes and loading strategies
 - Completing training on approximately 7,000 images to advance the AI training model

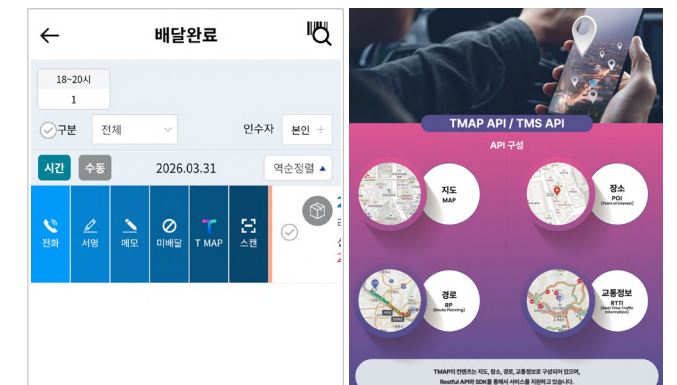
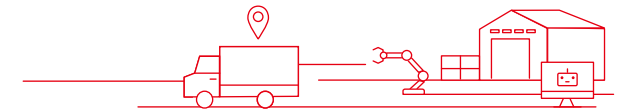
AI Training Model Test Results



AI Program in Training

Introduction of Route Optimization for Delivery Drivers

- Building a delivery route optimization system
 - Adopting an optimal delivery route guidance function reflecting delivery location coordinates and traffic conditions
 - Improving route management and vehicle operation efficiency through T-map-based route optimization function
- Improving logistics operations efficiency and environmental performance
 - Reducing vehicle operation time and minimizing empty vehicle trips through delivery route optimization
 - Enhancing logistics operations efficiency and reducing carbon emissions through a reduction in vehicle mileage
 - Improving parcel delivery driver work convenience and operational efficiency through delivery route optimization



Delivery Route Optimization System

Action on Climate Change

Strategy

Low-carbon Logistics Transition

IT System for Logistics Energy Management

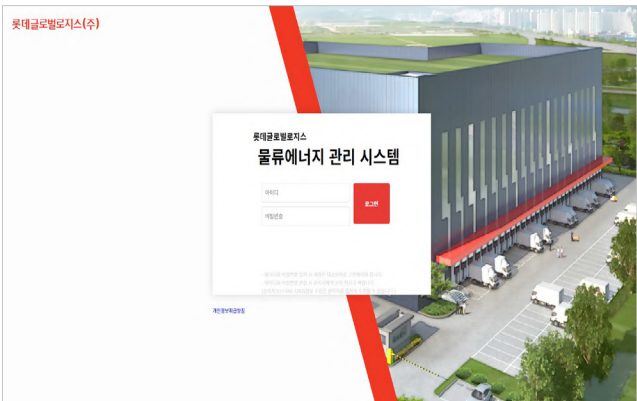
- Integrated management of logistics energy consumption data
 - Introducing an IT-based management system to manage energy consumption generated throughout the logistics and delivery process
 - Analyzing energy consumption status in logistics operations and calculating greenhouse gas(GHG) emissions
- Supporting data-driven energy management and carbon reduction
 - Inspecting the accuracy and integrity of data collected throughout the logistics and delivery process
 - Utilizing energy consumption data to support the establishment of a mid-to-long-term carbon neutrality roadmap

Establishing On-site Solar Power Infrastructure

- Setting a renewable energy transition roadmap and promoting its implementation
 - Setting a renewable energy transition roadmap for achieving carbon neutrality by 2040 and implementing it in phases
 - Supplying the electricity generated to parcel terminals and TLS logistics centers through third-party PPA agreements
- Installing solar power generation facilities at logistics centers
 - Establishing approximately 8.4 MW of solar power generation infrastructure by utilizing unused areas within logistics centers
- Expanding renewable energy power generation
 - Generating approximately 9,866 MWh of renewable energy as of 2025 through the operation of solar power generation facilities



Jincheon Mega Hub Terminal



Energy Data Analysis Dashboard

Roadmap for Renewable Energy Transition

Indicators	2026	2030	2035	2040
Renewable Energy Consumption (MWh)	9,837	51,288	73,933	134,913
Carbon Reduction (tCO ₂ eq)	4,519	23,562	33,965	61,980

Electricity Use through Solar Power Generation

Category		Jincheon Mega Hub Terminal	Icheon Outsourcing Center Building A	Icheon Outsourcing Center Building B
Power Consumption (MWh)	Total power consumption	19,454	6,569	5,312
	Power supplied by KEPCO	16,202	4,358	2,089
	Self-generated power from renewable energy	3,252	2,211	3,223
Date of Activation		2023.10	2023.5	2023.10
Proportion of Solar Power Generation after Activation (%)		17.1	28.4	63.2

Action on Climate Change

Strategy

Risk Identification and Assessment

- Short-term Risks
 - Overseeing the potential for facility damage and logistics operational disruptions due to extreme weather events such as heavy rainfall and heat waves
- Medium-term Risks
 - Overseeing the impact of rising operational costs and changes in logistics operations due to tightening GHG emission regulations
 - Overseeing the need for changes in logistics infrastructure investment and operational structure
- Long-term Risks
 - Considering the long-term financial impact of climate change, including rising energy costs
 - Overseeing the possibility of infrastructure damage, including sea-level rise

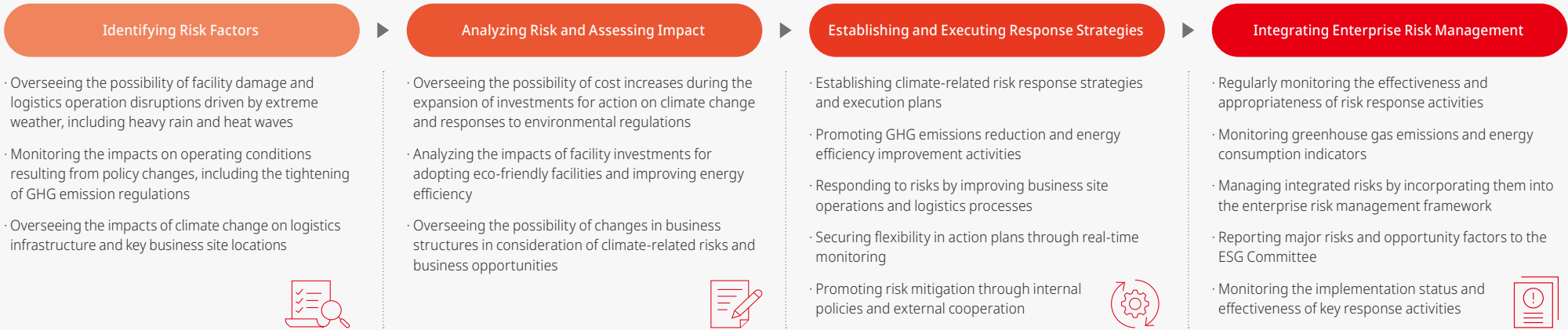
Financial Impact Arising from Risks and Opportunities

- Operating Profit Impact
 - Cost increases during the expansion of investments for action on climate change and responses to environmental regulations
- Capital Expenditure
 - Required capital investment for the adoption of eco-friendly facilities and energy efficiency improvements
- Mergers and Acquisitions
 - Restructuring business structures in consideration of climate-related risks and business opportunities
 - Adjusting investments and portfolio in consideration of securing climate action capabilities
- Access to Capital
 - Need to secure stable capital for climate-related risks management
 - Overseeing investment and financing strategies in consideration of ESG factors

Risk Management and Monitoring

- Managing climate-related risks based on business site operating conditions
 - Managing risks in consideration of key operating conditions, including business site facility operations and energy consumption
 - Promoting response activities to minimize the impact of climate change
- Monitoring and managing based on environmental indicators
 - Continuously monitoring key environmental indicators, including GHG emissions and energy consumption
- Establishing an integrated risk management system
 - Setting priorities for climate change risk factors in accordance with TCFD recommendations
 - Identifying climate change-related risks and analyzing opportunities to assess their impact on business operations, strategy, and financial planning

Process of Identifying, Assessing, and Managing Climate-Related Risks



Action on Climate Change

Risk Management

Physical Risks Management

Physical Risk Identification and Analysis Overview

- Setting the scope of risk assessment reflecting business site characteristics and the external environment
 - Identifying key climate risk factors in consideration of business site impact, likelihood of occurrence, and past disaster history
- Identifying physical climate-related risks and conducting impact analysis based on key climate factors
 - Identifying risks that may arise based on key climate factors such as heat waves, landslides, floods, heavy snowfall, and drought

Sites Analyzed		Application Scenarios	
Business Site	Location	Scenarios	Explanation
Jincheon Mega Hub Terminal	North Chungcheong Province	SSP1-2.6	Low-carbon scenario based on strong mitigation policies (temperature increase within 2°C)
Icheon Outsourcing Center Buildings A and B	Gyeonggi Province	SSP2-4.5	Moderate policy scenario (temperature increase of approximately 2–3°C)
Yangsan Integrated Smart Automation Center	South Gyeongsang Province	SSP5-8.5	High-emission scenario centered on fossil fuels (temperature increase of 4°C or above)

Physical Risk Scenario Analysis by Business Site

- Diagnosing physical climate-related risks (acute and chronic) at key business sites
 - Analyzing the impact of climate-related risks such as heat waves and flooding on business operations at key logistics hubs
- Identifying key climate risk types and analyzing impact pathways
 - Identifying high business-impact risks based on key climate factors such as heat waves, drought, and rising temperatures
- Conducting future risk assessments based on climate change scenarios
 - Projecting mid-to-long-term climate change trends and risk levels by applying SSP scenarios (low-carbon to high-carbon)
 - Conducting quantitative analysis based on climate model (HadGEM3) scenarios and historical operations data
 - Analyzing the potential for risk escalation due to changes in key climate variables such as rising temperatures and increasing extreme weather events

Key Climate Risk Identification Results by Business Site

Climate Factor	Climate Risk	Jincheon Business Site	Icheon Business Site	Yangsan Business Site
Heat waves	Decline in labor productivity	●	●	●
Landslides	Risk of landslide occurrence	-	●	-
Floods	Risk of river overflow	-	-	●
Drought	Reduction in water supply	▲	▲	▲
Rising temperatures	Increase in summer electricity consumption	●	●	●

Financial Impact Analysis by Climate Scenario

- Overview and approach to scenario-based financial impact analysis
 - Conducting a comparative analysis of financial impacts from climate change by applying SSP1-2.6 and SSP5-8.5 scenarios
 - Conducting physical risk-centered impact assessments targeting key domestic logistics hubs and transportation assets
 - Quantifying asset losses (VaR) and operational cost increases as of 2050 to calculate the level of financial impact
- Impact of acute physical risks and asset losses from increasing extreme weather events
 - Potential direct asset losses of approximately KRW 85 billion under the SSP5-8.5 (high-carbon) scenario
 - Projected additional annual costs of approximately KRW 12 billion in the process of facility restoration and alternative operations
- Impact of chronic risks and operational cost increases from rising average temperatures
 - Projected increase in electricity expenditure of more than approximately KRW 28 billion compared to current levels due to growing cooling demand
 - Rising energy costs acting as a factor contributing to declining logistics operational efficiency and deteriorating cost structure

Financial Impact by Scenario

Category	Low-carbon Scenario (SSP1-2.6)	High-carbon Scenario (SSP5-8.5)
Asset Losses	KRW 21 billion	KRW 85 billion
Operational Costs	KRW 9.5 billion	KRW 28 billion
Other Indirect Losses	KRW 4 billion	KRW 12 billion
Total	KRW 34.5 billion	KRW 125 billion

Physical Risk Response and Adaptation Measures

	Acute Risks (Natural Disasters)	Chronic Risks (Rising Temperatures)
Risk Impact	· Expanding direct asset loss risks, including flooding and equipment damage at logistics centers due to increasing extreme weather events · Service quality deterioration and additional cost increases due to operational disruptions and delivery delays	· Preemptively expanding disaster prevention infrastructure, including flood barrier installation and additional drainage pump capacity · Reinforcing facilities and gradually expanding investment centered on high-risk hubs
Response Strategy	· Increasing energy consumption and electricity cost burden for refrigeration and freezing facilities due to rising temperatures · Declining operational efficiency and long-term deterioration of cost structure due to increased facility operations	· Improving energy self-sufficiency through the expansion of solar power facilities at logistics centers · Mitigating cost increases through the introduction of high-efficiency facilities and energy management improvements

Action on Climate Change

Risk Management

Transition Risk Management

Transition Risk Identification

- Overseeing transition risks arising from climate policy and regulatory changes
 - Analyzing the impact on business operations from tightening carbon emission management and expanding environmental regulations
- Analyzing business impacts from the transition to eco-friendly transportation technologies
 - Overseeing changes in logistics operations driven by the adoption of eco-friendly transportation technologies such as electric and hydrogen freight trucks
- Identifying business opportunities and climate-related risks from changes in the low-carbon logistics market
 - Overseeing growing customer demand for eco-friendly logistics services and low-carbon supply chain development
 - Analyzing the potential for reduced transactions with key customers in the event of insufficient eco-friendly logistics service capabilities
- Overseeing the impact on corporate reputation from climate action activities
 - Analyzing the impact on corporate image from the expansion of low-carbon logistics operations and greenhouse gas reduction activities

Transition Risk Response Measures

- Promoting GHG emissions management and reduction activities
 - Operating an emissions management system to mitigate the cost burden of emission permits
- Promoting the transition to eco-friendly logistics technologies and infrastructure
 - Expanding the adoption of eco-friendly vehicles, including electric and hydrogen freight trucks
 - Improving operational efficiency through the adoption of energy-efficient facilities and automation technologies at logistics centers
- Setting a low-carbon logistics operations system
 - Setting a low-carbon logistics operations system in response to customer demand for supply chain carbon management
- Strengthening disclosure of climate action information and stakeholder communication
 - Strengthening stakeholder communication through the disclosure of climate action goals and reduction performance

Transition Risks and Opportunities		Likelihood			Response Measures
Indicators	Impact on Business Activities	Short-Term ('27)	Medium-Term ('30)	Long-Term ('40)	
Policy/ Regulation	Expanding demand for eco-friendly logistics services driven by tightening carbon emission management	●	●		Minimizing the cost burden of emission permit purchases through greenhouse gas emissions management and reduction activities
	Increasing costs for emission permit purchases and environmental regulatory compliance				Establishing an environmental regulation monitoring and regulatory response management system
Technology	Changes in logistics operations driven by the adoption of eco-friendly transportation technologies, including electric and hydrogen freight vehicles		●	●	Promoting phased investment for the adoption of eco-friendly vehicles and the transition of logistics facilities
	Increasing investment costs from the transition to eco-friendly vehicles and logistics facilities				Improving operational efficiency through the adoption of energy-efficient facilities and automation technologies at logistics centers
Market	Growing customer demand for eco-friendly logistics services and low-carbon supply chain development	●	●	●	Setting a low-carbon logistics operations system in response to customer demand for supply chain carbon management
	Potential reduction in transactions with key customers in the event of insufficient eco-friendly logistics service capabilities				Strengthening eco-friendly logistics competitiveness through carbon emission reduction and logistics operations efficiency improvements
Reputation	Enhancing eco-friendly logistics corporate image through the expansion of low-carbon logistics operations and greenhouse gas reduction activities	●	●		Continuing to promote greenhouse gas emissions management and reduction activities throughout logistics operations
	Decline in corporate credibility and external reputation in the event of insufficient greenhouse gas emission management or inadequate climate action				Strengthening disclosure of climate action goals and reduction performance and stakeholder communication

Environmental Management

Governance

Board of Directors

- Deliberating and resolving major matters related to establishing mid-to-long-term environmental targets and eco-friendly investments
- Overseeing and managing environmental management directions, major environmental risks, and environmental issues

Management

- Establishing environmental management strategies and promoting environmental management activities across overall business operations
- Managing major environmental management issues and risks, and reporting implementation status to the Board of Directors

Dedicated Organization

- Operating the enterprise-wide environmental management system and managing overall environmental management, centered on the ESG Management Team
- Managing compliance with environmental laws and regulations, and conducting environmental education for executives and employees



Strategy

Environmental Management Charter

- Presenting eco-friendly management implementation standards based on the environmental responsibility awareness of executives and employees
- Presenting the basic directions and principles of environmental management activities to apply them across the organization

Environmental Management Policy

- Establishing environmental management policies that serve as standards for the behavior and value judgment of executives and employees
- Promoting eco-friendly activities to generate environmental performance and minimize environmental impacts

Environmental Management System

- Advancing the environmental management framework by operating an ISO 14001-based environmental management system
- Obtaining the Excellent Green Logistics Practice Enterprise certification from the Ministry of Land, Infrastructure and Transport

Lotte Global Logistics Environmental Management Charter >



ISO 14001 (Environmental Management System) certification

Eco-Friendly Investments

- Expanding investments to establish eco-friendly logistics infrastructure
 - Expanding facility investments to introduce electric and hydrogen freight vehicles and establish charging infrastructure
 - Promoting the reduction of greenhouse gas(GHG) emissions in the logistics transportation process through the transition to eco-friendly transportation
- Investing in establishing eco-friendly logistics infrastructure
 - Expanding the installation of solar power generation facilities at logistics centers and the adoption of energy-efficient equipment
 - Expanding the execution of Power Purchase Agreements (PPAs) for transitioning to renewable energy at logistics centers

Cumulative Status of Eco-Friendly Investments and Procurement

Investments in Eco-Friendly Vehicles and Charging Infrastructure



- Transition to eco-friendly electric freight vehicles
- Adoption of hydrogen freight vehicles and tractors

KRW 1,537 million

Investments in Solar Power Facilities and PPAs



- Investments in solar power facilities at Yangsan Automation Center and two other locations
- Investments in renewable energy transition through execution of PPAs

KRW 4,989 million

Environmental Management

Strategy

Embedding Environmental Management

- Conducting training on environmental laws, regulations, and management at business sites
- Delivering training on major environmental laws and regulations related to logistics center operations, including waste, air quality, and water quality
- Strengthening environmental risk prevention and management capabilities through training on business site environmental management standards and procedures
- Operating environmental awareness and eco-friendly implementation training
- Delivering training to raise awareness of eco-friendly management and environmental protection among executives and employees

Status of Environmental Management Training

2025 Lotte Code of Conduct



- Environmental laws and regulations, including the Environmental Technology and Environmental Industry Support Act
- Greenwashing prevention training
- Environmental protection activities

1,582 people



Environmental Training Program

Issuing Green Bonds

- Issuing green bonds to secure funding for eco-friendly logistics investments
- Issuing green corporate bonds worth KRW 50 billion to support greenhouse gas (GHG) emissions reduction as part of the Green Project in 2021
- Investing the bond proceeds in eco-friendly logistics transition projects, including a logistics BPO platform, a next-generation parcel system, and the adoption of eco-friendly freight vehicles
- Managing green bond proceeds and obtaining ESG financial certifications
- Monitoring the appropriateness of fund usage and the transparency of management and operations through annual ESG financial certification assessments following green bond issuance
- Achieving a GB1 rating, the highest level, for four consecutive years from 2021 to 2024, demonstrating our strong implementation level in the ESG domain

Results of Green Bond Assessment

GB1

Final evaluation

E1

Part 1 evaluation

M1

Part 2 evaluation

Green Bond Issuance

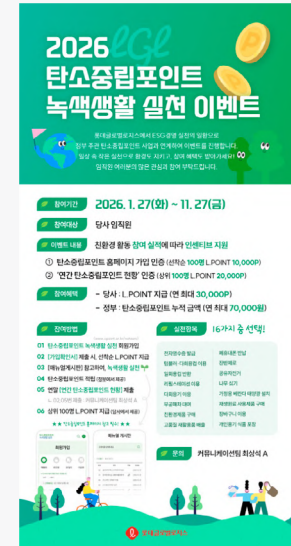
- Issued by : Lotte Global Logistics Co., Ltd.
- Lead organizer : Korea Investment & Securities Co., Ltd.
- Name of financial product : 49th-2nd Lotte Global Logistics (green)
- Date of issuance : 2021/01/29
- Amount of issuance : KRW 50 billion in total
- Due date : 2026/01/29

LGL STORY

Implementing the Carbon Neutrality Points System

Operating employee participatory carbon neutrality implementation activities

- Providing additional incentives when participating in eco-friendly activities linked to the Carbon Neutrality Points System of the Ministry of Environment
- Participating in activities such as issuing electronic receipts, using tumblers and reusable cups, returning disposable cups, renting zero-emission vehicles, collecting discarded mobile phones, and using shared bicycles



Carbon Neutrality Points Eco-Friendly Life Implementation Event

Environmental Management

Strategy

Resource Circulation Management System

- Managing waste generation and treatment status at business sites
 - Managing waste generation volumes and treatment performance at business sites
 - Operating waste classification standards by type and managing target waste for control
- Promoting resource circulation through waste reduction and recycling expansion
 - Expanding the separate discharge of recyclable resources and recycling treatment
- Managing data and monitoring outcomes based on resource circulation data
 - Managing business site resource circulation data using the logistics energy management system
 - Collecting and analyzing waste and recycling performance data
 - Monitoring resource circulation performance and incorporating it into improvement activities

Executing an MOU to Promote Reusable Containers in Jeju Island

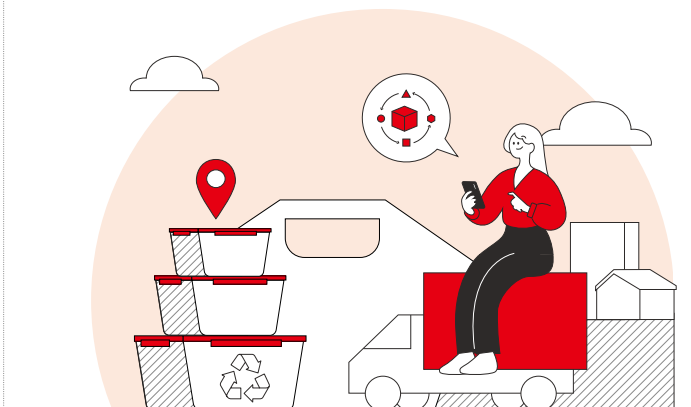
- Entering into a business agreement to foster a culture of using reusable delivery containers
 - ▶ Entering into a business agreement with the participation of 10 companies and organizations, including Lotte Global Logistics, Jeju Province, itgreen, and Baemin
 - ▶ Conducting cooperative activities in diverse areas, including policy support for promoting reusable containers, introduction of related functions, public relations, and the establishment of logistics systems
 - ▶ Expanding in phases, starting with Nohyeong-dong and Yeon-dong, which have a high number of delivery orders
- Emerging importance of “reverse logistics” driven by growing interest in carbon neutrality
 - ▶ This business agreement is part of the implementation tasks for the 2040 Plastic-Zero Jeju target, with the agreement ceremony held on June 5, 2026, in commemoration of World Environment Day

Expanding Reverse Logistics Areas for Reusable Containers

- Expanding resource circulation through reverse logistics operations for reusable containers
 - ▶ Operating reusable container collection and supply services in cooperation with the reusable container circulation platform 'itgreen'
 - ▶ Supporting reusable container collection, washing, and resupply logistics processes
 - ▶ Expanding the service operation scope to 20 districts in Seoul, 1 cities in Gyeonggi Province, and parts of Incheon as of 2025
- Generating waste reduction outcomes through reusable container circulation
 - ▶ Achieving a waste reduction effect of approximately 1,250 kg through reusable container collection and recycling
 - ▶ Planning to expand the range of collected items to include reusable parcel boxes and reusable containers in the future

[illegible]

Business Agreement Ceremony to Promote the Use of Reusable Delivery Containers



Environmental Management

Strategy

LGL STORY

Plastic Toy Virtuous Circulation Campaign

Promoting resource circulation activities based on plastic toy reuse

- Minimizing resource waste and contributing to waste reduction by receiving donations of plastic toys no longer used in households to collect, wash, disinfect, and reprocess them for reuse

Expanding toy virtuous circulation programs through institutional cooperation

- Establishing a toy collection, regeneration, and redistribution system, and laying a stable operational foundation in cooperation with specialized institutions such as the Korea Childcare Promotion Institute (KCPI) and social enterprise
- Creating sustainable social value and fostering a culture of donation by expanding participation to daycare centers and general households nationwide

Operating toy collection and delivery systems utilizing logistics infrastructure

- Improving operational efficiency by efficiently collecting, storing, and transporting donated toys based on the nationwide logistics network
- Implementing a social contribution model that leverages logistics capabilities by swiftly delivering collected toys to areas in need

Developing employee participatory social contribution activities

- Improving the quality of donated items and enhancing reuse possibilities through toy repair and maintenance volunteer activities with direct employee participation

Lotte Global Logistics
Campaign promotion and logistics support for the general public



- Promoting campaigns for the general public and recruiting donors
- Free collection of donated items utilizing the nationwide logistics network
- Conducting toy repair volunteer activities for employees

Korea Childcare Promotion Institute
Promotion and donor recruitment for nationwide childcare centers



- Promoting campaigns for nationwide childcare centers and recruiting donors

Kokkirigongjang
Promoting campaigns for nationwide childcare centers and recruiting donors



- Organizing, classifying, disassembling, washing, and repairing collected toy
- Processing non-recyclable toys into recycled plastic materials
- Supporting toy repair volunteer activities



Business Agreement Ceremony to Establish a Virtuous Circulation of Plastic Resources



Employee Volunteer Activities for Repairing Used Toys

Upcycling Activities

Introducing LUGGAGE LESS Upcycled Goods

- Adopting eco-friendly upcycled goods within the LUGGAGE LESS service
 - Adopting eco-friendly upcycled goods, such as luggage name tags and pouches, during the operation of the LUGGAGE LESS service
 - Spreading the value of resource circulation to service customers through goods made from recycled resources

Status of Upcycled Goods Operations



2026 Korea Grand Sale Event

500 name tags and 100 pouches



Service Promotional Pouches

100 pouches



In-Store Review Event

100 pouches



Upcycled Goods - luggage name tags and pouches

Environmental Management

Strategy

Label-free Parcel Delivery Service

- Operating a label-free parcel delivery service
 - Adopting a method of printing shipping information directly on parcel boxes instead of using paper shipping labels
 - Saving resources and reducing environmental impacts by curtailing the use of paper shipping labels during the delivery process
- Pilot operating and expanding the paperless parcel delivery service
 - Operating more than 2,200 paperless parcel delivery services per day
- Generating environmental outcomes through paper reduction
 - Expecting an annual reduction of approximately 200,000 sheets of A4 paper (preservation of around 20 trees¹⁾)

1) One 30-year-old raw log produces 10,000 sheets of A4 paper (Source : slowalk)



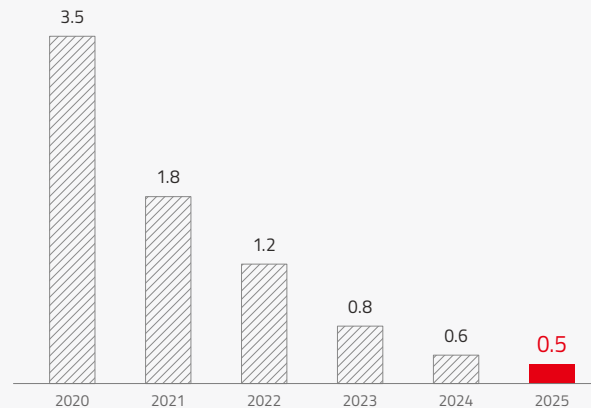
Label-free parcel

Minimized Use of Handwritten Shipping Labels

- Curtailing the use of multi-layered handwritten shipping labels by adopting mobile printers
 - Minimizing the use of handwritten shipping labels by providing mobile printers to delivery drivers
 - Improving the shipping label generation method by printing shipping information directly on-site via mobile printers
- Changing shipping label configurations and printing methods
 - Reducing paper consumption compared to the existing 4-layered handwritten shipping labels
- Outcomes of adopting mobile shipping labels
 - Decreasing the usage rate of handwritten shipping labels to 0.5%

Usage Rate of Handwritten Shipping Labels

(Unit : %)



LGL STORY

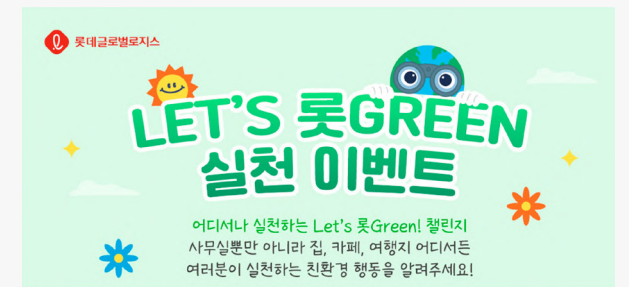
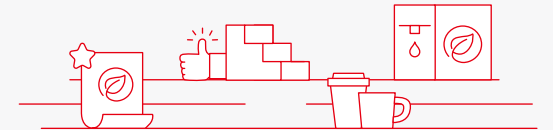
Let's Lott-Green Campaign

Operating an in-house eco-friendly campaign

- Encouraging eco-friendly activities that employees can practice in their daily lives, such as using tumblers, taking the stairs, and adopting the use of scrap paper

Spreading a culture of eco-friendly implementation

- Creating eco-friendly character design stickers and attaching them in key in-house spaces, including elevators, water purifiers, and multifunction printers
- Inducing employee participation in eco-friendly activities by distributing promotional materials and stickers to company-wide business sites



참여방법

- 01 친환경 행동 실천 하고 사진으로 기록하기
- 02 MOIN 게시판에 인증사진 + 짧은소감 등록하기

★★★
실천 장소, 내용
제한 없음!

Lott-Green Campaign

Environmental Management

Strategy

LGL STORY

Developing Eco-friendly Packaging Solutions

Improving logistics efficiency and environmental performance by adopting box-alternative packaging

- Cutting packaging material consumption and driving logistics cost reductions by improving the existing parcel box utilization structure
- Enhancing customer convenience, including easing the burden of separate waste disposal

Developing composite packaging materials based on eco-friendly materials

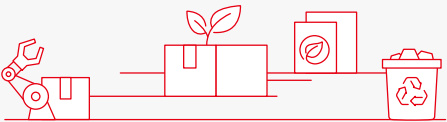
- Developing composite material packaging that combines biodegradable materials, such as PBAT, with kraft paper and cushioning materials
- Designing packaging structures considering durability and mass productivity

Driving commercialization based on automation equipment and PoC

- Achieving volume-based packing and customized packaging by integrating packaging automation equipment
- Verifying performance through delivery testing and finalizing mass production standards

Adopting the eco-friendly packaging solution ‘Lecop’

- Unveiling ‘Lecop,’ a packaging solution brand based on eco-friendly packaging materials and packaging automation technology
- Utilizing biodegradable materials, customizing packaging automation, and enhancing the convenience of separation and disposal

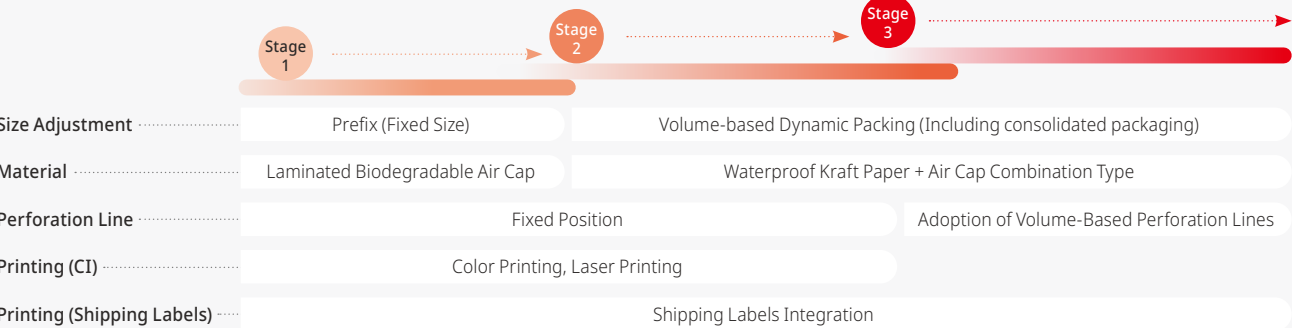


Eco-friendly Packaging Products



Signing an MOU for the integration of eco-friendly packaging and logistics

Eco-friendly Packaging Development Roadmap

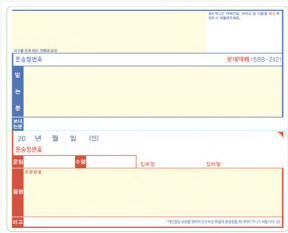


Adoption Eco-friendly Shipping Labels

- Expanding the application and use of eco-friendly material-based shipping labels
- Reducing environmental impact by adopting bisphenol All-Free special thermal paper materials
- In 2025, the usage volume of eco-friendly parcel labels increased significantly from the previous year (20 million sheets, a 100% increase compared to the previous year)

Expanding the Transition to Eco-friendly Packaging Materials and Uniforms

- Expanding the adoption of eco-friendly material-based packaging materials and uniforms
- Adopting eco-friendly polybags containing biomass resin (25%) (Korea Eco-Label certified EL-727)
- Producing eco-friendly uniforms using recycled nylon yarn derived from marine waste, such as discarded fishing nets, and textile manufacturing byproducts



Eco-friendly Shipping Labels



Eco-friendly Polybags



Eco-friendly Uniforms

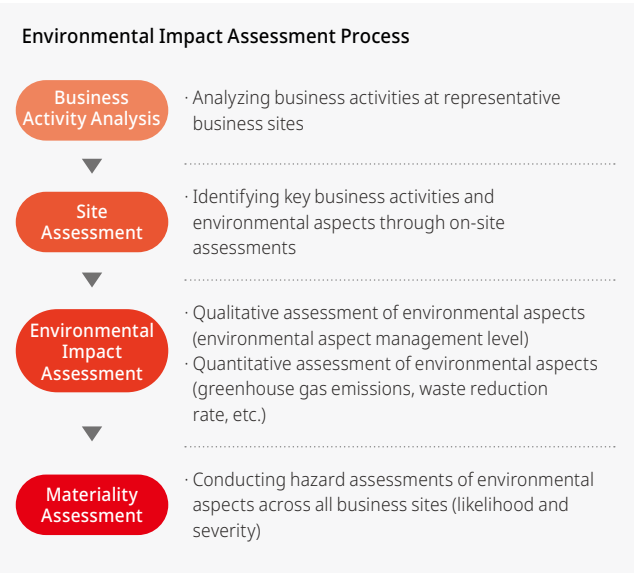


Environmental Management

Risk Management

Environmental Impact Assessment

- Conducting preliminary reviews of environmental impact in the course of business development
 - Reviewing relevant environmental laws, regulations, and licensing requirements when establishing logistics centers and developing logistics infrastructure
 - Conducting a preliminary analysis of environmental impact factors, including air quality, water quality, waste, and noise that may arise in the course of business development
- Promoting management activities to minimize environmental impact
 - Minimizing environmental impact by incorporating environmental impact review findings into business planning and operations
- Managing environmental factors at business sites and conducting post-implementation monitoring
 - Continuously improving environmental management activities by monitoring environmental impact factors at business sites



Environmental Impact Assessment Checklist

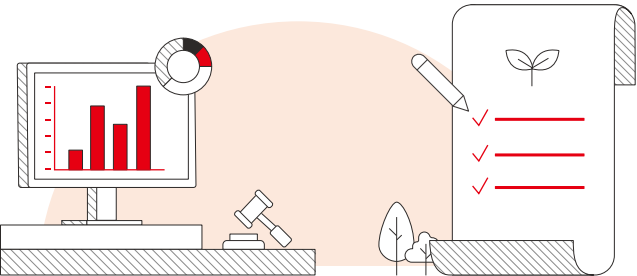
- Common (3 checks)**
 - Occurrence of environmental-related community complaints
 - Imposition of fines for violations of environmental laws and regulations
 - Establishing response measures for fire outbreaks during facility maintenance
- Air Pollution (4 checks)**
 - Periodically measuring dust levels at business sites
 - Establishing response measures to reduce dust at business sites
 - Conducting periodic inspections of dust collection or ventilation facilities
- Water Pollution (2 checks)**
 - Conducting regular water quality inspections and managing inspection results
 - Managing the operational status of sewage treatment facilities through periodic inspections
- Soil Pollution (2 checks)**
 - Managing the prevention of contaminated leachate discharge into soil during rainfall
 - Managing the use of eco-friendly snow removal agents or appropriate usage levels during snow removal operations
- Waste (4 checks)**
 - Measuring waste generation levels and Operating a managing system
 - Managing the separation, collection, and prevention of contamination of recyclable waste
 - Conducting periodic cleaning of waste storage areas and environmental management
- Noise and Vibration (1 check)**
 - Measuring and managing levels of noise and vibration generation
- Chemical Substances (4 checks)**
 - Adhering to handling and management standards for hazardous materials (flammable substances, toxic substances, etc.)
 - Establishing a response system for fire outbreaks in hazardous material storage facilities
 - Writing a hazardous substance management ledger and conducting periodic record updates

Environmental Risk Deliberation for Investment Projects

- Conducting preliminary deliberates of environmental risks in the course of promoting investment projects
 - Conducting a preliminary deliberation of environmental impact factors when promoting investment projects, including the establishment of new logistics centers and adopting logistics facilities
 - Overseeing environmental risks and environmental management requirements at the business feasibility review stage
- Managing environmental impact in the course of business operations
 - Managing environmental impact in the course of business operations
 - Minimizing environmental risks by deliberating the establishment of environmental management plans and compliance with relevant laws and regulations

Environmental Regulatory Compliance

- Operating an environmental laws and regulations management system
 - Establishing and managing a Register of Environmental Laws and Regulations covering key environmental laws and regulations applicable to business activities
 - Conducting periodic updates to the Register of Environmental Laws and Regulations reflecting legal amendments and business site characteristics
- Conducting environmental regulatory compliance assessments
 - Overseeing compliance with laws and regulations through environmental regulatory compliance assessments at business sites



Biodiversity Conservation

Governance

Board of Directors

- Deliberating key agenda items related to environmental management strategies, including biodiversity conservation
 - Overseeing key agenda items related to environmental management strategies, including biodiversity, through the ESG Committee
- Overseeing and supervising biodiversity risk management
 - Overseeing the status of ecosystem impact and environmental risk management that may arise in the course of business operations

Management

- Establishing and implementing biodiversity risk management strategies
 - Establishing strategies for managing biodiversity risks that may arise in the course of business operations and overseeing the direction of business development in consideration of environmental impact
- Managing environmental impact in the course of business development and operations
 - Conducting preliminary reviews of natural environment impact when promoting major business initiatives, including the establishment and expansion of business sites
 - Establishing and implementing management standards to minimize environmental impact
 - Overseeing the status of ecosystem impact management that may arise in the course of business operations

Dedicated Organization

- Managing biodiversity based on environmental impact assessments at business sites
 - Overseeing ecosystem impact based on environmental impact assessment results for the locations of business sites
- Promoting biodiversity conservation activities
 - Planning employee-participated biodiversity conservation activities and continuing to promote ecosystem conservation activities, including Habitat Restoration

Strategy

Biodiversity Management System

- Managing biodiversity impact based on business site locations
 - Managing the impact of business sites located in cities and counties within national biodiversity areas, in consideration of the characteristics of logistics centers with high vehicle traffic
- Promoting management and conservation activities based on national biodiversity strategies
 - Monitoring domestic and international biodiversity-related regulatory and policy trends to review response measures
 - Promoting ecosystem conservation activities, including community cleanup activities and Invasive species conservation initiatives

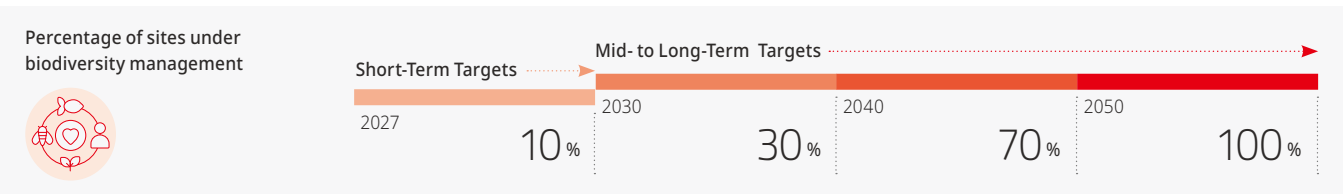
Biodiversity Management Goals

- Expanding business sites subject to biodiversity management
 - Continuously expanding business sites subject to management through ecological environment impact analysis based on business site locations
 - Planning to progressively expand the Percentage of sites under biodiversity management from 10% in 2027 to 100% by 2050
- Strengthening biodiversity impact assessments and management activities
 - Expanding assessments of biodiversity impacts that may arise in the course of business site operations
 - Promoting ecological environment conservation activities in collaboration with local communities

Lotte Global Logistics' Approach to Biodiversity Conservation (Based on the Post-2020 Global Biodiversity Framework)

 Avoid	· Conducting preliminary surveys and impact reviews on the natural ecological environment, air quality, water quality, soil, and living environment when establishing, expanding, or closing business sites · Identifying the current status of flora and fauna habitats and potential impacts on the natural environment in advance, and establishing and implementing impact mitigation measures at the planning stage · Limiting the scale of investment and scope of development when establishing or expanding business sites in areas of high conservation value or adjacent to World Heritage Sites
 Minimize	· Conducting facility inspections and management activities to reduce environmental impacts that may arise in the course of business site operations · Conducting equipment inspections (facility maintenance) and safety management activities to minimize environmental impacts that may arise from logistics facility operations and transportation processes · Promoting energy consumption management and emissions reduction activities to minimize environmental impacts that may arise in the course of business operations
 Offset	· Promoting biodiversity conservation and ecosystem preservation activities to offset residual environmental impacts from business activities (e.g., installing bird collision prevention stickers) · Conducting community-linked environmental cleanup and ecosystem conservation activities to preserve the natural environment near business sites (e.g., Adopt-a-Road Program) · Promoting biodiversity conservation awareness activities and environmental campaigns targeting internal and external stakeholders (e.g., environmental cleanup volunteer activities, Companion Beach Cleanup Activities)

Mid- to Long-Term Biodiversity Targets



Biodiversity Conservation

Strategy

Biodiversity Management Activities

Bird Collision Prevention Sticker Installation

- Promoting bird collision prevention activities near business sites
 - Implementing bird collision prevention measures targeting soundproof and glass walls near major terminals, including Icheon and Jincheon
 - Identifying sections without stickers and carrying out additional installation work together with employees working at the relevant sites
 - Contributing to habitat restoration and the preservation of the ecological environment surrounding business sites through bird collision prevention



Bird Collision Prevention Sticker Installation Activity

Joining Adopt-a-Road Program

- Conducting road environment management activities based on community collaboration
 - Conducting regular environmental cleanup activities on roads near logistics centers in the Icheon area
 - Carrying out road environment maintenance activities, including clearing fallen leaves and litter, inspecting roadside facilities, and tree pruning
 - Selected as an outstanding activity case following cleanup activities and awarded a commendation by the Mayor of Icheon in April 2025



Adopt-a-Road Program

Changdeokkung Palace Cleanup Volunteer Activities

- Promoting community-linked environmental cleanup volunteer activities
 - Conducting environmental cleanup activities in the Changdeokkung Palace area in Jongno-gu, Seoul, with employee participation
 - Carrying out wooden structure cleaning and plogging activities following a tour of major facilities at Changdeokkung Palace
 - Conducting environmental conservation activities surrounding cultural heritage sites through inspections of facility management roads and information boards within the palace grounds



Changdeokkung Palace Cleanup Volunteer Activities

Biodiversity Conservation

Risk Management

Dependency and Impact on Natural Capital

- Analysis results of natural capital dependency
 - Identifying the company's direct dependency on natural resources as limited in nature, given its business characteristics
- Analyzing environmental impacts from business operations
 - Identifying impacts from noise and light pollution at a Medium level
 - Identifying impacts from greenhouse gas and hazardous substance discharge at a Low level
 - Identifying impacts from air pollutant discharge, waste disposal, and land use at a Very Low level
- Assessment results of water resources and ecosystem impact
 - Identifying impacts on water resource maintenance and retention at a Very Low level
 - Identifying impacts from nutrients discharge at a Low level
 - Identifying impacts from invasive species introduction on ecosystems at a Very High level

Courier activities - Dependency and Impact on Natural Capital

Category	Metrics	Assessment Level
Dependency	Dependence on Water Supply	Very Low
	Impact of Disturbances	Medium
	Impact of GHG Emission	Low
	Impact of Non-GHG Emission	Very Low
	Impact of Solid Waste	Very Low
Impact	Impact of Land Use	Very Low
	Impact of Toxic Pollutants	Low
	Impact of Nutrient Pollutants	Low
	Impact of Water Use	Very Low
	Impact of Invasive Species	Very High

Preliminary Identification of Biodiversity Risks

- Conducting preliminary examination of biodiversity impact and selecting representative business sites
 - Selecting representative business sites, including the Jincheon Mega Hub Terminal, Icheon Outsourcing Center, Yangsan Integrated Smart Automation Center, and Jeju Center, in consideration of business site scale, logistics operations characteristics, and location environment (inland logistics centers, coastal areas, etc.)
 - Conducting a preliminary assessment of ecosystem service availability and potential biodiversity-related risk factors in the vicinity of business sites using the WWF Biodiversity Risk Filter
 - Analyzing risk exposure levels for biodiversity impact factors, including changes in soil, freshwater, and seawater conditions, changes in forest density, and air, water, and soil pollution
- Analyzing ecosystem service availability and biodiversity impact
 - Identifying Medium-level risk exposure at some business sites in the water resource and forest utilization categories, while determining that wildlife and marine organism utilization categories have low direct relevance to most business activities
 - Identifying Medium-level or above risk exposure at some business sites in the soil and water environment change, forest density change, and air, water, and soil pollution categories
 - Continuously monitoring environmental impacts that may arise in the course of business site operations based on analysis results and promoting the strengthening of biodiversity management activities

Preliminary Biodiversity Risk Identification Results for Areas Surrounding Key Business Sites

Category	Risk Factors	Jincheon Mega-Hub Terminal	Icheon Outsourced Center	Yangsan Integrated Smart Automation Center	Jeju Branch
Ecosystem Service Availability ¹⁾	Water Resource Use	3.3	2.8	3.6	3.1
	Forest Use	2.5	2.5	2.0	2.0
	Wildlife Use	N/A	N/A	N/A	N/A
	Terrestrial and Marine Organisms Use	N/A	N/A	N/A	N/A
	Conditions Changes in Soil, Freshwater, and Seawater	4.0	3.8	3.8	3.3
Pressure on Biodiversity ²⁾	Changes in Forest Density and Height	4.5	4.0	3.5	3.5
	Introduction or Invasion of Invasive Species	2.5	2.5	2.5	2.5
	Air, Water, and Soil Pollution	4.0	4.0	3.8	3.8

1) Refers to the level of production and restoration of natural resources required for corporate activities; higher risk indicates lower resilience due to resource depletion
2) Refers to the level of ecosystem change caused by activities of governments, industries, and the private sector; higher risk indicates greater observed or confirmed degradation, alteration, or destruction of ecosystems

Biodiversity Conservation

Risk Management

Status of Biodiversity Impact Assessment

- Preliminarily examining ecological environment impacts at business sites
 - Examining environmental characteristics and ecological environment impact factors of business site locations using environmental impact assessment data
 - Identifying natural environment and living environment impact factors that may arise in the course of business site development and operations
- Assessing the current status of the ecological environment surrounding business sites
 - Reviewing the current status of the ecological environment and biodiversity-related information in areas near business sites
 - Analyzing potential environmental impact factors based on environmental impact assessment data
- Promoting biodiversity impact management and conservation activities
 - Continuously managing environmental impacts that may arise in the course of business operations
 - Promoting community-linked environmental cleanup and eco system conservation activities

Biodiversity Impact Assessment Location [Locate]

- Setting assessment areas in consideration of business site location and operational characteristics
 - Setting biodiversity impact assessment areas to examine natural environment and living environment impacts that may arise in the course of business site development and operations
 - Selecting representative business sites, including the Jincheon Mega Hub Terminal, Icheon Outsourcing Center, Yangsan Integrated Smart Automation Center, and Jeju Center, in consideration of business site scale and location characteristics
- Setting the assessment scope to include the project zone and surrounding impact zones
 - Setting the assessment scope to include the project zone and surrounding adjacent impact zones based on business site area
 - Conducting assessments centered on the Jincheon Mega Hub Terminal (10,956 m²), Icheon Outsourcing Center (53,972 m²), Yangsan Integrated Smart Automation Center (309,263 m²), and Jeju Center (14,280 m²)
- Continuously assessing biodiversity impact, including adjacent impact zones, when natural environment impacts may arise in the course of business site establishment, expansion, and operations



Icheon Outsourced Center and Adjacent Biodiversity Impact Assessment Area

Biodiversity Impact Assessment Area Information

Business Site	Location	Total Floor Area	Biodiversity Impact Assessment Area	Adjacent to World Cultural Heritage*
Jincheon Mega-Hub Terminal	246, Eunamsandan-ro, Chopyeong-myeon, Jincheon-gun, Chungcheongbuk-do	144,438 m ²	Project zone (10,956 m ²) and surrounding adjacent impact zones	None
Icheon Outsourcing Center	91, Ijang-ro 311beon-gil, Majang-myeon, Icheon-si, Gyeonggi-do	103,700 m ²	Project zone (53,972 m ²) and surrounding adjacent impact zones	None
Yangsan Integrated Smart Automation Center	149, Chungnyeol-ro, Yangsan-si, Gyeongsangnam-do	10,937 m ²	Project zone (309,263 m ²) and surrounding adjacent impact zones	None
Jeju Center	29-18, Oranam-ro, Jeju-si, Jeju-do	11,825 m ²	Project zone (14,280 m ²) and surrounding adjacent impact zones	None

* Based on the World Heritage Convention (1972), whether any world cultural heritage, natural heritage, or mixed heritage site recognized by the UNESCO World Heritage Committee exists within a 5km radius of the business site.

Biodiversity Conservation

Risk Management

Biodiversity Impact Assessment Procedure

- Preliminarily examining biodiversity impact
 - Setting the scope of biodiversity impact assessment in consideration of project location, scale, and purpose
- Conducting survey the current environmental status surrounding business sites
 - Identifying the current status of the natural environment and living environment using satellite imagery, literature data, and environmental information systems
 - Confirming the presence of flora, fauna, and protected species through visual observation, acoustic detection, and habitat trace identification
- Analyzing biodiversity impact and identifying management measures
 - Analyzing biodiversity impact factors arising from business activities based on survey results and establishing mitigation measures to minimize environmental impact

Biodiversity Impact Assessment Procedure

- | | |
|-------------------|--|
| Area Setting | <ul style="list-style-type: none">· Setting the assessment scope to areas where environmental impacts are anticipated· Applying scientific criteria using similar case analysis and modeling· Comprehensively considering local conditions and characteristics, and the current status of protected species |
| Status survey | <ul style="list-style-type: none">· Conducting baseline surveys using national databases, literature data, and similar case references· Analyzing local conditions and trends in population, industry, and land use· Comprehensively examining the current status and potential for change in the natural environment and living environment |
| Field survey | <ul style="list-style-type: none">· Conducting species and individual surveys of flora and fauna through visual observation and acoustic detection· Confirming the presence of Invasive species, rare plants, and protected wildlife· Recording and organizing confirmed species and individual counts of flora and fauna on-site |
| Impact Prediction | <ul style="list-style-type: none">· Analyzing changes in the natural environment arising from business site development and operations· Identifying flora and fauna species and habitat conditions expected to be impacted· Prioritizing flora and fauna species sensitive to human intervention |

Biodiversity Survey Results [Evaluate]

- Flora survey results surrounding business sites
 - Confirming 163 species at the Jincheon Mega Hub Terminal, 171 species at the Icheon Outsourcing Center, 173 species at the Yangsan Integrated Smart Automation Center, and 183 species at the Jeju Center in the terrestrial flora category
 - Identifying diverse naturalized plants alongside vegetation communities, including trees and shrubs, in areas surrounding each business site
- Fauna survey results surrounding business sites
 - Confirming 35 species at the Jincheon Mega Hub Terminal, 57 species at the Icheon Outsourcing Center, 49 species at the Yangsan Integrated Smart Automation Center, and 22 species at the Jeju Center in the terrestrial fauna category
- Establishing mitigation measures in consideration of the habitat conditions of legally protected species



Biological Species Observed Around the Yangsan Integrated Smart Automation Center : 'Eurasian Hobby' and 'Kestrel'

Key Flora and Fauna Species Confirmed from Field Survey Results

	Category	Jincheon Mega-Hub Terminal	Icheon Outsourced Center	Yangsan Integrated Smart Automation Center	Jeju Branch
Terrestrial Flora	Pteridophytes	6 families, 6 genera, 1 species	4 families, 5 genera, 1 species	3 families, 7 genera, 10 species	5 families, 7 genera, 1 species
	Gymnosperms	2 families, 5 genera, 7 species	5 families, 5 genera, 8 species	4 families, 6 genera, 8 species	3 families, 3 genera, 3 species
	Angiosperms	63 families, 127 genera, 150 species	64 families, 140 genera, 159 species	62 families, 126 genera, 155 species	68 families, 149 genera, 173 species
	Legally Protected Species	N/A	N/A	N/A	N/A
Terrestrial Fauna	Mammals	4 families, 4 species	8 families, 10 species	7 families, 11 species	3 families, 3 species
	Birds	19 families, 26 genera, 127 individuals	23 families, 38 genera, 507 individuals	20 families, 31 genera, 291 individuals	12 families, 14 genera, 272 individuals
	Amphibians and Reptiles	2 families, 5 species	7 families, 9 species	5 families, 7 species	4 families, 5 species
	Legally Protected Species	N/A	Eurasian Hobby, Kestrel	Eurasian Hobby, Mandarin Duck, Kestrel	N/A

Biodiversity Conservation

Risk Management

Identifying Biodiversity Impact [Assess]

- Examining biodiversity impacts from business site development and operations
 - Examining the potential for vegetation impacts arising from plant damage, soil disturbance, and dust generation due to project zone incorporation
 - Examining the potential for interference with bird breeding and foraging activities due to disturbance factors such as noise and vibration generated during construction
 - Identifying fauna impact factors, including changes in the habitat conditions of amphibians and reptiles and their movement patterns
- Comprehensively examining environmental impact factors and setting management directions
 - Examining the likelihood of environmental impacts by comprehensively considering environmental impact factors, including air quality, water quality, and soil
 - Promoting business operations in a direction that avoids or minimizes environmental impact

Establishing Impact Mitigation Measures [Prepare]

- Establishing environmental impact mitigation measures at business sites
 - Establishing and implementing mitigation plans to minimize environmental impacts that may arise in the course of business operations based on environmental impact assessment results
- Promoting activities to reduce ecological environment impacts surrounding business sites
 - Collaborating with relevant authorities and industrial complex management entities to reduce natural environment and ecosystem impacts surrounding business sites
 - Promoting community-linked environmental conservation activities, including environmental cleanup activities
- Continuously managing biodiversity impact
 - Examining additional response measures in collaboration with relevant authorities and stakeholders when environmental impacts are anticipated
 - Continuously managing and monitoring ecological environment impacts surrounding business sites

Post-implementation Inspection and Monitoring

- Conducting post-implementation environmental impact inspections at business sites
 - Confirming whether impacts on flora, fauna, and the natural environment have occurred in the course of business site development and operations
 - Inspecting whether previously established environmental impact mitigation measures have been implemented
- Monitoring the ecological environment surrounding business sites
 - Confirming changes in the ecological environment surrounding business sites based on environmental impact assessment and post-environmental impact investigation results
- Promoting response measures when environmental impacts occur
 - Examining the degree and significance of impact when unexpected environmental impacts occur
 - Promoting appropriate environmental management measures in collaboration with relevant authorities and industrial complex management entities

Key Biodiversity Impact Factors and Mitigation Measures

Category		Jincheon Mega-Hub Terminal	Icheon Outsourced Center	Yangsan Integrated Smart Automation Center	Jeju Branch
Terrestrial Flora	Key Impacts	Removal of vegetation cover for herbaceous and woody plants, and the inevitable removal of landscaping planting areas and herbaceous plant communities occurs	Inevitable reduction of flora and damage to forest vegetation within the project site (291 damaged trees)	No damage to forest vegetation occurs, but damage to herbaceous and shrub species distributed within the project river	Increase in the number of species and individuals of naturalized and roadside plants, centering on areas distributed with soil
	Mitigation Measures	Implementing management plans to prevent damage from ecosystem-disturbing organisms and promoting the recycling of generated wood waste	Creating microhabitats and recycling damaged trees, and setting original green spaces (3,320 m ²)	Managing work scopes to prevent vegetation damage outside the construction section and restoring damaged vegetation	Periodically removing and suppressing the growth of naturalized plants centering on disturbed areas, restoring native vegetation, and stabilizing vegetation foundations
Terrestrial Fauna	Key Impacts	Temporary reduction in the number of individuals, and avoidance and movement of highly mobile taxa	Scarce animal habitats and a decrease in the population of some species due to artificial disturbance factors around the project site	Breeding disturbance due to noise and vibration, and a decrease in the number of individuals due to soil erosion	Restrictions on the movement of amphibians and reptiles and a decrease in some individuals due to topographical changes and construction activities
	Mitigation Measures	Minimizing unnecessary lighting and noise, refraining from nighttime construction, and implementing phased construction considering the movement and avoidance of small animals	Refraining from construction considering the breeding season when major habitats are discovered, and thorough management and supervision to prevent damage to vegetation resources	Refraining from nighttime construction, adopting low-vibration and low-noise construction methods, and establishing facilities to prevent the influx of floating soil	Securing time for amphibians and reptiles to move and avoid through phased work execution in construction sections

Social

Human Rights Management	46
Talent Management	52
Occupational Safety and Health	62
Consumer-Centered Management	72
Data Security and Protection	76
Social Contribution	80



Human Rights Management

Governance

Board of Directors

- Overseeing and approving human rights management policies and mid- to long-term promotional directions, and reflecting them in major decision-making matters
- Performing supervision over areas requiring improvement by receiving regular reports on major human rights risks and response statuses

Management

- Establishing human rights management goals and action plans, and overseeing company-wide implementation
- Setting risk response directions and implementing corrective actions based on Human Rights Impact Assessment results and key issues

Dedicated Organization

- Setting up and operating human rights management systems and processes, and supporting task implementation through collaboration with relevant departments
- Conducting practical tasks such as human rights education, grievance handling, and Human Rights Impact Assessments, and continuously promoting human rights risk identification and improvement activities

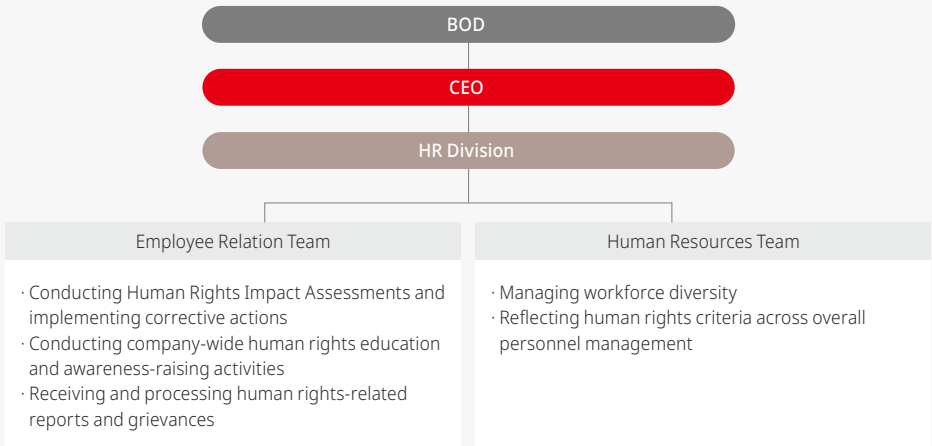
Strategy

Proclaiming Human Rights Management Charter

- Establishing company-wide human rights management principles through the enactment and amendment of the Human Rights Management Charter
 - Establishing and officially proclaiming the Human Rights Management Charter in October 2022
 - Operating by embedding principles of respect for human rights and anti-discrimination applied across all corporate management activities
 - Reflecting changes in global human rights standards and the business environment through a comprehensive amendment in 2024
- Building the foundation for implementing human rights management and spreading a culture of respect for human rights within the organization
 - Establishing and applying standards to protect the human rights of employees and create a fair working environment
 - Reflecting the human rights protection and mutual growth values of major stakeholders, including customers and partners, into management activities
 - Strengthening the practice of human rights management and raising human rights awareness within the organization through education and system operations

Lotte Global Logistics Human Rights Management Charter >

Organizational Structure for Promoting Human Rights Management



Human Rights Management Charter

We pursue a human rights-centered management approach that not only enhances the lives of our customers but also brings about positive change in our society. To become a company that adds value to humanity, we hereby establish this Human Rights Management Charter as a standard of proper conduct and ethical decision-making that all employees must uphold in the course of our business operations and corporate activities. We pledge to faithfully observe and implement this Charter.

- One,** We respect all human dignity and value and prioritize human rights in managing our business.
- One,** We respect international human rights principles and covenants, including the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child.
- One,** We establish and implement systems and policies, including human rights management systems, to embed respect for human dignity and value across our corporate culture and the spectrum of business management activities.
- ...

Human Rights Management

Strategy

Human Rights Management System

- Solidifying human rights management through certification renewal
 - Obtaining external certification related to human rights management for the first time in the industry in 2024
 - Continuously strengthening human rights management through renewal assessments
 - Operating human rights management policies and management systems based on certification standards
- Diagnosing the culture of respect for human rights and promoting improvement activities
 - Conducting level diagnosis and survey evaluations on the culture of respect for human rights among employees
 - Identifying and implementing human rights management improvement tasks reflecting diagnosis results
- Conducting field-centered inspections and maintaining certification management
 - Inspecting the operational status of the human rights management system through on-site audits
 - Maintaining certification and solidifying operations through continuous monitoring



Human Rights Management System Certification Process Overview

1st step : Maturity assessment

Conducting level diagnosis and survey evaluations on the culture of respect for human rights among employees

- Assessing awareness of respect for human rights, understanding of systems, and organizational culture levels
- Verifying the maturity across the organization through participation rates and compliance with benchmark scores

Inspecting maturity levels and identifying improvement directions based on evaluation results

- Identifying major risk areas after diagnosing human rights levels by organization and department
- Identifying improvement tasks for vulnerable areas and establishing future implementation directions



2nd step : On-site audit

Conducting on-site inspections and verifying compliance for overall human rights management system operations

- Inspecting the operational status of the Human Rights Management Charter, education and training, and internal management systems
- Reviewing relevant documents, records, and overall operational processes

Verifying operational effectiveness and evaluating certification compliance

- Inspecting actual implementation levels and on-site application through representative interviews
- Conducting comprehensive evaluations on compliance with certification standards and identifying areas for improvement



Establishment of the Human Rights Management Manual

- Objectives and Scope of the Human Rights Management Manual
 - Enacting the manual to define responsibilities and authorities for major business activities related to human rights management, and to implement them
 - Applying equally to our employees as well as external stakeholders

Human Rights Management Manual

LGL Human Rights Management Manual

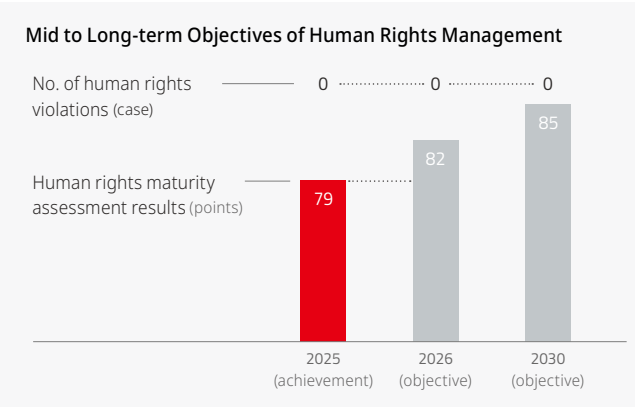
Human Rights Management System

Organizational Context	· Identifying stakeholder needs · Conducting Human Rights Management System Impact Assessments	· Determining the scope of the Human Rights Management System · Operating and managing the Human Rights Charter
Leadership	· Defining authorities and roles of the CEO and the ESG Committee · Operating and managing the Human Rights Charter	
Planning	· Taking actions to address risks and opportunities · Planning human rights objectives and their achievement	
Support	· Establishing, implementing, maintaining, and improving the Human Rights Management System · Providing human rights education for employees	
Operation	· Planning and managing human rights operations, and managing supply chain processes · Operating human rights-related reporting channels and remedy procedures	
Performance Evaluation	· Monitoring, measuring, analyzing, and evaluating · Conducting internal audits and CEO reviews	
Improvement	· Analyzing causes of non-conformities and taking corrective actions · Continuously promoting improvement activities	

Human Rights Management

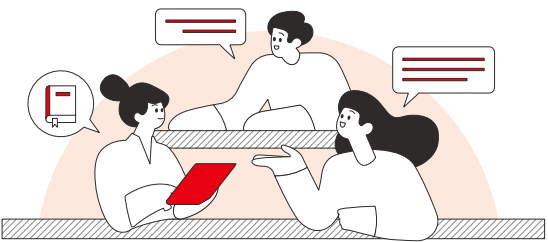
Strategy

Implementing Human Rights Management Roadmap



Raising Awareness of Human Rights

- Conducting human rights education to raise human rights awareness and internalize human rights management
 - Target Audience : 2,174 employees (Completion Rate : 100%)
 - Educational Contents : Preventing workplace harassment and sexual harassment, and improving awareness of disabilities
- Promoting grievance counseling channels and expanding counseling personnel
 - Activating counseling channels by appointing labor committee members and dedicated female personnel



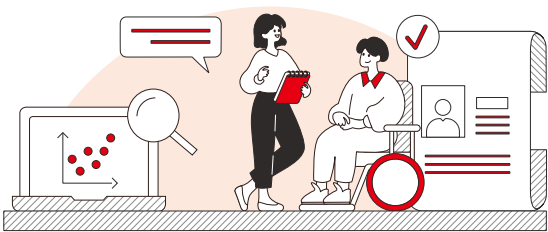
Activities Related to Raising Human Rights Awareness

Category	Contents
Reorganization of the Dedicated Organization	· Appointing specialized personnel capable of understanding the characteristics of business divisions, and assigning grievance counseling roles after conducting special education
Management of Internal Regulations	· Refining systems such as disciplinary standards
HR Division Integrated Briefing Sessions (First Half)	· Conducting prevention education for workplace harassment and sexual harassment · Implementing separately by leadership positions, non-leadership positions, and regions
HR Division Integrated Briefing Sessions (Second Half)	· Conducting special education related to human rights management · Implementing separately by leadership positions and non-leadership positions
Campaign Execution	· Posting promotional posters for human rights management and the grievance redress system

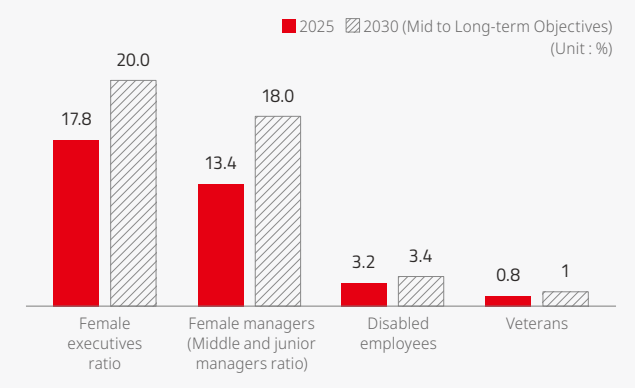
Diversity/Equity/Inclusion (DEI)

Activities for Promoting Diversity

- Managing diversity indicators and setting improvement objectives
 - Setting and managing objectives for key diversity indicators, such as women and people with disabilities
 - Reviewing diversity levels through regular monitoring and driving improvements
- Expanding employment for vulnerable groups and implementing inclusive workforce operations
 - Increasing the employment rate for socially vulnerable groups, including people with disabilities and veterans
 - Setting up an inclusive workforce structure by recruiting talents from diverse backgrounds



Status and Objectives of Workforce Diversity



Human Rights Management

Strategy

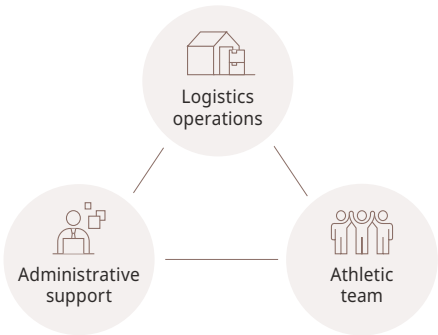
DEI Policies

- Operating a human rights management system based on diversity and inclusion
 - Reflecting diversity equity and inclusion values in the Human Rights Charter and Code of Ethics
 - Applying non-discrimination principles to all corporate management activities
- Operating a fair personnel system and providing equal opportunities
 - Applying fairness criteria across recruitment, development, evaluation, and compensation
 - Providing fair opportunities based on performance and competency
- Caring for socially vulnerable groups and creating an inclusive working environment
 - Operating preferential hiring policies for socially vulnerable groups
 - Creating an inclusive working environment and supporting employment stability

Employment and Support for Persons with Disabilities

- Actively promoting the recruitment of persons with disabilities through an open recruitment system
 - Identifying suitable roles such as remote-work-available courier service call center positions
 - Exceeding the legally mandated employment quota for persons with disabilities for the past three consecutive years

Ongoing Recruitment of Persons with Disabilities



2023~2025 Employment Status for People with Disabilities (Unit : Person)

Category	2023	2024	2025
No. of regular employees ¹⁾	2,249	2,250	2,208
Mandatory employment rate	3.1%	3.1%	3.1%
Mandatory employment figures	69	69	68
Disabilities rate	3.2%	3.2%	3.2%
Recognized employment figures ²⁾	72	72	71
Surpassing figures	3	3	3

1) All employees whose base days for wage payment are 16 days or more in the corresponding month (excluding part-time employees and outside directors)

2) Double-counting criteria for employees with severe disabilities

Operation of Parasports Teams

- Contributing to job creation for people with disabilities through diverse approaches
 - Expanding and operating two sports events, archery and table tennis, starting with the archery team in 2019
 - Providing stable training opportunities through specialized athlete coaching and education agencies
 - Promoting shared growth by holding annual meetings and continuously improving compensation systems

* Establishing a reward system (Nov. 2023), providing transportation subsidies (Nov. 2023), and improving uniforms (2025)

Awards and Achievements of Parasports Teams over the Past Two Years

(Unit : Cases)	2024				2025			
		1st Place	2nd Place	3rd Place		1st Place	2nd Place	3rd Place
Archery	12	3	4	5	17	1	3	13
National Disability Sports Championships ¹⁾	4	-	1	3	5	-	-	5
Others ²⁾	8	3	3	2	12	1	3	8
Table Tennis	4	-	2	2	6	-	-	6
National Disability Sports Championships	-	-	-	-	1	-	-	1
Others	4	-	2	2	5	-	-	5
Total	16	3	6	7	23	1	3	19

1) The largest sports festival for athletes with disabilities in Korea, hosted annually by the Korea Paralympic Committee and attended by delegations from 17 metropolitan cities and provinces

2) Association President's Cup, provincial-level national competitions, and national team selection trials



Team Meeting (Archery)



Team Meeting (Table Tennis)

Human Rights Management

Risk Management

Human Rights Impact Assessment Overview

Human Rights Impact Assessment Process

- Conducting Human Rights Impact Assessments and Monitoring Processes



Subject and Scope of Human Rights Impact Assessments

- Conducting Human Rights Impact Assessments including internal and external stakeholders
 - Conducting document evaluations on human rights impacts for 14 relevant departments associated with assessment items, including compliance, HR, safety & environment, and procurement (2025.07.25~07.31)
 - Conducting on-site inspections regarding human rights for 34 external partner companies

Designing Human Rights Impact Assessment Indicators

- Establishing self-assessment indicators by reflecting domestic and international human rights management standards and industry-leading guidelines based on Lotte Global Logistics' human rights policies and manuals
 - Comprising evaluation indicators across a total of 11 areas and 189 items

Scope of Human Rights Impact Assessments Indicators

 Human Rights Management System	 Freedom of Association
 Employment	 Forced Labor
 Child Labor	 Responsible Supply Chain Management
 Occupational Safety	 Protection of Local Community Human Rights
 Consumer Rights	 Human Rights in the Workplace
 Right to a Healthy Environment	 Working Hours

Conducting Human Rights Impact Assessment

Pre-identifying Human Rights Risks

- Pre-identifying potential human rights risks through human rights materiality assessments
 - Conducting surveys for practitioners in relevant departments by applying the reporting framework of the UN Guiding Principles on Business and Human Rights
 - Managing risk factors centered on major stakeholders based on key issues derived through assessments, such as guaranteeing freedom of association

Deriving Priority Human Rights Issues and Management Plans

Category	Key Human Rights Issues	Vulnerable Stakeholders
Establishment of human rights management system	Grievance process	Employees
Non-discrimination in employment	Employment discrimination	Employees, temporary workers, and foreign workers
Freedom of association and collective bargaining	Guarantee of collective bargaining	Employees
Prohibition of forced labor	Forced labor	Employees
Prohibition of child labor	Child labor	Employees, and partner companies
Occupational safety and health	Workplace safety	Employees, and partner companies
Responsible supply chain management	Human rights of partner companies	Partner companies
Protection of local community human rights	Human rights of local communities	local communities
Right to a healthy environment	Establishing environmental management systems	Employees, and local communities
Consumer rights protection	Protecting emotional labor workers and consumer right to know	Employees, and local communities
Protection of human rights in the workplace	Workplace harassment	Employees

Human Rights Management

Risk Management

Conducting Human Rights Impact Assessment

Human Rights Impact Assessment Results

Key findings and areas for Improvement of Human Rights Impact Assessment

(Unit : Cases)

Category		Assessment results			Key findings and areas for improvement
		2023	2024	2025	
Establishment of human rights management system	Compliant	30	41	41	Continued promotion of human rights-related campaigns
	Improvement	0	0	0	
Non-discrimination in employment	Compliant	2	17	17	Revision of internal regulations, including the Fair Recruitment Guidelines and employment rules
	Improvement	14	0	0	
Freedom of association and collective bargaining	Compliant	2	16	15	Overhauling internal regulations, including employment rules and human rights regulations
	Improvement	12	0	1	
Prohibition of forced labor	Compliant	0	8	11	Prohibiting and preventing forced labor
	Improvement	11	3	0	
Prohibition of child labor	Compliant	4	5	5	Prohibiting and preventing child labor
	Improvement	10	0	0	
Occupational safety and health	Compliant	13	16	17	Conducting workplace safety inspections, providing safety equipment, and implementing training
	Improvement	4	0	0	
Responsible supply chain management	Compliant	0	6	6	Protecting and monitoring the human rights of partner companies
	Improvement	5	0	0	
Protection of local community human rights	Compliant	4	7	7	Respecting and protecting the human rights of local communities
	Improvement	6	0	0	
Right to a healthy environment	Compliant	7	14	14	Setup and Operation of the Environmental Management System
	Improvement	9	0	0	
Consumer rights protection	Compliant	11	13	13	Operating policies that protect consumer rights
	Improvement	2	0	0	
Protection of human rights in the workplace	Compliant	-	19	20	Job assignments based on disability grades/level
	Improvement	-	1	0	

Human Rights Grievance Channel

Grievance Handling Process

- Simplifying counseling and reporting procedures by operating the Human Rights Violation Reporting Center
- Operating diverse reception channels while prioritizing the protection of anonymous reporters' personal information
- Receiving a total of 6 human rights grievances and achieving a 100% resolution rate in 2025



Reporting Channels for Human Rights Violation

Purpose	Consultation and reporting of human rights violations resulting from business activities
Phone	+82-10-7495-7282
Email	lghelp@lotte.net
Kakao Talk	Lotte Global Logistics Grievance Counseling Channel
Address	(04527) Employee Relation Team, 10 Tongil-ro, Jung-gu, Seoul (Yonsei Severance Foundation Building 12F)

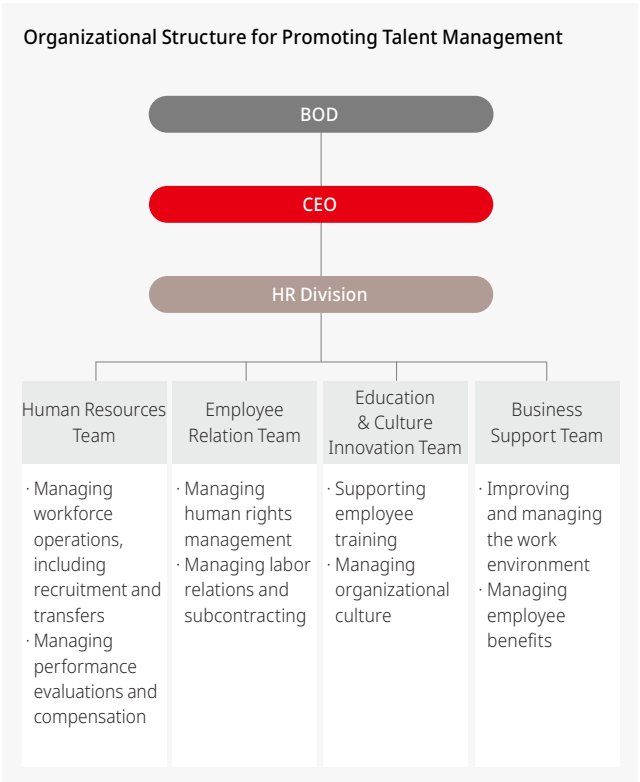
Talent Management

Governance

Talent Administration

Talent Administration Governance

- Operating a systematic talent management system
 - Electing talent that aligns with our core values and operating systematic management systems to ensure top talent retention
 - Supporting employee growth and strengthening a fair human resources management system
 - Securing outstanding talent and elevating organizational competitiveness through a job- and competency-based HR system



Company Development Council

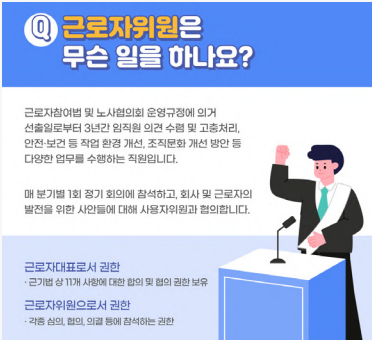
- Operating the Corporate Development Council to facilitate smooth communication among employees
 - Council Composition : Operating a balanced labor-management consultative body by composing 6 employee representatives and 6 management representatives
 - Employee Representatives : Electing through employee voting, comprehensively considering diversity in business divisions, gender, and job levels

Company Development Council Activities in 2025

Course	Purpose	Method
 Regular performance sharing	To transparently communicate company performance and growth with employees	Monthly sharing of company-wide sales and operating profit figures with all employees
 Expanded health checkup support	To enhance employee welfare and strengthen support for their families	Expanded support eligibility from spouses to include spouses, parents, and one sibling
 Sales activation project	To improve sales performance and boost employee motivation through enhanced incentive programs	Revised incentive structure and expanded rewards



Company Development Council Voting



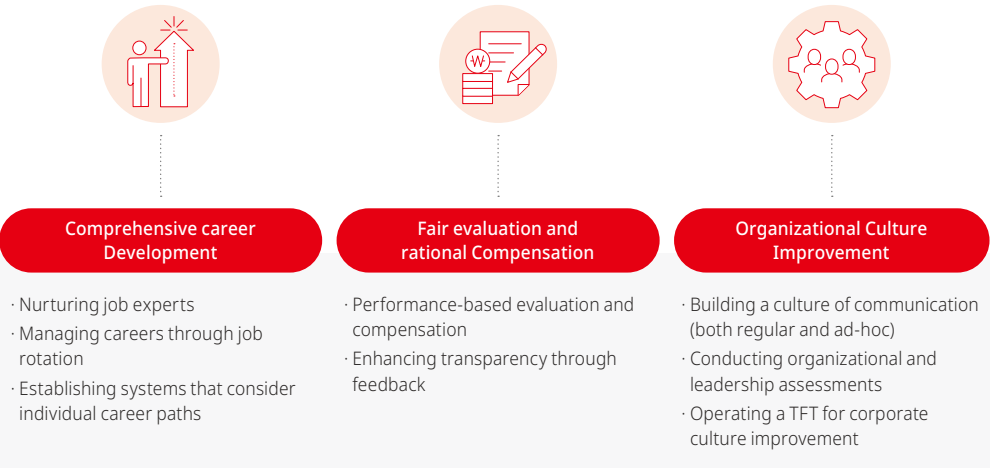
Company Development Council Performance Sharing

Talent Management

Strategy

Talent Management Framework

Our Approach to Talent Management



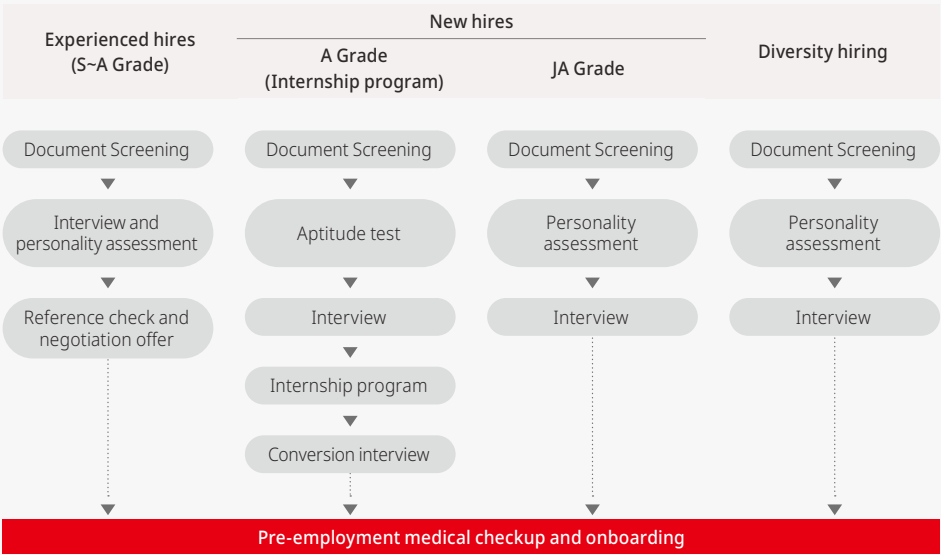
Lotte Global Logistics Ideal Talent



Talent Recruitment Process

- Improving Applicant Experience through Recruitment Process Efficiency
 - Establishing a swift and transparent recruitment process by diagnosing and improving inefficient factors throughout the hiring process
 - Providing efficient time management by conducting batch interviews within the same period focused on applicant convenience
- One Day/One-Stop Interview System
 - Applying the One Day/One-Stop interview process to all recruitment categories, including new hires, experienced hires, and diversity hiring
 - One Day/One-Stop : Conducting all interview procedures within a single day to enhance applicant convenience

Lotte Global Logistics Recruitment Process



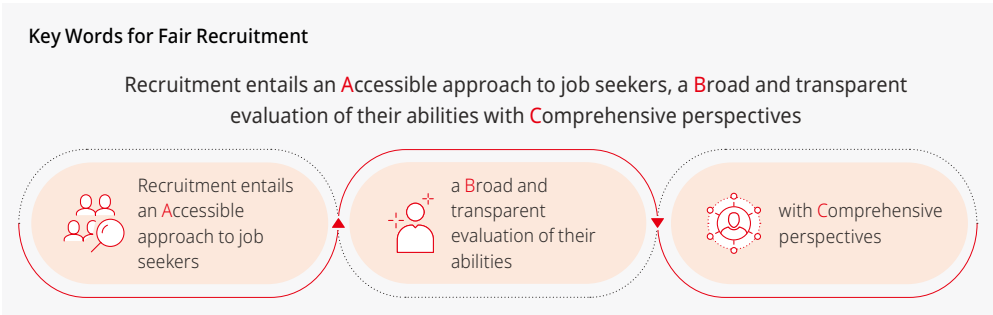
Talent Management

Strategy

Talent Recruitment

Infusion of a Fair Recruitment Culture into Every Corner

- Providing equal opportunities without discrimination
- Implementing strict internal recruitment procedures and audits
- Promoting diversity and inclusion through the 'ABC Recruitment' slogan



Internalizing Fair Recruitment Guides

- Advanced criteria related to internal employee referrals and re-hires to ensure fairness and objectivity in the hiring process
- Annually announcing fair recruitment guides to all employees, and monitoring to ensure compliance with recruitment-related laws and regulations

Applicant-Centered Recruitment Experience Enhancement Program

Millennials and Gen Z Peer Interview System

- Employees from the Millennials and Gen Z (with 4-7 years of proven practical experience) participate as interviewers to establish a horizontal communication structure and assess candidates' competencies
- Providing a comfortable interview experience, and multidimensionally evaluating candidates' innovative thinking and teamwork abilities from the perspective of Millennials and Gen Z



LGL Coffee Chat Program

- Providing informal conversation opportunities (Coffee Chat) with senior colleagues for interview candidates since 2023
- Enabling candidates to gain deeper insight into the corporate culture and detailed roles through casual conversations with senior employees



Evaluation and Compensation

Performance Evaluation System

- Operating a comprehensive performance management system based on setting organizational and individual KPIs linked with the company's strategic direction
- Securing fairness through an objection handling process and feedback system for performance evaluations, supported by annual training on the evaluation process



Absolute evaluation and 360-degree assessment system

- Applying absolute evaluation for lower performance ratings
- Introduced a 360-degree assessment system to incorporate diverse perspectives, including those of supervisors, subordinates, and peers

Performance-based Reasonable Rewards

- Operating a fair and motivating performance-oriented reasonable compensation system to simultaneously drive organizational performance and individual capability development
- Implementing differentiated rewards and annual salary increases for high performers based on business performance

Enhancement of Performance Management and Compensation Competitiveness

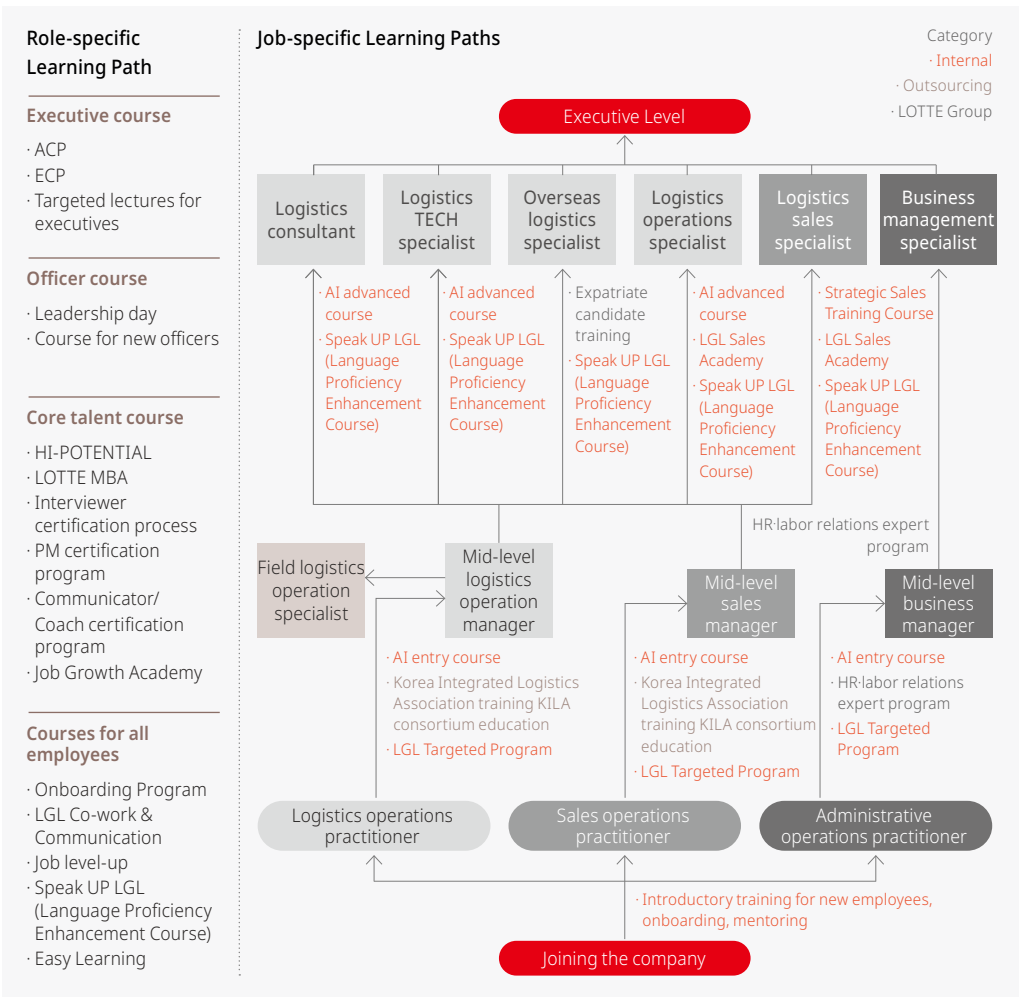
- Establishing personalized performance compensation systems through the new sales incentive system introduced in 2024
- Strengthening practical recognition and motivation for excellent performance by reinforcing reward verification procedures and raising reward amounts
- Reviewing systems through an employee-participatory, bottom-up approach rather than a top-down model to ensure higher employee acceptance

Talent Management

Strategy

Talent Development System

- Providing structured training programs to support continuous employee growth and capacity building
- Strengthening professional expertise and core competencies through role-specific and job-specific learning paths



Talent Development Program

- Continuous growth of employee job capabilities supported and in-house training programs operated to foster their development
- In 2025, training programs structured around four strategic focus areas : improving ways of working, optimizing AI for practical operations, strengthening sales leader capabilities, and enhancing global communication capabilities

2025 Talent Development & Corporate Culture Program Status			
(Unit : person)			
Course	Target	Training Content	Number of participants
Improving Ways of Working			
WOW PROJECT	All employees across the company	Establishing a performance-oriented way of working based on trust, collaboration, and communication, with participation from both non-executives and executives to improve the company's ways of working	170
ACTION PLAN	All employees across the company	Compliment Board	118
		1st Anniversary LGL One-on-One Meeting	40
		Cross Lunch	21
		Challenge Lounge	154
Task Optimization AI	Executives and leaders	Practical Talk-Talk	28
		Special Lecture on AI Leadership	91
Fostering AI Leaders	Selected personnel by department	Driving changes in how AI is practically applied based on leaders' understanding and direct experience	67
AI Task Optimization Course	All employees across the company	Expanding the foundation for practical AI utilization by supporting the acquisition of AI certifications	60
Strengthening Sales Capabilities			
Strategic Sales Skill-Up Course	Sales leaders	Learning how to utilize AI based on real-world business scenarios specific to each job function (Sales)	83
Enhancing Global Communication Capabilities			
Speak up LGL (Beginner)	All employees across the company	Fostering sales leaders capable of making strategic proposals based on customer and trend analysis	1,304
Speak up LGL (Intermediate)	All employees across the company	Routinizing daily English learning for employees	58
Supporting level-up of official language test scores for employees with intermediate or higher proficiency			

Talent Management

Strategy

Talent Development Program

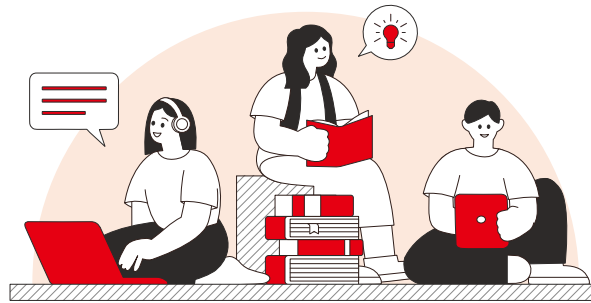
Job-Specific Development Courses (Provision of Growth Experiences)

- Enhancing practical growth experiences for employees by operating systematic development courses that reflect job-specific characteristics
- Simultaneously driving adaptability to shifts in ways of working and strengthening employee competency competitiveness, with a primary focus on AI training and professional sales education
- Establishing a foundation where individual capability development directly links to creating sustainable performance for the organization

(Unit : person)			
Course	Target	Training Content	Number of graduates
 Special Lecture on AI Leadership	Executives and leaders	Driving changes in how AI is practically applied based on leaders' understanding and direct experience	91
 Fostering AI Leaders	Selected personnel by department	Expanding the foundation for practical AI utilization by supporting the acquisition of AI certifications	67
 AI Task Optimization Course	All employees across the company	Learning how to utilize AI based on real-world business scenarios specific to each job function	60
 Strategic Sales Skill-Up Course	Sales Leaders	Fostering sales leaders capable of making strategic proposals based on customer and trend analysis	83

Support for Self-Directed Learning

- Language Competency Enhancement Courses by Proficiency Level
 - Providing customized learning opportunities considering the global business environment
 - Offering a choice between Beginner and Intermediate levels of 'Speak up LGL'
 - Operating diverse language programs including English, Japanese, and Chinese



Speak Up LGL Poster

LGL STORY

Industry-Academia Cooperation Project with Yonsei University for Logistics Industry Development

Driving industry-academia cooperation to respond to future logistics

- Conducting joint industry-academia research to respond to the rapidly changing logistics paradigm and lead the future logistics
- Operating a collaborative project involving Yonsei University students (17 participants), faculty, and employees from relevant in-house departments

Setting research topics based on core businesses

- Conducting research centered on 'Autonomous Driving Logistics' and 'CFC (Customer Fulfillment Center) Immediate Delivery'

Deriving data-driven execution strategies

- Proposing an economic feasibility analysis model and optimal middle-mile transfer hubs for autonomous freight trucks
- Deriving measures to establish global full cold chain logistics networks and innovate E-Grocery customer experience (mobile tasting corner delivery)



LGL-Yonsei University Industry-Academia Cooperation Project

Talent Management

Strategy

Creating a Desirable Work Environment

Ways of Working Improvement Workshop, "WOW Project"

- Driving activities to review and improve ways of working through company-wide participatory workshops
- Deriving action-oriented messages centered on trust, collaboration, communication, and performance through step-by-step discussions among a total of 170 participants, including non-executives, experienced hires, and executives
- Establishing and executing the ACTION PLAN through an idea-generation and opinion-gathering process that encompasses all ranks and roles



WOW Project Workshop

Organizational Culture Improvement Programs

- 2025 ACTION PLAN 5
- Operating various participatory programs to create a healthy organizational culture based on trust and respect among employees

Course	Training Content
Compliment Board	Creating psychological safety and making positive feedback a routine part of daily interactions among employees
1st Anniversary LGL One-on-One Meeting	Building trust and a sense of belonging by conducting one-on-one meetings for employees celebrating their first anniversary with the company
Cross Lunch	Casual networking to foster cross-departmental understanding and communication
Challenge Lounge	Accumulating organizational assets by sharing experiences of both success and failure in practical operations
Practical Talk-Talk	Activating in-house knowledge sharing by operating a practical Q&A platform

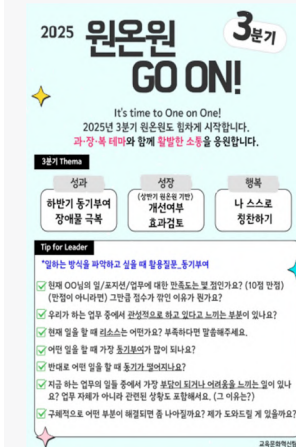


Challenge Lounge Process

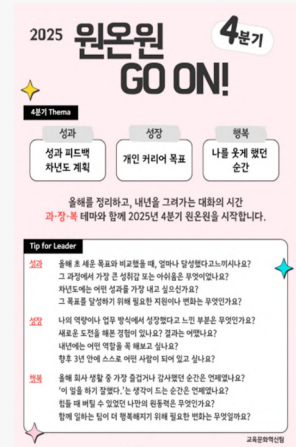
LGL STORY

Implementation and Operation of LGL One-on-One Meeting

- Operating the LGL One-on-One Meeting to facilitate a horizontal communication channel between managers and team members
- Matching managers and team members one-on-one to freely communicate on work, career, and growth direction
 - Mandating participation for all employees to support career development across the organization, with team members leading the dialogue to share career concerns and difficulties in the collaboration process
 - Integrating the LGL One-on-One Meeting feature into the company's HR system to enable ongoing feedback, with relevant outcomes reflected in HR evaluations



1on1 Poster



교육문화인형

Talent Management

Strategy

Creating a Desirable Work Environment

Organizational Culture TFT

- Creating an employee-led, customized organizational culture and improving weak points
 - Specifically deriving bottlenecks, inefficiencies, and areas for improvement in actual job performance and collaboration processes, centered on representative personnel from each job function (9 participants)
 - Securing actionable improvement ideas and priorities from the on-the-ground perspective of each division
 - Conducting the Action Plan Survey for the project to improve ways of working

Conducting Organizational Culture Diagnosis

- Identifying the current status of organizational culture through employee surveys

Diagnosis period	August 27 – September 11, 2025
Response status	1,167 out of 1,529 participants (76.4%) *Based on office staff
Diagnosis items	Ways of working, support systems, corporate atmosphere, and employee satisfaction
Diagnosis results	68.3% positive response rate for organizational culture (+1.1%p YoY)
Follow-up activities	Planning to derive systems and activities to build a highly engaged organizational culture, linked with the 2026 WOW Project

CEO TALK

- A two-way communication program hosted by the CEO
 - Operating ‘CEO TALK,’ where the CEO meets directly with employees from both Headquarters and field sites to foster open communication
 - Conducted four times in 2025 across various regions, including Jeju, Yeongnam, Gangwon, and the Seoul metropolitan area
 - Held in a free-form town hall format where the CEO directly addresses and explains various areas, including the company’s vision, organizational culture, and employee benefits

Junior Board

- Promoting intergenerational communication and building a flexible, horizontal organizational culture
 - Operating the ‘Junior Board’ organization composed primarily of Millennial and Gen Z employees
 - Holding monthly meetings between the CEO and the Junior Board to establish action plans aimed at improving organizational culture and systems that Millennials and Gen Z care about



Junior Board Activities

Imagination Innovation Hub

- Spreading an innovative culture by operating the in-house suggestion system platform ‘Imagination Innovation Hub’
 - Operating the ‘Imagination Innovation Hub’ suggestion system where all employees can propose diverse ideas for business improvement, including new businesses and services, cost reduction, and safety and environmental improvements
 - Discovering and executing innovative ideas through free communication among employees via the platform
 - Receiving 1,233 ideas and executing 106 cases since its implementation in 2019
 - Providing an environment for discovering ideas by operating knowledge-sharing programs in addition to the suggestion system
 - Providing new business insights such as new technologies and collaborate-ready startups, and operating new business brainstorming contests



Imagination Innovation Hub Platform

Talent Management

Strategy

Employee Benefits

Employee Benefits

System	Supporting Contents
 Condo resort	· Using condos at low prices during peak seasons and holidays (holding memberships for multiple domestic resorts)
 Support for family events	· Providing supplies, floral arrangements, monetary support, and paid leave (Equally applicable to the spouse)
 Long-service awards	· Rewards for long-term employees with 10 to 30 years of continuous service (providing a commemorative plaque, monetary reward, and travel expense support)
 Club activity support	· Supporting 31 employee clubs across the country in various interest areas, newly established clubs receive a one-time start-up grant · Club ticket : Allows employees to leave work 2 hours early once a month to participate in club activities
 Tuition support for employees' children	· Offer educational support for employees' children, including university students
 Full tuition loan interest coverage	· Providing full coverage of loan interest until the final disbursement for employees repaying the Korea Student Aid Foundation's Student Loan
 Health Promotion Program	· Medical check-ups : Support for health check-up expenses (for employees aged 35 and above or at the managerial level, including one family member of the eligible employee) · Enrollment in group accident insurance
 Other benefits	· Provide yearly financial assistance (support for vacation) for physical fitness programs to support employees' health and well-being, and wellness refresh · Holiday travel support and gifts · Anniversary gift in commemoration of the foundation · Birthday celebration gifts provided to employees · Welcome kits presented to new hires upon joining the company

Creating a Desirable Work Environment

Flexible Work Environment

System	Contents
 Flexible Working Hours System	· Operates five types of flexible commuting options to support a more adaptable work environment for employees · Employees can stagger their start in 30-minute intervals between 8:00 AM and 10:00 AM
 Half-Day Off/Partial-Day Off	· Employees can take time off in 4-hour increments (half day) or 2-hour increments (partial-day), providing greater flexibility in managing personal time
 PC-OFF System	· Sends alerts before the end of the workday to encourage employees to leave on time and restricts PC usage during annual leave or outside of designated working hours to support work-life balance

Work-Life Balance

System	Contents
 Happy Ticket	· Allows employees to leave work 2 hours early based on their personal schedules · Employees can use up to two Happy Tickets per month on dates of their choice without prior approval
 Happy Lunch	· Lunch breaks were extended from 1 hour to 1 hour and 30 minutes, providing more time to rest and engage in personal development
 Joint Annual Leave	· Encourages collective use of annual leave around public holidays, enabling employees to enjoy more flexible and extended time off

Operation of 'Noriday' for Work Autonomy

- Noriday, No Leader Day
 - Performing duties with greater ownership among employees while managers take annual leave on one designated day per month
 - Enhancing autonomy and fostering a stronger sense of responsibility toward work

Noriday

Eligible employees	Leadership Positions including Executives, Team Leaders, Branch Managers, Center Managers, Office Heads, and Part Leaders
Content	Designated annual leave taken once a month by managers
Designated day	Dates are assigned on a rotating basis by each business division

Retention Initiatives for Female Talent

- Creating a stable work environment for female talent and supporting the enhancement of work focus
 - Supporting work-life balance by operating parental leave systems
 - Operating 'Oasis,' a rest area for female employees (equipped with amenities such as Ceragem, one-person recliners, and heating pads)



Female Employee Rest Area 'Oasis'

Talent Management

Strategy

Creation of a Family-Friendly Culture

Operating Family-friendly Programs

Family-friendly Programs

Program	Contents
 Family Love Day	· Implementing a regular on-time departure system every Wednesday and Friday · Encouraging all employees to leave work on time through in-house broadcasts and guidance emails at 5:50 PM
 Reduced working hours during pregnancy	· Female employees within 12 weeks of pregnancy or after 36 weeks are eligible for a reduction of 2 working hours per day, with no reduction in pay)
 Maternity leave	· 90 days of maternity leave provided, split before and after childbirth
 Reduced working hours during childcare period	· Employees may apply for reduced working hours instead of taking full childcare leave
 Childcare leave	· Available for employees raising children under the age of 8 or in the second grade of elementary school or below
 Support for large families	· Vehicle support (Carnival van) for households with three or more children
 Celebratory gifts	· Pregnancy gift (Maternity body lotion fruit set) · Childbirth gift (infant formula/diapers) · Wedding anniversary gift (cake and bouquet)
 Entrance gift	· Gift provided when a child enters elementary school
 Childcare leave for elementary school entry	· Up to 12 months of leave available for employees when their child enters elementary school
 Exam encouragement gift	· Encouragement gift provided for children taking the national college entrance exam
 Workplace daycare center	· Operating a daycare center for employees with children under 3 years old · Monthly parking support provided for employees using the daycare

LGL STORY

LGL Family Day

Hosting 'LGL Family Day,' an event inviting employees' families to the company

- Hosting a 2-day, 1-night event attended by a total of 120 employees and family members
- Conducting various events for employees' children, including an office tour

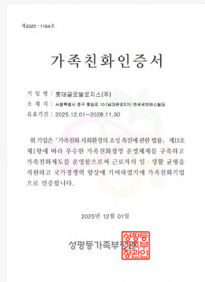


LGL Family Day



Family-friendly Management Certification Obtained

- Obtaining the Family-friendly Excellent Company certification by the Ministry of Gender Equality and Family
 - Progressing with recertification after marking a first in the industry with the initial certification in 2022
- Certification period : December 1, 2025 – November 30, 2028



Family-friendly Management Certification

Lotte Love Family Festival

- Participating in the Lotte Group family-friendly event
 - Attended by approximately 15,000 participants—including Lotte Group's domestic and overseas employees, their families, and children participating in social contribution programs—by renting out the entirety of Lotte World in Jamsil, Seoul



Lotte Love Family Festival

Victory in the Giants Cup Lotte Group Baseball Tournament

- Achieving the final championship in the Lotte Group Baseball Tournament
 - Fostering a sense of belonging and establishing a flexible organizational culture through sports activities
 - Inviting baseball team employees' families to watch the games



Lotte Group Baseball Tournament Awards Ceremony

Talent Management

Risk Management

Working Conditions and Labor Practices

Employment Regulations and Collective Agreements

- Establishing standards for working conditions and protection of labor rights
 - Clearly defining standards for working conditions and labor rights protection through employment regulations and collective agreements
 - Preparing detailed standards for major working conditions, including working hours, wages, and employee benefits
- Managing regulations based on rules and continuous improvement
 - Operating regulations that reflect relevant laws and international standards
 - Inspecting the status of system operations, and deriving and implementing improvement tasks



Organizational Culture Diagnosis and Management

- Conducting organizational culture and work environment diagnoses
 - Checking the level of organizational culture through employee surveys and diagnostic activities
 - Identifying the current status of the overall work environment and deriving areas in need of improvement
- Driving improvement activities based on diagnosis results
 - Establishing action plans and managing the implementation of derived improvement tasks
 - Promoting organizational culture improvement through continuous monitoring



Employment Security and Advanced Notice

- Operating systems to secure employment stability
 - Applying human resources operation standards that consider the protection of workers' rights and interests
 - Operating management systems to maintain employment and strengthen stability
- Complying with advanced notice procedures during employment changes
 - Implementing advanced notice procedures when major changes, such as restructuring, occur
 - Operating human resources procedures in accordance with fair and transparent standards



Provision of Annual Paid Leave

- Operating systems to guarantee the right to rest
 - Operating criteria for granting and using annual paid leave in accordance with the Labor Standards Act
 - Guaranteeing the right to rest by establishing annual leave standards and applying the system
- Promoting and managing leave utilization
 - Encouraging leave utilization and supporting work-life balance
 - Managing unused leave and operating compensation systems



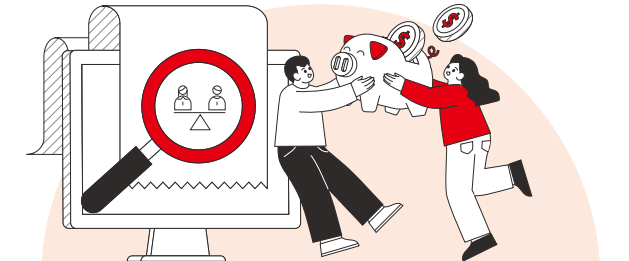
Monitoring and Action for Wage Discrepancies

- Operating a fair wage system
 - Securing fairness by applying job- and performance-based compensation standards
 - Calculating and operating wages based on reasonable standards
- Inspecting and managing the wage gap
 - Inspecting the occurrence of wage gaps caused by irrational factors, such as gender
 - Establishing improvement measures and managing implementation when gaps occur



Payment of Competitive Wages

- Setting wage levels that reflect external standards
 - Setting wage standards considering minimum wage and living wage levels
 - Operating wage levels that reflect regional and industry characteristics
- Managing fair and transparent wage payments
 - Clearly operating payroll calculations and payment standards
 - Securing transparency in wage payments by disclosing salary details



Occupational Safety and Health

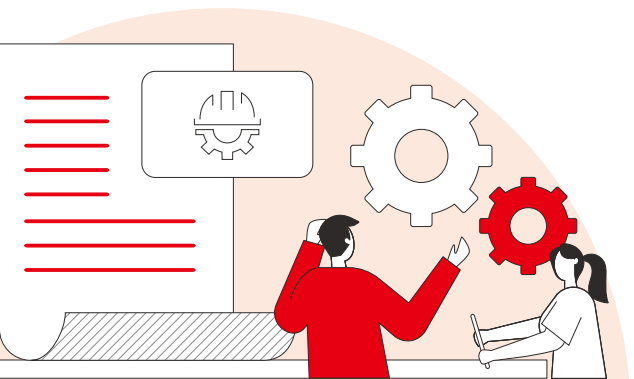
Governance

Board of Directors

- Resolving on the establishment of the occupational safety and health plan
- Deliberating and resolving on the approval of the occupational safety and health plan, as well as related goals, budgets, workforce operation plans, and policies
- Resolving one agenda item related to occupational safety and health at the Board of Directors (BOD) meeting in 2025

Management

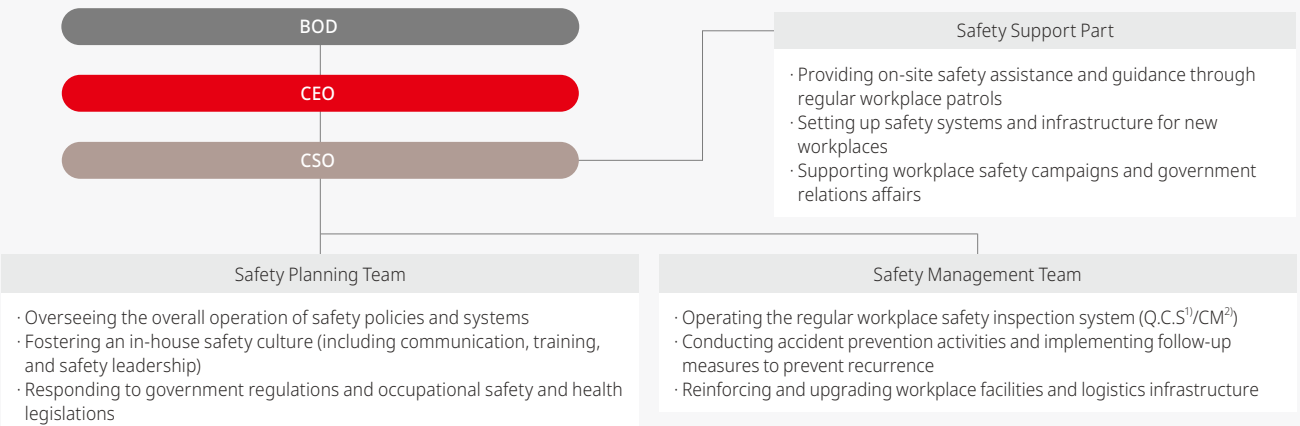
- Establishing an occupational safety and health management system centered on the Chief Safety Officer (CSO)
- Overseeing the operation of the dedicated organization in accordance with the Occupational Safety and Health Act
- Managing the company-wide occupational safety and health management system and supporting decision-making by reporting key details to the Board
- Managing nationwide workplaces by dividing them into regions, and directing safety leaders for each region and managers for each workplace
- Conducting preventive inspections and risk monitoring
- Supervising comprehensive safety inspections and special inspections for all workplaces



Dedicated Organization

- Supervising comprehensive safety inspections and special inspections for all workplaces
 - Producing and distributing customized safety and health management manuals for on-site facilities, including nationwide logistics centers and courier terminals
 - Preparing for the International Standard for Occupational Safety and Health Management Systems (ISO 45001) certification and conducting internal audits
- Conducting and inspecting risk assessments
 - Supervising regular and occasional risk assessments, identifying potential risk factors in workplaces, and inspecting the implementation of corrective measures
- Spreading safety education and culture
 - Operating safety and human rights education programs for employees and partner companies
- Operating occupational safety and health KPIs
 - Recognizing safety as a core pillar of management, and establishing and evaluating occupational safety and health KPIs that reflect the characteristics of each organization annually
 - Operating evaluation indicators by dividing them into leading indicators (preventive activities) and lagging indicators (management performance) for serious accident prevention and systematic safety management
 - Intensively inspecting the execution of risk assessments and the improvement rate of risk factors as leading indicators

Organizational Structure for Occupational Safety and Health



1) Q.C.S : Lotte Global Logistics' unique safety inspection system
2) CM : Lotte Construction CM Safety Consulting

Occupational Safety and Health

Strategy

Safety and Health Management Goal

Mid- to Long-Term Roadmap of Safety and Health Management



Occupational Safety and Health Investment

(Unit : KRW million)

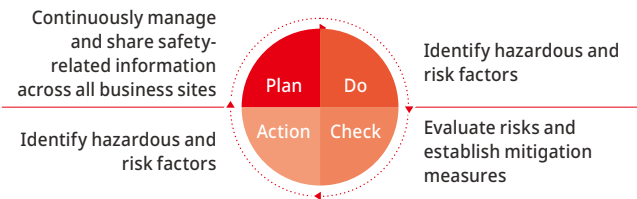
Category	'25 Performance	'26 Plan	YoY
Total	57,682	61,404	6.5%
Safety and Environment Improvement	16,873	19,300	14.4%
Safety Organization Operation	30,455	31,455	3.3%
Safety Facility Management	8,570	8,762	2.2%
Safety Equipment Procurement	1,746	1,840	5.4%
Safety Education and Training	38	57	49.7%

Framework for Safety and Health Management

Safety and Health Management Strategy

ESG Focus Areas	· Building a safety-and-health-centered work environment
Strategy (Vision, Mission, and Direction)	· Establishing a safety ecosystem for Lotte Global Logistics
Detailed Implementation Plans	· Establishing a self-directed accident prevention system through risk assessments · Building safety and health partnerships · Enhancing the level of safety and health management for managers · Improving the working environment at logistics business sites · Managing accident prevention for major hazardous machinery and facilities

Core Elements of the Safety and Health Management System



Core Values of Safety, Environment and Health Management



Safety and Health Management Policy

- Setting safety and health as our top management objective and deploying safety management
- Operating an occupational safety and health management system in compliance with domestic and international standards, including the Occupational Safety and Health Act, the Serious Accidents Punishment Act, and ISO 45001
- Applying a consistent safety and health management system across all business sites to ensure a safe working environment for all employees

[Safety and Health Management Policy >](#)

Safety and Health Management Policy

Safety and Health Management Policy

We recognize safety and health as the highest priority and a core principle for securing differentiated competitiveness. We are committed to fulfilling our responsibilities and obligations to prevent accidents through clear objectives and strong execution.

01 Legal compliance

We comply with all safety and health-related laws and regulations, and strive to improve our safety and health standards through even stricter internal controls.

03 Mutual cooperation

We strengthen cooperative safety and health frameworks by maintaining and developing strategic partnerships with our partner companies.

05 Health promotion

We contribute to improving the health and quality of life of all employees through continuous health promotion activities.

02 Employee participation

We create a safe and healthy work environment by identifying and eliminating potential hazards through the active participation of all employees.

04 Preventive education

All employees enhance their safety awareness and take the lead in accident prevention through ongoing education and training.

06 Goal achievement

Recognizing safety and health as a top management priority, we are committed to achieving our safety and health objectives.

January 1, 2026
Lee Yong-Gam, Head of Health & Safety

Occupational Safety and Health

Strategy

Safety and Health Management System

Safety and Health Management System Certification

- Acquiring the International Standard for Occupational Health and Safety Management Systems (ISO 45001) certification
- Operating a safety management system based on the application of the occupational safety and health management system to all employees and strengthening industrial accident prevention activities
- Establishing an on-site, practical safety accident prevention system by focusing particularly on the risk assessment system to allow site workers to proactively control and improve risk factors



Safety Management System 'Lotte Safety'

- Developing a web and mobile-based safety management task support program
- Developing 'Lotte Safety,' a task support platform for site managers and safety managers
- Facilitating the sharing of safety inspection results, risk factor identification, corrective action outcomes, training schedules, seasonal risk countermeasures, and accident case studies

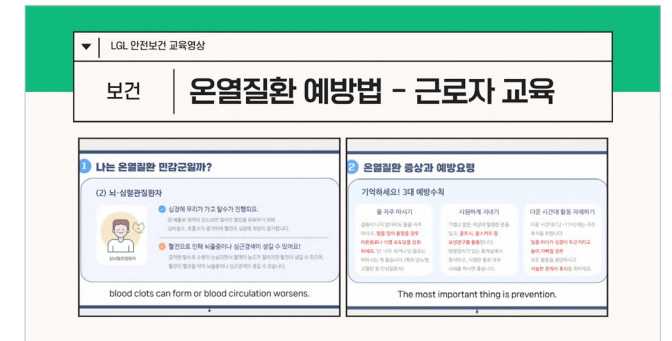
Key Features of Lotte Safety

	Safety inspections	Registering and monitoring various safety inspection results and corrective actions
	Safety training	Safety events, regular and special occupational safety and health training, and risk assessments
	Information sharing	Sharing safety-related announcements, including relevant legislations, safety issues, incident reports, and weather alerts
	Safety resource library	Upload and manage safety training materials, manuals, guidelines, and best practice case studies
	Statistical analysis	Analyze data related to safety activities, inspection results, and incidents

Safety and Health Management for Partner Companies

Reinforcement of Partner Company Safety Capabilities

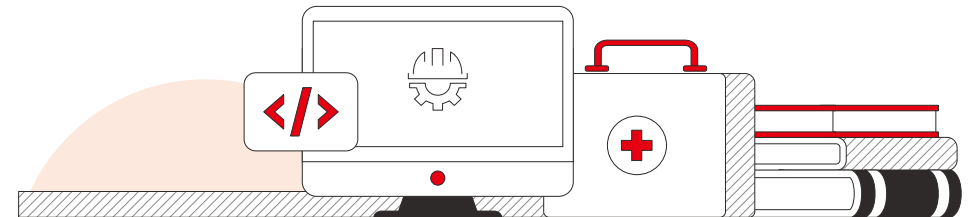
- Providing safety training for partner companies
- Distributing regular safety and health training materials to partner companies
- Supporting online training for 222 safety managers of partner companies



Safety and Health Training Program for Partner Companies

Qualified Supplier Evaluation System

- Selecting qualified partner companies with safety management capabilities
- Conducting document evaluations and on-site inspections semi-annually utilizing checklists
- Verifying and evaluating the implementation of risk assessments, TBM, and compliance with safety regulations through document evaluations and on-site inspections



Occupational Safety and Health

Strategy

Communication System for Safety

Safety and Health Communication System

- Collecting opinions from various channels to promote safety and health management
- Operating the Safety and Health Council to analyze risk factors and listen to on-site opinions for preventing safety accidents of partner companies at business sites
- Operating the Occupational Safety and Health Committee to deliberate and discuss major policies regarding employee safety and health and working environment improvements by business site
- Improving on-site risk factors through regular safety and health meetings composed of headquarters safety managers and regional safety managers

Safety and Health Communication System

Channels	Safety and Health Council	Occupational Safety and Health Committee	Safety and Health Meeting
Participants	Representatives of business sites and business partners	Representatives of divisions and employees	Health&Safety Department
Period	Monthly	Quarterly	Monthly
Discussion Topics	- Gathering feedback from partners - Suggesting agenda items and proposing countermeasures	- Collecting input from business Sites - Identifying improvement tasks for Execution	- Collecting Input from Safety Managers - Supporting Improvements and Reflecting Policies

Safety and Health Inspection System

Channels	Safety and Health Council	Supervisors' meeting	On-site TBM ¹⁾
Period	Site Managers and Partner Companies	Process-Specific Supervisors at Business Sites	On-Site Team Leaders and Team Members
Frequency	Monthly	Weekly	Daily

1) TBM (Tool Box Meeting) : Pre-work safety briefing

Operation of Participatory Communication

Safety HOT-LINE >

Channel 'Safety HOT-LINE'

- Building an integrated online safety communication system
 - Operating a dedicated online-based safety hotline to gather safety-related concerns and risk factors from employees and on-site partner workers
 - Launching a mobile hotline utilizing a website link and KakaoTalk channels
 - Taking appropriate corrective actions based on reports of potential and actual risk factors, including near-misses and safety improvement suggestions, to reinforce worker safety



Safety hot-line



Strengthening of Safety and Health Communication

- Publishing the safety and health bulletin 'SAFETY-NEWS'
 - Issuing the weekly safety and health trends report 'SAFETY-NEWS' targeted at all employees and partner workers
 - Sharing the weekly trends report on the company intranet covering the latest safety issues and trends to raise awareness of safety and health
 - Issuing the monthly safety newsletter 'LGL Safety News' once a month to inspire company-wide safety awareness
 - Providing domestic and international safety and health policy trends, industry issues, and major incident case analyses through online and offline channels
- Conducting regular safety and health surveys and reflecting improvement initiatives
 - Conducting safety and health surveys for workers to assess safety and health awareness levels and utilizing the results to guide improvement initiatives in vulnerable areas



Safety News



Occupational Safety and Health

Strategy

Employee Health Promotion System

Employee Health Promotion Support

- Operating various programs, including health examination support, to help manage employee health

Program	Contents
Health Checkups for Employees	· Comprehensive health checkups are provided to employees aged 35 and older, or those at the managerial level and above · Support is also extended to one family member of each eligible employee
Group Accident Insurance Enrollment	· All employees are covered under a group accident insurance plan, offering protection against injuries and illnesses · Coverage includes compensation for accidental death, permanent disability, and actual medical expenses for hospitalization and outpatient care · Additional support includes coverage for three major non-covered services and diagnostic benefits for major cancers
Mental Health Care Program	· In partnership with a professional Employee Assistance Program (EAP¹⁾) provider, emotional support and counseling services are offered to all employees

1) EAP (Employee Assistance Program)

Mental Health Care Program

Target	Employees of Lotte Global Logistics
Utilization	In-person, video, phone
Counseling topic	Interpersonal relationships at work, work stress, organizational adaptation, psychological examination, and parenting
Utilization Metric	A total of 238 sessions conducted throughout 2025



Safety and Health Management for Delivery Drivers

Health Promotion Support for Direct and Agency Delivery Drivers

- Providing a health management support program for delivery drivers in collaboration with the Ministry of Employment and Labor and the Korea Occupational Safety and Health Agency (KOSHA)
 - Dispatching a medical examination bus staffed with professional medical personnel to serve approximately 10,000 agency-affiliated delivery drivers
 - Conducting health checkups, including blood tests and screenings tailored to the nature of delivery work, with all examination costs fully covered by Lotte Global Logistics
 - Continuously expanding examination items, including the addition of liver function and electrocardiogram (ECG) tests since 2024, and thyroid tests in 2025
- Providing personalized health improvement guides after analyzing examination data using DHAT (Digital Health Assessment Tool)

Health Checkups for Delivery Drivers



Over 10,000 Direct and Agency Delivery Drivers



Health Checkup Bus for Delivery Drivers

Driver Safety Management Through Real-Time Vehicle Monitoring Systems

- Building a digital-based integrated Fleet Management System (FMS)
 - Optimizing asset management and collecting vehicle operation data through the introduction of the Fleet Management System (FMS)
 - Preventing traffic accidents by correcting driving habits and reducing greenhouse gas emissions through enhanced fuel efficiency
 - Providing feedback on risky driving behavior analysis, such as sudden acceleration, sudden deceleration, and speeding, through automatic transmission of driving records for each vehicle to the Korea Transportation Safety Authority's ETAS
- Installing 18 FMS terminals on company-owned vehicles in 2025 (Cumulative : 100 units installed)

Installation of FMS Terminals on Company-Owned Vehicles



Cumulative : 100 Units



FMS terminal

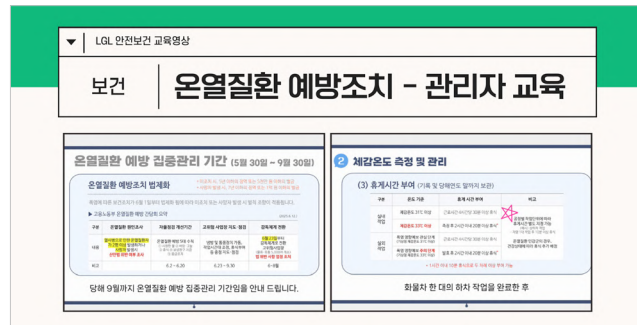
Occupational Safety and Health

Strategy

Safety and Health Culture Spreading

Safety Leadership Training

- Strengthening the capabilities of safety managers
 - Conducting safety leadership training for internal and partner company safety managers



Safety Leadership Training

CPR Instructor Certification for Regional Safety Leaders

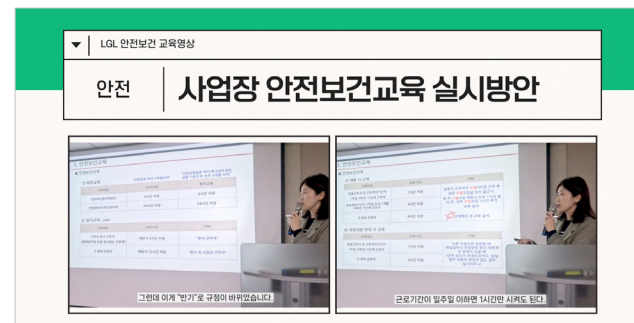
- Enhancing safety expertise and building emergency response foundations
 - Acquiring CPR instructor certifications for 11 regional safety leaders
 - Conducting internal in-house CPR training and delivering CPR education to site managers during business site inspections

(Unit : Persons, Hours)

Category	No. of Trainees	Training Hours
Safety and Health Managers	176	6
Supervisors	199	16
Employees (First/Second Half)	2,217	-
Desk Workers	701	12
Field Workers	1,516	24

Production of Safety Training Videos

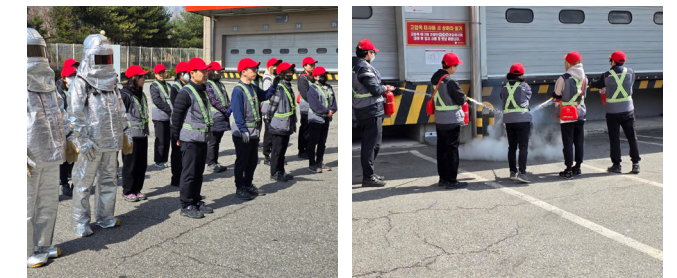
- Advancing safety and health training content
 - Producing safety training videos in-house based on real accident cases to enhance the effectiveness and realism of training
 - Mandatory pre-work safety training videos in conjunction with TBM
 - Developing and distributing monthly safety and health training materials tailored to the specific characteristics of each business site to be utilized as internal training resources



Safety and Health Training Program at Business Sites

Safety Culture Campaigns

- Embedding a company-wide safety culture through regular safety activities
 - Designating the 4th day of each month as 'Safety Day' to implement safety culture events and campaigns
 - Conducting safety training and fire drills for managers and site supervisors at each business site
- Conducting campaigns to prevent heat illness at business sites
 - Sharing guidelines for heat illness prevention activities targeted at site managers
 - Distributing heat illness prevention supplies, including bottled water, glucose supplements, and cooling arm sleeves, to 13 TLS and 16 LM business sites



Fire Drills at Business Sites

- Deploying on-site safe driving campaigns
 - Conducting safe driving campaigns for freight trucks to internalize the culture of complying with safety rules at logistics sites
 - Distributing safe driving rule posters to all business sites and logistics hubs nationwide to raise continuous awareness
 - Conducting customized in-person training at nationwide branches and centers covering traffic laws, safe driving practices, and vehicle inspections
 - Contributing to the reduction of accident rates compared to the previous year through continuous campaign operations

Occupational Safety and Health

Risk Management

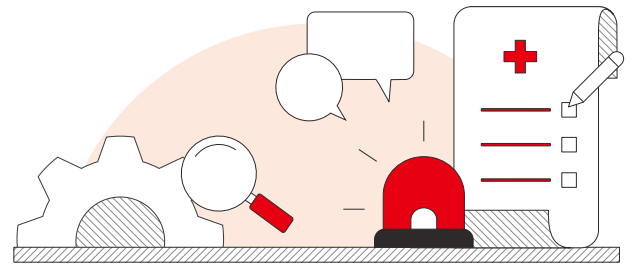
Occupational Safety and Health Risk Control

Occupational Safety and Health Regulatory Compliance

- Operating preventive programs for occupational safety and health regulatory compliance
 - Running company-wide preventive programs that reflect the latest disaster response trends to strictly comply with major safety regulations, including the Serious Accidents Punishment Act and the Occupational Safety and Health Act
 - Developing statutory compliance evaluation checklists and conducting regular on-site inspections to identify vulnerabilities and implement immediate improvements
 - Managing legal risks proactively through continuous monitoring of legislative enactments and amendments along with systematic follow-up measures

Guarantee and Activation of Employee Authority to Cease Operations

- Establishing criteria and procedures for exercising the authority to cease operations
 - Guaranteeing the right of employees to immediately cease operations and evacuate in the event of an imminent risk of industrial accidents or occurrence of serious disasters
 - Reporting immediately to supervisors after ceasing operations upon detecting imminent dangers during regular inspections, discovering signs of serious disasters such as collapse, electric shock, and fire, or encountering operational risks due to severe weather conditions
 - Prohibiting any disadvantage or dismissal regarding personnel affairs for employees who cease operations on legitimate grounds



Accident Response System

Accident Investigation Process



Prompt response to accident

- Immediate action is taken upon occurrence of any safety and health incident
- All incidents, including minor ones, must be reported immediately to the Safety Management Team and the safety parts of business divisions



On-site inspection and identification of hazards

- Identify risk factors and establish correction measures



Root cause analysis

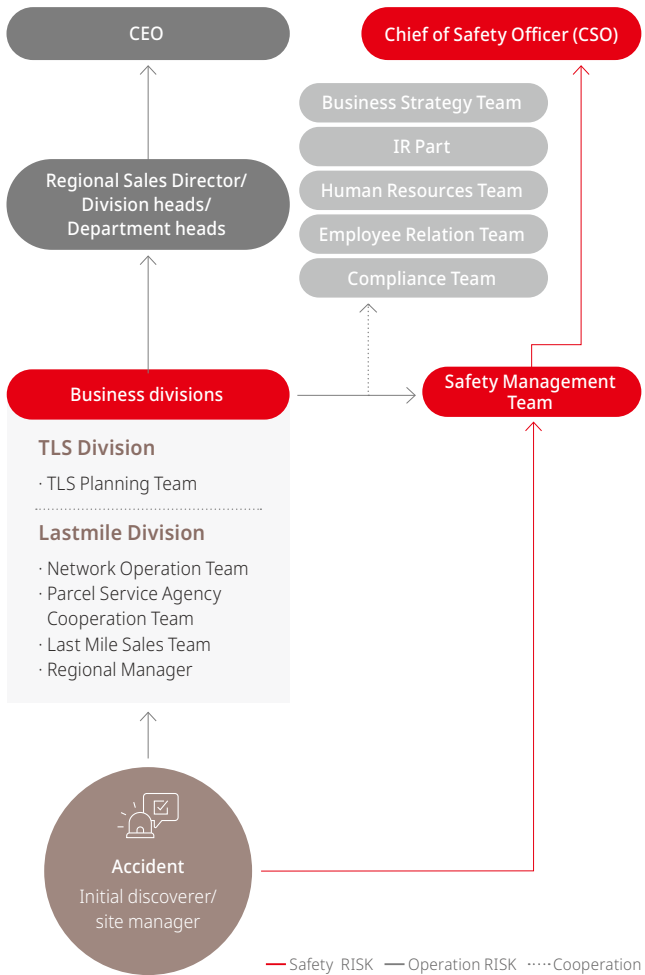
- Root cause analysis and recurrence prevention measures



Ongoing risk assessment and reinforcement of preventive actions

- Conduct regular risk assessments
- Continuously step up preventive measures to avoid similar accidents

Accident Reporting System



Occupational Safety and Health

Risk Management

Occupational Safety and Health Risk Control

Safety AUDIT

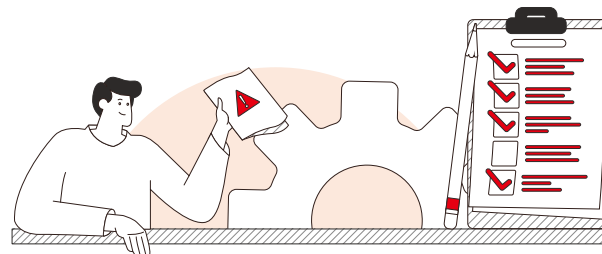
Steps in the Safety Audit System



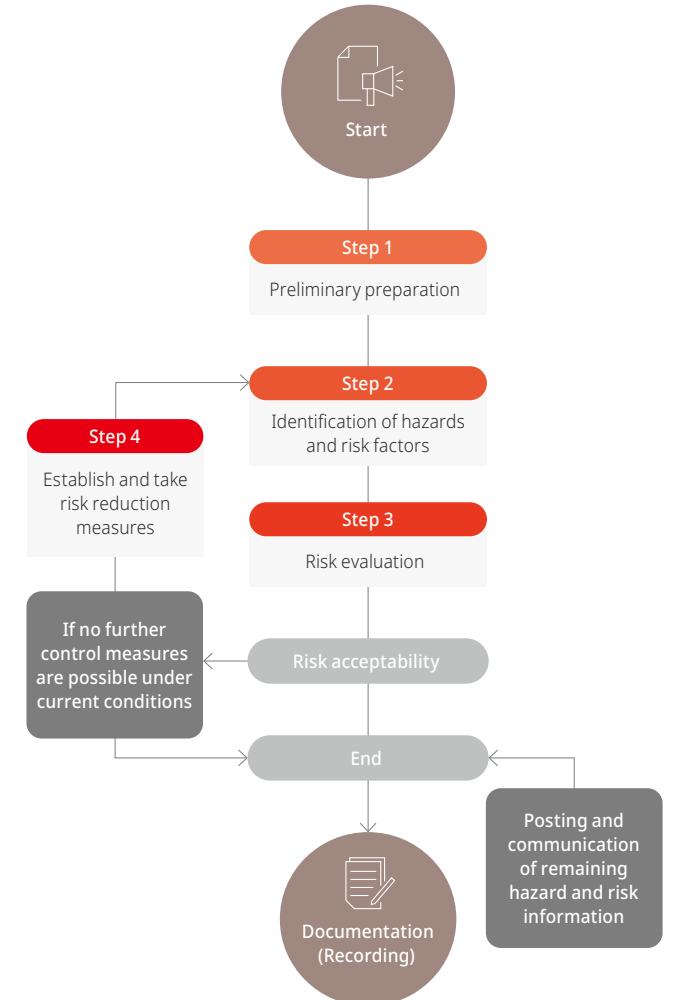
1) Enforcement Decree of the Serious Accident Punishment Act, Article 4, Clause 3
2) Enforcement Decree of the Serious Accident Punishment Act, Article 4, Clause 9

Risk Assessment

- Establishing a company-wide risk assessment framework
 - Conducting regular and ad-hoc assessments with the direct participation of both our employees and partner company workers
- Reporting and response to risk assessment results
 - Reporting assessment results regularly to the Head of the Health&Safety Department and each business division director to support decision-making and prioritize resource allocation
 - Communicating identified hazards and risk factors to site workers in real time through TBMs to prevent accidents
- Standardization of risk assessment
 - Standardizing risk assessments by process to ensure consistent criteria and risk levels across all sites
- Roadmap for serious accident reduction and voluntary safety management support
- Training and support for risk assessment
 - Providing risk assessment methodology training and support systems for site managers across all business sites
- Tracking outcomes and results of risk assessments
 - Assessment Items : Varying by business site (conducted on a regular, ad-hoc, and routine basis)
 - Identified Areas for Improvement : Insufficient documentation of risk assessments, omission of hazard and risk factor identification by process, etc.
 - Remediation Completion Rate : 100%



Risk Assessment Process



Occupational Safety and Health

Risk Management

Reinforcement of On-Site Safety Management

Business Environment and Safety Improvement Activities

Pilot Study of Humanoid Robots at Logistics Sites

Conducting the industry's first pilot study on bipedal AI humanoid robots

- Selecting the 'Bipedal AI Humanoid Robot Pilot Study' as a national project conducted jointly by the company, a robotics specialized enterprise, and university researchers
- Training the robot with logistics operation data, including precise tasks such as picking and packing

Preventing musculoskeletal disorders through humanoid robot pilots at logistics centers

- Preventing industrial accidents, such as squeezing and jamming injuries that may occur during operations
- Deploying robots in high-risk, repetitive processes to prevent human errors and accidents



Logistics Site Pilot of Bipedal AI Humanoid Robots

Exoskeleton Suit PoC for Musculoskeletal Disorder Prevention

Conducting an exoskeleton suit PoC¹⁾ to prevent musculoskeletal disorders in workers

- Conducting the exoskeleton suit PoC at the Osan Mart Center in March 2026
- Reducing the average handling time for heavy items exceeding 5kg by approximately 13.7%, and reducing erector spinae muscle usage by 17% when handling high-weight items exceeding 10kg

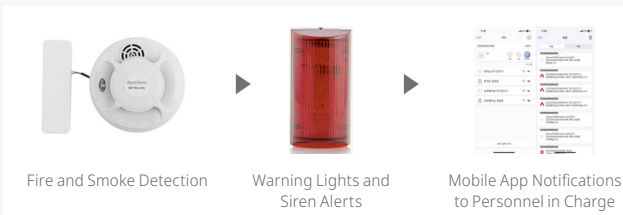


Exoskeleton Suit PoC

Introduction of Wireless Fire Alarm Systems

Applying wireless fire alarm systems to the Incheon Terminal and Bucheon Distribution Center

- Installing wireless fire detectors and warning sirens, with real-time integration via a smartphone application
- Expanding the system to unstaffed business sites and business sites with insufficient firefighting facilities



Wireless Fire Monitoring System

EV Fire Response and Safety Infrastructure Reinforcement

Establishing early fire suppression processes and preventing thermal runaway phenomena where battery temperatures rise rapidly during EV fires

- Providing 40 specialized water nozzles capable of directly spraying water onto underbody EV battery packs for small and medium-sized business sites lacking internal hydrant systems

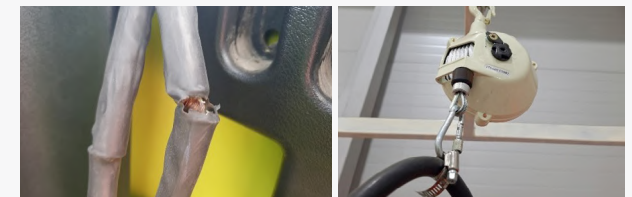


Training on the Use of Underbody Water Nozzles

Enhancement of Forklift Safety Equipment

Enhancing the safety of forklift charging systems

- Mandating the attachment of charging connectors (for handles) to prevent power cable disconnection and fires
- Installing spring balancers for charging cables to prevent cables from being left on the floor, trampled by forklifts, or worn out, thereby preventing electric shock accidents



Damaged Sheathing on Forklift Charger Cable

Installation of Spring Balancer to Prevent Sheathing Damage

Occupational Safety and Health

Risk Management

Reinforcement of On-Site Safety Management

Safety Risk Inspection Activities

- 2025 Q.C.S inspection¹⁾ overview
 - Period & scope : February to September 2025, covering 224 business sites
 - Approach : Completion of improvements within one week following semi-annual unannounced safety inspections
 - Focus areas : Intensive inspection of key items, including risk assessment, management of wiring devices, and forklift safety rules, as well as conducting and verifying fire drills during inspections
- 2026 Q.C.S inspection plan
 - Period & scope : February to October 2026, covering 263 business sites
 - Approach : Modifying key inspection items, including the adequacy of risk assessments and smoking management
 - Focus areas : Expanding the inspection scope to include outsourced business sites and other target locations
- Seasonal Thematic Inspections
 - Conducting customized special inspections by period to proactively block risks of special disasters and safety accidents associated with seasonal factors
 - Designating safety inspection themes to respond to seasonal risk factors, such as wind and flood damage, heat illness, and cold illness, through targeted analysis
 - Expanding operations to conduct fire prevention inspections on a year-round basis

1) Q.C.S Inspection : Lotte Global Logistics' Proprietary Safety Inspection System,
Q (Quality), C (Cleanliness), S (Safety)

Enhancement of Safety Accident Response Capabilities

- Installing intelligent CCTV systems
 - Capturing abnormal behaviors in real time, such as worker collapse, prolonged loitering, and unauthorized area intrusion
 - Providing proactive alerts by detecting signs of accidents (unsafe behavior detection) in real time



EV Fire Spread Prevention Training

- Conducting field-tailored fire response training
 - ▶ Conducting EV fire spread prevention training at 40 major business sites nationwide equipped with EV charging infrastructure
 - ▶ Providing education on the use of underbody water nozzles, which are specialized equipment for extinguishing EV battery fires
- Producing and distributing EV fire prevention educational content
 - ▶ Educating personnel on response methods upon detecting abnormal signs during EV operation and charging
 - ▶ Producing and distributing video content to business sites, including step-by-step fire suppression and evacuation scenarios

LGL STORY

Participation in the Large-Scale Logistics Center 'Fire Safety Pilot Project' Governed by the Ministry of Land, Infrastructure and Transport

- Participating in government-led fire safety research and development
- Being selected as the preferred operator for the pilot project governed by the Ministry of Land, Infrastructure and Transport
- Advancing fire safety technologies for logistics facilities in cooperation with the Korea Institute of Civil Engineering and Building Technology (KICT)

Building customized fire safety infrastructure by logistics hub

- Applying evacuation guidance systems at the Jincheon Mega Hub Terminal, and fire shutters and semi-non-combustible exterior walls at the Icheon Outsourcing Center
- Establishing fire detection facilities responsive to condensation and freezing in the cold storage warehouse of the Yangsan Automation Center

Verifying the effects and piloting smart evacuation systems

- Adopting Smart Guides (laser-based evacuation guidance) and conducting joint public-private fire drills
- Improving on-site responsiveness and safety, with expectations to shorten evacuation times by approximately 20%



Consumer-Centered Management

Governance

Board of Directors

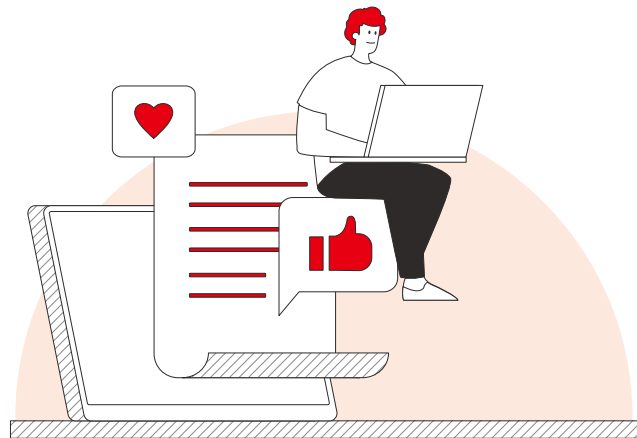
- Deliberating and deciding on mid- to long-term strategic directions for consumer-centered management and the protection of consumer rights
- Supervising company-wide customer satisfaction metrics and major service risks

Management

- Overseeing overall customer satisfaction-centered business operations and establishing decision-making systems for service improvement
- Reporting management status based on on-site service quality issues and customer feedback analysis results to the Board of Directors

Dedicated Organization

- Collecting and analyzing Voice of Customer (VOC) data and managing service touchpoints, centered around the Customer Support Team
- Driving service improvements through cooperation with operational departments

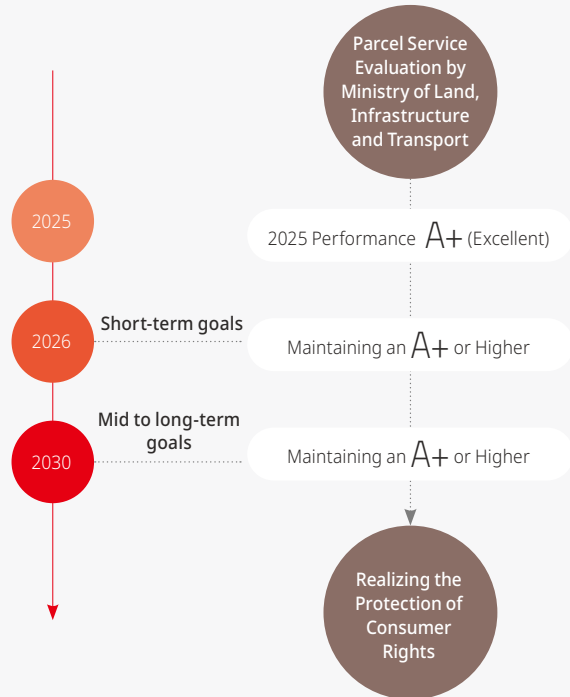


Strategy

Strategic Objectives for Consumer-Centered Management

- Establishing and implementing a mid- to long-term roadmap to maximize customer value
 - Aiming to maintain an A+ grade or higher in the Parcel Service Evaluation by the Ministry of Land, Infrastructure and Transport until 2030
 - Enhancing tangible quality innovation and brand reliability through data-driven service advancement
 - Realizing the protection of consumer rights through continuous service quality standardization and upward equalization

Mid- to Long-Term Roadmap for Consumer-Centered Management



Establishment of Consumer-Centered Management System

Acquisition of Consumer-Centered Management Certification

- Obtaining and maintaining Consumer-Centered Management (CCM) certification as the only company in the domestic parcel delivery industry
 - Acquiring CCM certification in 2023 in recognition of the excellence of our consumer-centered management system

Enhancing Customer-Centric Service Management by Mobilizing Company-Wide Capabilities

- Holding the CCM Committee inauguration ceremony and establishing a dedicated consumer-centered management organization in April 2023
- Operating service mindset cultivation and internalization programs for employees, including training based on Voice of Customer (VOC) case studies



Acquisition of Excellent Shippers and Carriers Certification

- Obtaining certification based on strengthening win-win cooperation between shippers and carriers and expanding the use of national vessels
 - Initially acquiring the Excellent Shippers and Carriers certification in March 2022
 - Successfully securing recertification in March 2025 based on achievements such as expanding the volume of national vessels used and strategically attracting shippers
 - Increasing the proportion of long-term contracts with carriers and achieving a 115% compliance rate for minimum volume commitments as of 2025

Consumer-Centered Management

Strategy

Enhancement of Customer Services

A New Standard for Hands-free Travel, 'LUGGAGE LESS'

- Maximizing customer convenience based on the value of 'Travel Light, Feel Right'
- Creating a 'Hands-Free' travel environment by operating five major hubs, including Hongik Univ. (1st location), Inspire Resort (2nd location), Paradise City Hotel (3rd location), Myeongdong (4th location), and Samsung (5th location)
- Providing freedom of movement and reducing airport dwell time by completing off-airport baggage check-in and drop-off before arriving at the airport

Implementation of Promise.D

- Operating customer-tailored 'Promise.D' services in earnest and expanding the service lineup
- Operating the Promise.D service customized to customer choices and product characteristics across diverse time slots, including morning, afternoon, and evening
- Activating the Promise.D service and expanding service types in 2025, including same-day promise delivery and designated date delivery
- Providing a differentiated last-mile experience through premium delivery services optimized for product characteristics

Expansion of Courier Service Access Points

- Building an unmanned parcel locker network centered on public hubs
 - Creating a safe contact-free logistics environment by installing unmanned parcel lockers at public hubs with concentrated floating populations, such as major subway stations and KTX stations
 - Enhancing user convenience and realizing Consumer-Centered Management (CCM) values through the establishment of a 24-hour autonomous dispatch system
 - Vitalizing the local economy through partnerships with local specialty stores

Launching URGENT Service

- Providing 'URGENT', an ultra-high-speed same-day delivery service based on rail and air infrastructure
 - Organically linking diversified transportation modes
 - Establishing a multimodal logistics system capable of same-day delivery nationwide at rapid speeds and affordable rates

LGL STORY

Awards Related to Consumer-Centered Management

Ranked No. 1 in the Korean Service Quality Index (KS-SQI) Parcel Delivery Sector for Five Consecutive Years

Being selected as the top brand in Korea's leading service quality index for five consecutive years

- Winning first place in the parcel delivery sector for five consecutive years at the award ceremony hosted by the Korean Standards Association (KSA) in November 2025
- Proving excellence in service quality across all eight core evaluation categories, including accuracy, professionalism, and kindness

Maintaining the top position in quality based on driving customer-centric service innovations

- Maximizing customer response convenience by ad-opting the industry's first AI Contact Center (AICC) and one-on-one chat consultations
- 'Proactively reflecting customer needs, including 'Promise.D' services and waybill-free parcel delivery



LUGGAGE LESS 4th location
(Myeongdong)



LUGGAGE LESS 5th location (Samsung)



Unmanned Parcel Locker Hub Services



URGENT Service



Award Ceremony for Ranking No. 1 in the 2025 Korean Service Quality Index (KS-SQI) Parcel Delivery Sector

Consumer-Centered Management

Strategy

LGL STORY

Core Client Day

Conducting the second customer appreciation forum for core clients

- Strengthening partnerships by hosting 'Core Client Day', a forum inviting core clients
- Sharing industry trends and new business opportunities by operating logistics innovation and automation sessions
- Presenting differentiated services and technological innovation directions based on customer needs



Core Client Day

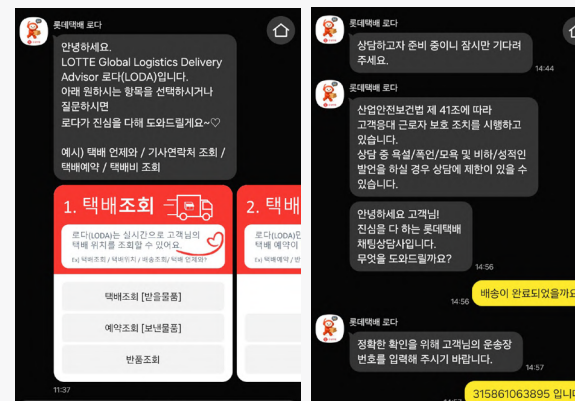
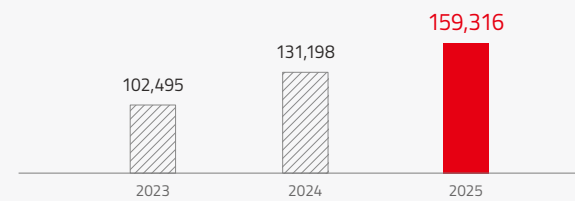
Advancement of Digital Services

AI Chatbot LODA

- Improving customer accessibility by reflecting mobile-centric consultation trends
- Introduced real-time 1:1 chat support in December 2022 alongside the existing 'chatbot LODA', reflecting customer preference for mobile consultation channels
- Providing real-time chat consultation services via mobile and PC, improving customer accessibility and reducing emotional labor for service agents

Number of Real-time Chat Counseling Cases Received

(Unit : Case)



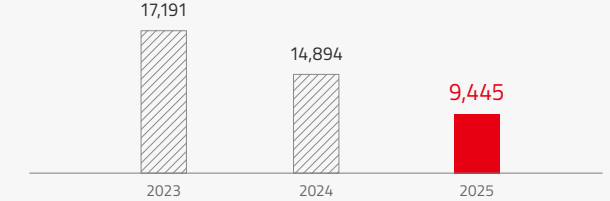
Chatbot LODA Counseling Screen

24/7 Customer Center

- Building a 24/7 inquiry reception system based on automatic voice conversion technology
- Operating a process that automatically converts recorded customer voice inquiries into text and delivers them immediately to dedicated counselors
- Providing an inquiry reception environment even during hours when counselors are not on duty

24/7 Customer Center Intake and Resolution Performance*

(Unit : Case)



* All received inquiries were handled and responded



Consumer-Centered Management

Risk Management

Monitoring and Response for Customer Issues

Consumer Damage Handling Procedure and Compensation Standards

- Complying with the Standard Delivery Terms and Conditions and operating transparent damage compensation processes
 - Disclosing the Standard Delivery Terms and Conditions on the website at all times and clearly stating the procedures for handling consumer damages by type, such as damage or loss of shipped goods
 - Transferring the case immediately to the dedicated Customer Support Team upon receipt of a damage report to ensure 100% resolution

Standard Delivery Terms and Conditions >

Customer Satisfaction Management

Customer Satisfaction Survey Targeting Consignees

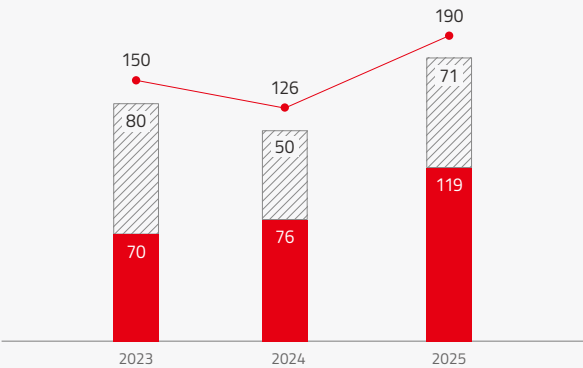
- Conducting customer satisfaction surveys for all consignees every year
 - Conducting the survey three times for all consignees (customers) who used Lotte Delivery services as of 2025
 - Providing a survey participation link via text message guidance
- Securing data to advance service quality and analyze customer needs
 - Collecting multifaceted feedback, including delivery satisfaction, service type, and preferred order channels, to use as basic data for service quality improvement
 - Enhancing the customer experience by identifying the need for functional improvements and analyzing services with high satisfaction levels

Regular Customer Satisfaction Surveys

- Conducting customer satisfaction surveys twice a year for major shippers
 - Sending online survey links to approximately 107 major customers once per half-year
- Analyzing 2025 customer service satisfaction scores and taking corrective actions
 - Achieving an overall satisfaction score of 4.2 points
 - Utilizing survey results as basic data for formulating operational and sales strategies

Korea Consumer Agency Complaint Management Performance

■ Voluntary resolved cases ■ Damage relief cases ◆ Total



Customer Satisfaction Survey Results Targeting Consignees

Category	1st Round	2nd Round	3rd Round
Survey period	4/17 ~ 5/1	7/21 ~ 8/4	11/14 ~ 12/5
No. of participants	124,204	133,123	40,451
Satisfaction score (out of 5 points)	4.85	4.85	4.71



Customer Satisfaction Survey Targeting Consignees Posters



Data Security and Protection

Governance

Board of Directors

- Establishing mid- to long-term strategic directions and deliberating and deciding on major security policies related to information protection and data security
- Supervising the operational status of the company-wide information security management system and major security risks

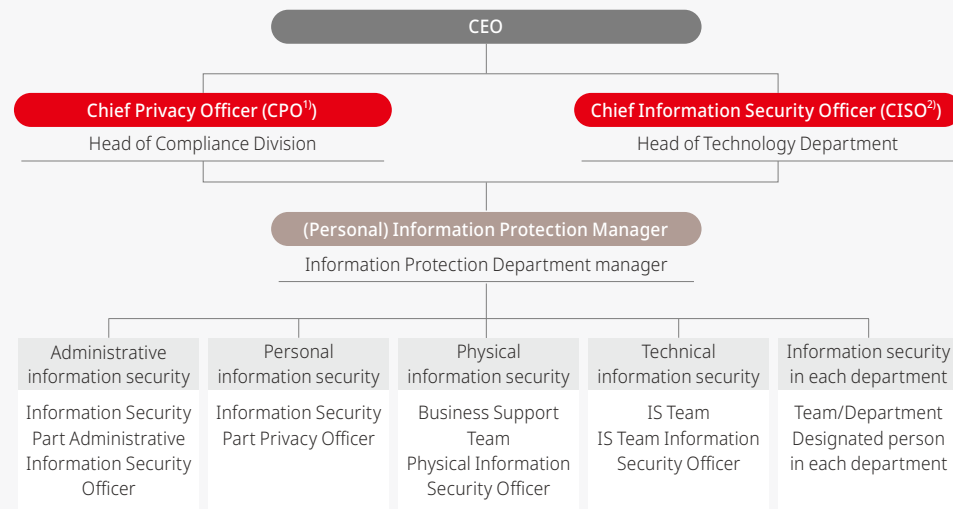
Management

- Appointing a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) to establish professional decision-making systems
- Overseeing the execution of information security strategies and managing major security-related issues and risks

Dedicated Organization

- Carrying out responsibilities such as security planning, operations, incident response, and review of security guidelines, centered around the Information Security Part
- Establishing an organic collaboration system by designating personnel for each managerial, technical, and physical security area

Organizational Structure for Data Protection and Security Management



1) CPO : Chief Privacy Officer 2) CISO : Chief Information Security Officer

Strategy

Data Protection and Security Policy

- Establishing and operating comprehensive information security management regulations along with 10 detailed security guidelines
 - ▶ Establishing robust security systems through personnel, physical, information system, and asset management guidelines
 - ▶ Setting practical risk management capabilities based on incident response, partner company security, and information security inspection guidelines
 - ▶ Managing data-related legal risks proactively by complying with personal information and location information protection guidelines

Personal Information Processing Policy

Lotte Global Logistics Personal Information Processing Policy >

- Establishing and operating a privacy policy in accordance with the Personal Information Protection Act and related laws
 - ▶ Disclosing collected personal data categories and retention periods transparently, and immediately destroying data upon achieving the fulfillment of purposes
 - ▶ Guaranteeing the right to access and correct data to protect the rights of data subjects, and implementing multifaceted technical safety measures

Data Protection and Security Management System

- Securing public credibility through Information Security Management System (ISMS¹⁾) certification
 - ▶ Operating a standardized security management system continuously since acquiring the certification in 2020
 - ▶ Maintaining the up-to-date status of the management system through annual surveillance audits and renewal audits every 3 years
- Building a secure IT infrastructure to support the stable operation of information systems
 - ▶ Operating firewalls, web application firewalls (WAF), and Intrusion Prevention Systems (IPS²⁾) to block external threats
 - ▶ Installing Secure Socket Layer (SSL³⁾) security certificates to reinforce data transmission security
- Establishing data security and access control frameworks
 - ▶ Setting encryption frameworks for storing and transmitting customer personal data and confidential company information
 - ▶ Adopting database and server access control solutions, and restricting system access to pre-authorized administrators only
 - ▶ Blocking unauthorized access by applying reinforced user authentication mechanisms

1) Information Security Management System

2) Intrusion Prevention System (A system that blocks unauthorized access attempts to our network)

3) Secure Socket Layer (A protocol that ensures data transmission security across networks)



Data Security and Protection

Strategy

LGL STORY

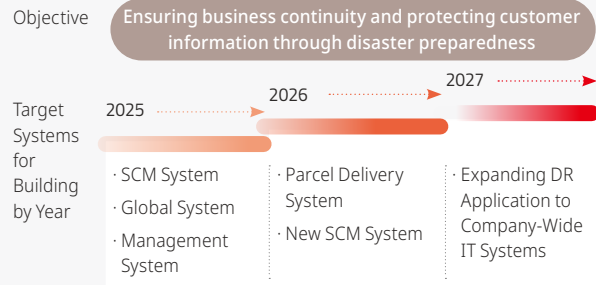
Building DR* Systems

Promoting the step-by-step building of DR* systems starting from 2024

- Preventing data loss and ensuring business continuity in disaster situations
- Building and commencing the operation of SCM, global, and management systems in 2025

* Data Recovery (Disaster Recovery)

Information Security Roadmap



Information Security Investment

- Strengthening information security capabilities and infrastructure through continued investment
- Disclosing the status of information security investments through metrics management based on relevant laws and regulations
- Investing continuously at a level of 8% relative to the overall IT budget

Information Security Investment Overview

Category	Unit	2023	2024	2025
IT budget	KRW 100 million	341	353	367
Information security	KRW 100 million	29	28	29
Information security investment ratio	%	8	8	8

Raising Information Security Awareness

- Data Security Training and Campaigns for Employees
 - Internalizing security awareness among all employees through tailored training programs conducted once a year, aligned with the latest security trends
- Job-specific Data Security Training
 - Regular online and offline training by job function to prevent incidents and enhance expertise

Data Security Training Status

① Information security training

All employees
Prevent security accidents 2,174persons

New hires
Establish basic information security awareness 28persons

Partner companies
Enhance information security awareness among partner companies 1,051companies



② Training on new technology vulnerabilities and mock hacking session

Developers and security managers
Strengthen system development and audit capabilities 13persons



③ Security certification preparation training

Security managers
Enhance information security task competencies 3persons



- Providing up-to-date security information in a timely manner to all employees twice a month
- Preventing similar incidents and raising security awareness by sharing security breach and accident case studies
- Informing employees of major security legal and regulatory updates, as well as internal security policy changes

2025년 4월 1차 정보보호 뉴스클리핑

게시자: 정보보호파트

* 본 내용은 Main → 게시판 → 업무게시판 → IT운영 → [정보보호파트] 게시판에서 열람 가능합니다.

정보보호파트에서 안내드립니다.

임직원들의 정보보호 인식 제고를 위해 매월 격주로 최신 보안 동향을 안내해 드리고 있습니다.

2025년 4월 1차 '정보보호 뉴스클리핑'을 공유해 드리오니 많은 확인 부탁드립니다.

구분	제 목	출 처
사건 / 사고	작년 개인정보 유출 신고 307건... "크리덴셜 스티링" 등 해킹 주의	디지털데일리
	'해킹' 위험스, 탈취, 정황 공개... "2년 전 자료 유출이 원인"	뉴스원
	우라카드, 가맹점주 '개인정보'로 장사... 과징금 134억 부과	보안뉴스
	스마트 계정 출치는 가짜 브라우저 창... 게이머 피해 주의	보안뉴스
	[조심] 생성형 AI 정보 유출 불안... 대안 모색 나선 국내의 보안 업체들	IT데일리
법 / 제도 / 정책	'해킹 논란' 올라고 "클라우드 서버 데이터 침해 사실무근"	ZDNET코리아
	KISA, 기업 해킹 사고 '원클릭 확인' 진단도구 선택	서울경제
법 / 제도 / 정책	개인정보위, 손해배상 책임제도 정비... 보험료 1.5배 상향	보안뉴스
	정보보안업계, 새 '국가망보안체계' 정책 대응 바자	SR타임스

Provision of Information Security Newsletter as of April 2025

2025년 7월 1차 정보보호 뉴스클리핑

게시자 정보보호파트

* 본 내용은 Main → 게시판 → 업무게시판 → IT운영 → [정보보호파트] 게시판에서 열람 가능합니다.

정보보호파트에서 안내드립니다.

임직원들의 정보보호 인식 제고를 위해 매월 격주로 최신 보안 동향을 안내해 드리고 있습니다.

2025년 7월 1차 '정보보호 뉴스클리핑'을 공유해 드리오니 많은 확인 부탁드립니다.

[주요 내용]

구분	제 목	출 처
사건 / 사고	개인정보위원회, "SKT 조사 유력 밝혀... 수개월 내 치분"	보안뉴스
	세종 기업 4곳 중 1곳... "OT 보안 불리 500만달러 미상 피해"... 가스비스키 보고서	보안뉴스
	이달 초 삼성바이오 오류... 수월 데이터센터 방화벽 문제 때문	보안뉴스
	100년 역사 독일 뉘른 기압, 맨션웨어 공격에 파산 위기	보안뉴스
	구글 애들 공식 앱스토어서 번들 앱 버섯이 유출... 암호화해 정보 노출	보안뉴스
	'지적권법 위반' 동자' 매달, 컴퓨터 유출... '발발'	보안뉴스
	최원 2인원 주민등록번호 유출된 한국인정지원센터 과징금 2억	보안뉴스
	해남 배당 주주명부 유출... 개인정보 유출로 파란색 주사 나사	보안뉴스
	아름다운 열대야, 맨션웨어 공격에 220만명 개인정보 유출... 식음료 업계 역대 최대 피해	보안뉴스

Provision of Information Security Newsletter as of July 2025

Data Security and Protection

Strategy

Raising Information Security Awareness of Partner Companies

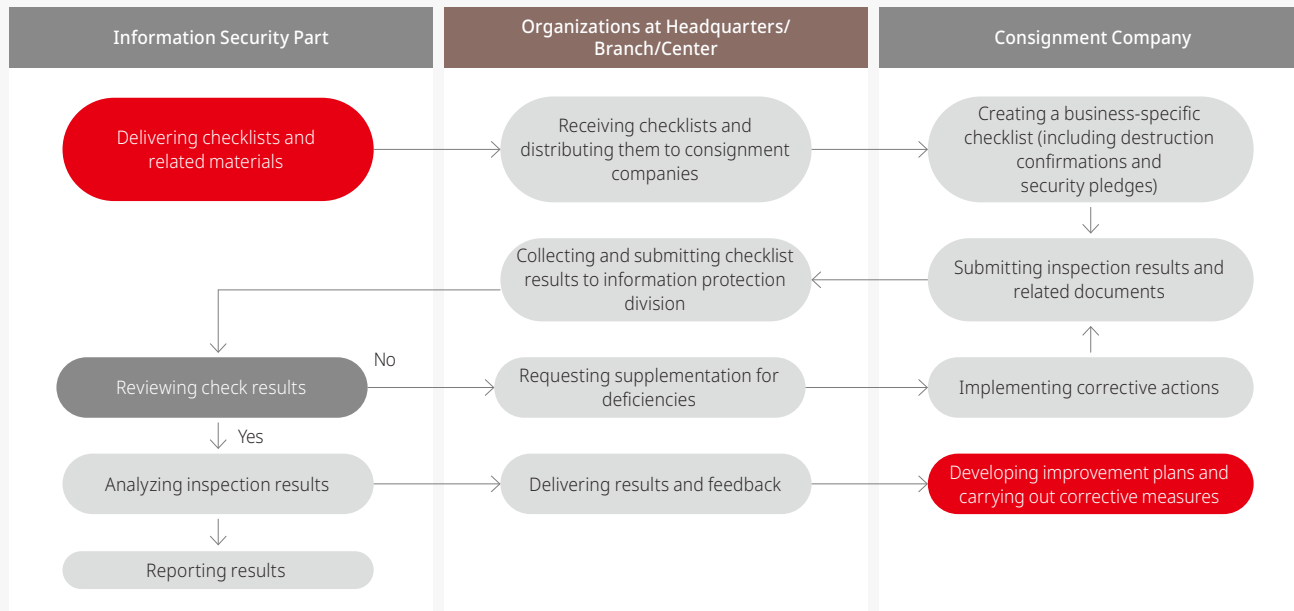
Security Audits on Partner Companies

- Operating a security audit system for partner companies to strengthen supply chain security
 - Conducting annual security audits for approximately 1,000 partner companies that handle personal data
 - Mandating the collection of security pledges and personal data destruction confirmation forms during audits
 - Providing tailored security guidelines to partner companies where deficiencies are identified to support prompt corrective measures

Security Audit Results on Partner Companies

Category	Unit	2024	2025	Note
Target Partner Companies	Companies	1,089	1,051	-
Participation Rate	%	100	100	-
Security Level Compliance Rate	%	96.3	97.7	1.4%p Increase

Security Audit Procedures on Partner Companies

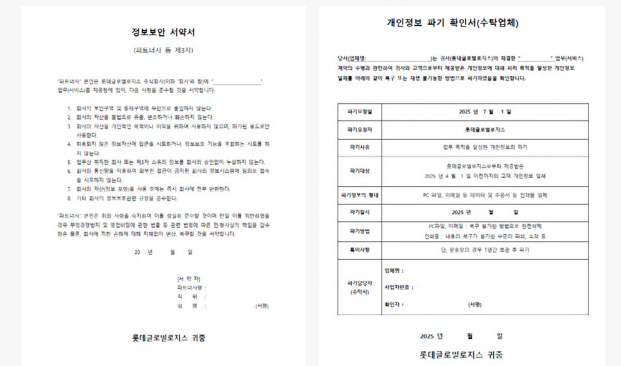


Enhancement of Information Security Capabilities of Partner Companies

- Conducting personal information protection training for partner companies
 - Sharing data processing principles based on legal grounds, and guidelines for immediately destroying personal information once the purpose is achieved
 - Informing partners of practical on-site security rules, including the prohibition of sharing IDs and passwords, and the locked storage of confidential documents



Information Security Training for Partner Companies



Security Pledge

Personal Information Destruction Confirmations

Data Security and Protection

Risk Management

Self-assessment on Personal Data Protection Practices

- Conducting quarterly self-assessments for the proactive prevention of personal data leakage risks
 - Performing regular inspections on employee PCs and office security environments based on domain-specific items
 - Enhancing the company-wide security posture through the immediate remediation of identified vulnerabilities and follow-up monitoring

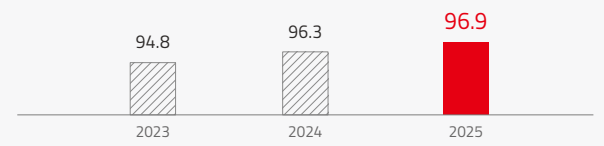
Self-assessment Checklist on Personal Data Protection Practices

Category	Items
1	Checking Installation and Execution Status of Antivirus Software
2	Checking Windows Firewall Service Configuration and Execution Status
3	Checking Configuration Status of User Shared Folders
4	Checking Configuration Status of User Shared Folders
5	Checking Installation of Latest Security Patches for PDF Programs
6	Checking Installation of Latest Security Patches for Word Processors (Hangul)
7	Checking Windows Login Password Configuration Status
8	Checking Complexity and Security Status of Windows Login Passwords
9	Checking Quarterly Password Changes (At Least Once Every 90 Days)
10	Checking Configuration Status of Remote Desktop Restriction Policies
11	Checking Restriction Status of USB Auto-run Settings
12	Checking Prohibition of Multi-Booting into Alternative Operating Systems
13	Checking Usage and Activation Status of FTP Services

Data Security Check

- Establishing data lifecycle management frameworks and strengthening access control
 - Masking data after three months from delivery completion to block unauthorized access and exposure
 - Destroying data immediately in an unrecoverable manner when business objectives are fulfilled or legal retention periods expire
- 2025 Data Security Inspection Activities and Outcomes
 - Conducting routine inspections through company-wide Clean Desk campaigns to check proper storage and prevent poor workspace management of sensitive documents
 - Enhancing individual workspace security levels by continuously increasing the self-assessment compliance rate among employees

Employee Self-Assessment Compliance Rate (Unit : %)



LGL STORY

Introduction of Automated PC Security Inspection Solutions

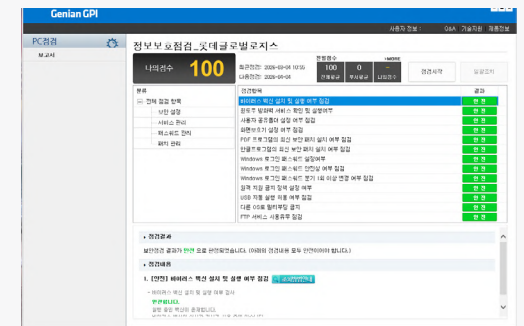
- Improving self-assessment methods and strengthening the proactive prevention of security risks
- Conducting regular automated inspections on PC security configurations across 13 items, including vaccine programs, firewalls, patches, and password policies
- Elevating security levels and blocking vulnerabilities proactively by continuously improving quarterly inspection rates and results (averaging a 96.9% inspection rate and a 93.9-point inspection score)

Cyber Security Simulation Training

- Strengthening response capabilities against advanced security threats and enhancing security awareness
 - Target : All employees
 - Frequency : Once per quarter
 - Method : Simulation training using phishing email and malware attack scenarios reflecting the latest security trends
 - Content : Practical, hands-on training focused on how to identify phishing emails and response procedures when clicking suspicious links
 - Outcome : Achieved an average infection rate of 4.2% in 2025

Cyber Security Simulation Training Results

Category	Q1	Q2	Q3	Q4
No. of total participants	2,212	2,176	2,152	2,142
No. of infected	161	37	60	104
Infection rate	7.3%	1.7%	2.8%	4.9%



Automated PC Security Inspection Solutions

Social Contribution

Governance

Management

- Establishing a CEO-Centered Social Contribution Accountability Management System
 - Organizing a dedicated social contribution team and personnel directly under the CEO
 - Establishing mid-to-long-term social contribution strategies linked with core corporate capabilities under management leadership to strengthen execution

Dedicated Organization

- Structuring a dedicated operational system centered on the Communication Team
 - Managing the entire lifecycle of social contribution programs, including new planning, operations, and follow-up management
 - Monitoring and analyzing social contribution performance systematically to continuously create sustainable social value

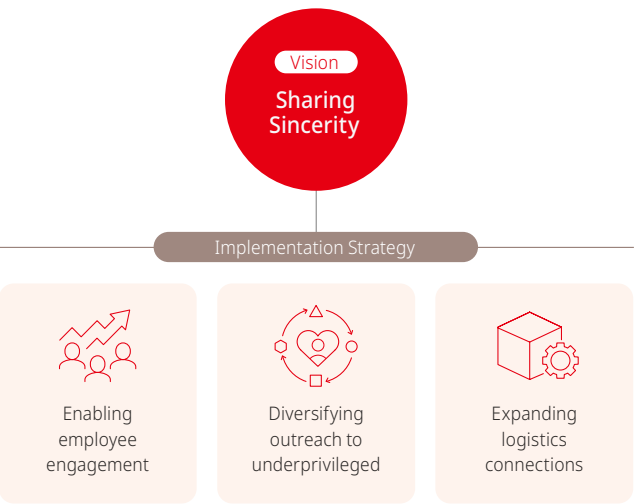


Strategy

Social Contribution System

- Social Contribution Vision Based on Core Brand Values : ‘Sharing Sincerity’
 - Expanding Lotte Delivery’s slogan, ‘Sincere Delivery,’ into the social domain
 - Organically combining business capabilities with social responsibility to create genuine social value and promote shared growth with local communities
- Realizing Sustainable Social Value Centered on Strategic Goals
 - Spreading a culture of voluntary employee participation in volunteer activities and continuously discovering new support targets and methods
 - Building a multifaceted support system to provide practical assistance to those in need, helping address blind spots in the social safety net
 - Sharing professional know-how and human and material resources accumulated through the logistics business with society, building a business-linked social value creation model

Social Contribution Implementation Strategy



Social Contribution Fund Formation

- Operating the ‘Salary Merit System’ Based on Voluntary Employee Participation
 - Since 2017, operating a program in which employees voluntarily donate a set amount from their monthly salary each month, practicing a culture of everyday giving
 - Adopting a ‘Matching Grant’ method in which the company contributes an amount equal to employee donations, expanding the scale of the fund
- Adopting a ‘Matching Grant’ method in which the company contributes an amount equal to employee donations, expanding the scale of the fund
 - As of 2025, an average of 563 employees participate each month, raising approximately KRW 30 million annually
 - Over the past three years, an average of approximately 600 employees have participated monthly, accumulating a total fund of approximately KRW 97 million
 - The fund raised is used for customized support programs for socially vulnerable groups, including persons with borderline intelligence, elderly individuals living alone, and children

2025 Salary Merit System Operation Status

Annual Fund Raised



KRW 30million

Average Monthly Participating Employees



563persons

Social Contribution

Strategy

Goals for Social Contribution

- Creating sustainable social value through the establishment of a phased roadmap
 - Expanding voluntary participation of employees and strengthening the execution foundation for social contribution activities
 - Establishing a sustainable social contribution operational system by expanding and internalizing business-linked social contribution programs
 - Improving the company's external credibility and brand value through the creation of social value from an ESG perspective

Strategic Directions for Social Contribution

Strengthening Employee Engagement

- Fostering a culture of voluntary social contribution by increasing employee participation rates
 - Expanding and internalizing voluntary social contribution participation programs
 - Strengthening the implementation of corporate social responsibility at the organizational level

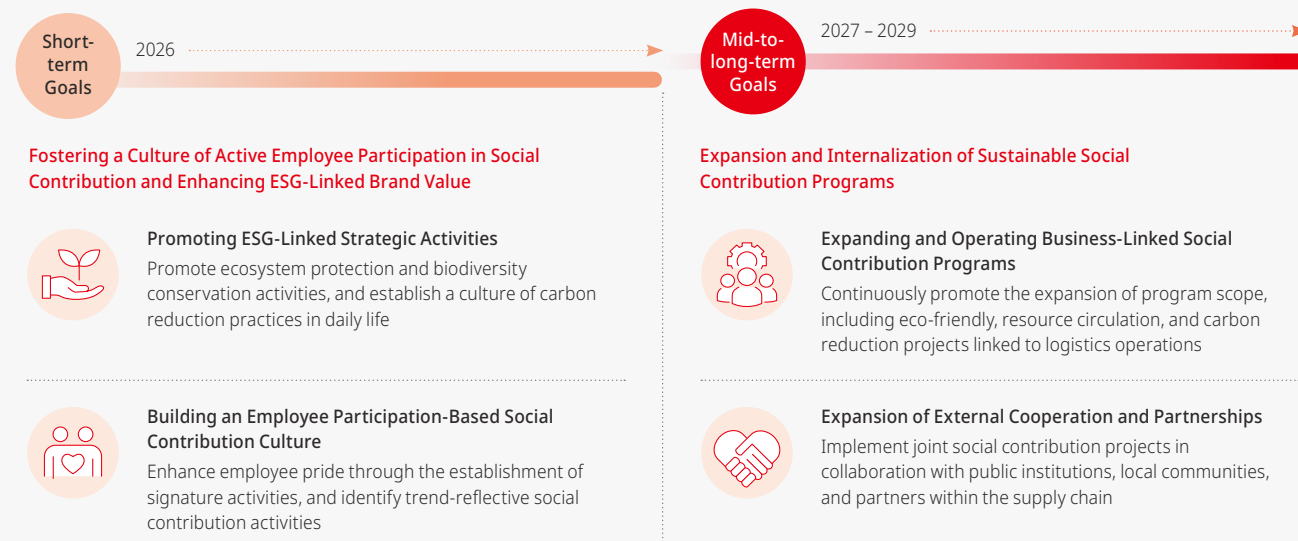
Expanding Business-Linked Activities

- Continuously expanding social contribution programs based on logistics capabilities
 - Creating social value through the advancement of business-linked social contribution projects
 - Strengthening cooperation frameworks based on mutual growth with local communities

Enhancing ESG Brand Value

- Strengthening corporate value from an ESG perspective
 - Practicing sustainability management by expanding eco-friendly social contribution programs
 - Securing external public trust by achieving an A+ grade in the Corporate Social Contribution Recognition system

Social Contribution Roadmap

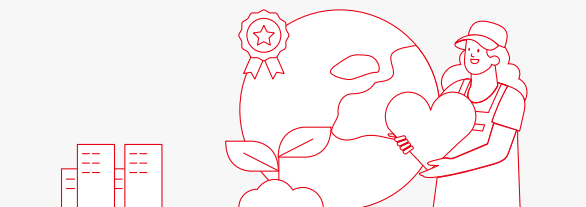


LGL STORY

Community Contribution Recognition Program Certification

Achieving the initial recognition and an outstanding grade (A+) in the Corporate Social Contribution Recognition system

- Receiving recognition for continuous community engagement and collaboration with non-profit organizations from the Ministry of Health and Welfare and the Korea National Council on Social Welfare
- Attaining the highest level of 'A+' grade by being highly evaluated for achievements in environmental management, transparent management, and the proliferation of a social contribution corporate culture
- Proving the sincerity and continuity of tailored mutual growth activities externally, including second-hand toy sharing and awareness improvement for slow learners



Social Contribution

Introduction

ESG Approach

ESG Impact

Environmental

Social

Human Rights Management

Talent Management

Occupational Safety and Health

Consumer-Centered Management

Data Security and Protection

Social Contribution

Governance

Appendix

Strategy

People

Borderline Intelligence Functioning* Awareness Improvement Activity

- Participating in a campaign to raise social awareness and improve understanding of persons with borderline intellectual functioning
 - Collaborating with the Seoul Borderline Intellectual Functioning Lifelong Education Center to participate in the Cheonggye Plaza campaign for the third consecutive year
 - Employees directly participated as on-site guide volunteers, delivering content to citizens to improve awareness of borderline intellectual functioning

- Conducting the 'Walking Together' exchange event to strengthen emotional bonds
 - About 40 employees and young adults with borderline intellectual functioning took part together in a walk along Cheonggyecheon Stream and recreational activities, building mutual understanding and rapport
 - Experiencing sharing activities such as repairing secondhand toys and packaging refreshment gifts from Cafe 'Freewhale,' operated by persons with borderline intellectual functioning

* Individuals with a Wechsler Intelligence Quotient (IQ) of 70–79, positioned at the threshold between intellectual disability and non-disability



Borderline Intellectual Functioning Awareness Improvement Activity

Practicing the Spirit of Saving Lives : Employee Blood Donation Campaign

- Spreading a culture of respect for life and realizing the value of sharing through the blood donation campaign
 - About 50 employees voluntarily participated, helping ease the blood supply shortage
 - Jointly conducting the campaign with affiliate company Daehong Communications, establishing a joint social contribution model among affiliates



Employee Blood Donation Campaign

Sharing Love through Kimchi-making Activity

- Kimchi-sharing to support basic winter living for vulnerable groups in the local community
 - Since 2024, conducting the 'Sharing Love through Kimchi-making' activity in partnership with social welfare centers
 - In November 2025, employees directly participated together with local community volunteers to prepare a total of 520kg of kimchi
 - Delivered to households of elderly individuals living alone and other vulnerable groups facing economic hardship, through Namsan Silver Welfare Center and related organizations



Sharing Love through Kimchi-making Activity

Childcare Facility Pizza Sharing Activity

- Sharing pizza with childcare facilities in the local community
 - Carrying out the activity together with the in-house Junior Board, practicing a culture of sharing among employees
 - Donating 30 pizzas made directly by employees to Namsanwon, a childcare facility near the headquarters
 - Realizing corporate social responsibility through ongoing exchange with childcare facilities in the local community



Childcare Facility Pizza Sharing Activity

Social Contribution

Strategy

Business

Donation of Unclaimed Cargo

- Donation of unclaimed cargo from the Jincheon Mega-Hub Terminal to the local community
 - Each month, sorting and classifying reusable items among the unclaimed cargo generated at the Jincheon Mega-Hub Terminal for donation
 - In cooperation with the Jincheon-gun Senior Welfare Center and Volunteer Center, delivering the donated items to underprivileged residents and households in need within the local community
 - Realizing a company-specific social contribution model that simultaneously achieves waste reduction and the enhancement of local welfare

Global

Overseas Subsidiary Social Contribution Activities

- Fire station donation by the hungarian subsidiary
 - Delivered a donation to the fire station in Tatabánya, Hungary, to help secure a fire truck
 - Supporting the strengthening of fire response capabilities within the industrial complex, contributing to the establishment of local community safety infrastructure
 - The first community give-back activity since the establishment of the Hungarian subsidiary, laying the foundation for trust within the local community



Donation to the Tatabánya Fire Station



Quarterly Emergency Evacuation Drill

Risk Management

Donation Execution and Monitoring

- Operating a transparent and fair donation execution and management system
 - Recording in detail the timing, items, amount, and purpose of donations to ensure transparency in donation execution
 - Conducting regular monitoring in accordance with internal policies and procedures
- Applying operating principles centered on social contribution purposes
 - Donations are managed within the scope aligned with the intent and purpose of social contribution activities, with consideration for public interest value
 - Verifying the appropriateness of donation recipients and content during the execution process to ensure social contribution activities align with their original purpose

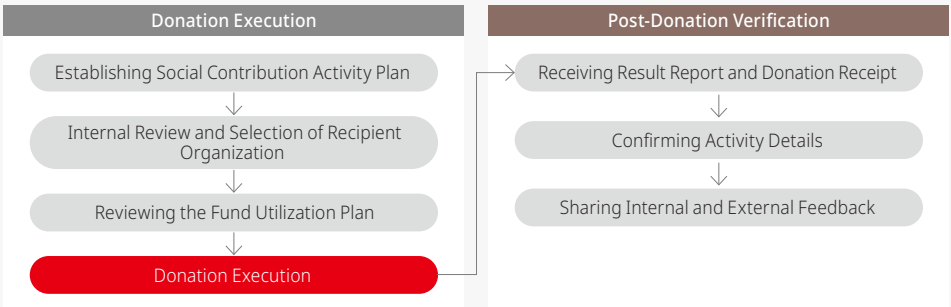
Stakeholder Engagement Process

- Operating customized communication channels by stakeholder group and collecting opinions
 - Promoting communication with key stakeholder groups related to social contribution, including local communities, non-profit organizations, and public institutions
 - Selecting key issues from the collected opinions that have a high impact on the local community and can contribute to solving social problems, and reflecting them in social contribution business strategies and plans

Local Community Communication Enhancement

- Collecting and responding to grievances based on trust with the local community
 - Collecting inconveniences raised by the local community and partner organizations arising in the course of business site operations and social contribution activities
 - Implementing appropriate remedial measures for received grievances following cause analysis and review, and establishing and carrying out improvement activities to prevent recurrence

Donation Execution and Monitoring Process



Governance

Responsible Board Management	85
Ethics and Compliance	89
Supply Chain Management	94
Risk Management	99



Responsible Management of the Board

Board Composition

Governance Principles

- Operating a responsible Board
 - Fulfilling the authorities and responsibilities of the Board in accordance with relevant laws and regulations
 - Deliberating and resolving management strategies and major corporate matters
 - Performing oversight of management's performance of duties
- Securing independence and transparency
 - Establishing governance operating principles and strengthening the independence of the Board
 - Disclosing governance information through regular public disclosures

Director Appointment

- Structure of the appointment system centered on the general shareholders' meeting
 - Appointing all directors through resolutions of the general shareholders' meeting
 - Director candidates are elected by a resolution of the General Meeting of Shareholders, with each candidate presented as a separate agenda item
- Verifying outside director candidates and securing independence
 - Recommending candidates and reviewing qualifications through the Outside Director Candidate Nomination Committee
 - Comprehensively reviewing expertise, independence, ethics, and potential conflicts of interest
- Selecting candidates focused on strategic capabilities
 - Considering industry understanding, management expertise, leadership, and organizational operation experience
 - Securing operational continuity by appointing new members when a vacancy occurs

Status of Board Composition

- Composing the Board based on independence and transparency
 - Appointing directors who meet the qualifications under the Commercial Act
 - Consisting of a total of seven directors (three inside directors and four outside directors)
 - Supporting efficient decision-making by having the CEO assume the position of Board Chairman
- Performing deliberation and oversight functions on major corporate matters
 - Deliberating and resolving matters delegated by laws and the general shareholders' meeting
 - Deciding major corporate matters, including mid-to-long-term strategies, investments, and finance
 - Performing oversight, checks, and balance functions on management's execution of duties



Board Members

(As of March 31 2026)

Director Type	Name	Gender	Main Career	Specialty	Date of Initial Appointment	Expiration Date of Term
CEO (Board Chairman)	Kang Buong-ku	Male	(Current) CEO, Lotte Global Logistics (Former) CEO of global business department, CJ Logistics	Business, logistics	2024.03.22	2029.03.21
Inside Director	Cheong Seok Ki	Male	(Current) Head of ESG Management Strategy Division, Lotte Global Logistics (Former) Head of Management Planning Department, Lotte Global Logistics	Strategy, business	2026.03.20	2029.03.19
Inside Director	Kwon Jae-beom	Male	(Current) Head of Finance Department, Lotte Global Logistics (Former) Head of Accounting Department, Lotte Global Logistics	Accounting, business	2025.03.21	2027.03.20
Outside Director	Kim Hyung-tae	Male	(Former) Head of External Cooperation Office, Samsung SDS	Business, logistics	2025.03.21	2027.03.20
Outside Director	Yang Byung-soo	Male	(Former) Head of NTS Daejeon Regional Office	Finance, accounting	2024.03.22	2028.03.21
Outside Director	Kim Hee-yeon	Female	(Former) CSO, LG Display	Strategy, business	2024.03.22	2028.03.21
Outside Director	Lee Chan	Male	(Current) Vice Dean, School of Transdisciplinary Innovations, Seoul National University	HR	2025.03.21	2027.03.20

Responsible Management of the Board

Board Composition

Board Expertise

- Composing the Board with Experts Across Diverse Sectors Including Logistics, Management, Strategy, Finance, Accounting, and HR
- Managing capability-based governance through the introduction of the Board Skills Matrix (BSM)
 - Operating five capability metrics including economics, management, logistics industry, finance, and ESG
 - Managing outside director candidate pools systematically by sector

Board Diversity

- Composing the Board by comprehensively considering gender, age, nationality, and cultural background
- Securing gender diversity through the appointment of female directors
- Reflecting decisions from various perspectives based on industry understanding and expertise

Board Independence

- Appointing outside directors who meet the requirements under relevant laws and regulations, including the Commercial Act
 - Composing the Board with individuals who do not have any significant conflicts of interest with the company
 - Performing duties independently from management
- Operating an independence management system based on the Articles of Incorporation and regulations
 - Applying criteria according to the regulations of the Board and the Outside Director Candidate Nomination Committee
- Operating a conflict of interest prevention system
 - Excluding the relevant agenda from deliberation and resolution when a conflict of interest arises or is anticipated

Board Education

- Providing ongoing annual education to help the Board members enhance their expertise
 - Education on Key Management Issues and Risk Response Directions
 - Education on Regulatory Changes Including the Internal Accounting Control System (IACS) and Commercial Act Amendments
 - Education on Strengthening Governance and Internal Controls

2025 Board Education Overview

Date	Content	Total Participants
'25.03.11 '25.03.13	· Current business status of Lotte Global Logistics and key strategies in action	Two outside directors
'25.06.17	· Future strategies and new business directions of Lotte Group	Four outside directors
'25.08.12	· Overview and Trends of the Internal Accounting Control System (IACS) · Key Amendments to the Commercial Act and Their Organizational Impacts	All Board members
'25.11.19	· Governance System Changes and the Necessity of Advancing Internal Controls · Proactive Responses to Corporate Fraud and Financial Irregularities	Three outside directors



Board Operation

Board Convening and Meetings

- Operating regular and ad-hoc Board meetings pursuant to the Articles of Incorporation and the Board regulations
 - Principle of Four Regular Board Sessions Annually
 - Principle of Monthly Ad-Hoc Board Meetings for Pressing Issues
- Managing Board resolutions and meeting records
 - Passing agendas upon the approval of a majority of the attending directors
 - Managing records of attendees, resolution results, and approving or disapproving opinions through the minutes
- Deliberating and resolving major corporate matters through regular and ad-hoc Board meetings in 2025
 - Deliberating and resolving major corporate matters including financial statements, business plans, and investments
 - Reporting major corporate management matters including internal controls, risk management, and ESG implementation status
 - Approving major decision-making matters including inter-affiliate transactions, key contracts, and equity investments
 - Discussing and reporting key matters regarding the operations of the Board and its committees, and governance

Board Operation Status

	No. of Board meetings convened (times)	11
	No. of Resolution Items (cases)	20
	No. of Report Items (cases)	10

Board Attendance Rate

	Average	97.7%
	Inside Director	96.8%
	Outside Director	98.2%

Responsible Management of the Board

Board Operation

Board Evaluation and Remuneration

Board Performance Evaluation

- Conducting an annual evaluation of overall Board and committee operations based on Outside Director self-assessment
 - Operating the evaluation system centered on four areas : Board composition, operation, roles and responsibilities, and committee operation
- Conducting an evaluation of the activities of Inside and Outside Directors
 - Inside Director : Evaluating work performance and contribution to management goals based on key management indicators and ESG KPIs
 - Outside Director : Comprehensively evaluating Board meeting attendance rate, opinions presented on agenda items and contribution, and the exercise of expertise

Board Remuneration Payment

- Checking once a year whether the Board is appropriately fulfilling the roles and responsibilities required by laws and internal regulations
 - Inside Director : Comprehensively considering position, rank, leadership, and expertise in accordance with executive remuneration standards
 - Outside Director : Paid in the form of fixed salary regardless of management performance, in consideration of independence

Management Performance Evaluation

- Operating a Responsible Management system that links management performance with remuneration
 - Evaluating management performance based on objective and fair criteria, and reasonably reflecting it in remuneration
 - Reflecting financial indicators such as revenue and profit, and non-financial indicators such as ESG task implementation, in executive KPIs
 - Conducting performance evaluation by comprehensively considering the level of task achievement and implementation efforts

Management Remuneration Payment

- Calculating management remuneration and performance pay according to standards approved by the Board
 - Operating the management remuneration system in accordance with the remuneration and performance pay standards for executive officers
 - Disclosing management remuneration details through the business report to ensure transparency of the remuneration system

Board Evaluation Items

Inside Director Evaluation

- Key Management Indicators : Utilizing major financial and non-financial indicators to evaluate work performance and whether the company's management goals have been achieved
- ESG Management Items : Linked to ESG KPIs such as industrial safety, labor and human rights, supply chain management, corporate governance, and carbon neutrality implementation

Outside Director Evaluation

- Board Attendance Rate : The level of Outside Director attendance at Board meetings
- Opinion Presentation and Contribution by Agenda Item : Opinions presented and contribution made for each Board agenda item
- Expertise : Whether expert advice was provided in a specific field and its effectiveness
- Use of Evaluation Results : Utilized in reviewing reappointment after the end of an Outside Director's term

Standards for Determining Director Remuneration

Inside Director (CEO and Management)

- Salary : Paid in accordance with executive remuneration standards that comprehensively consider position, rank, leadership, and expertise
- Bonus : Paid based on a comprehensive evaluation of quantitative indicators such as revenue, operating profit, and organizational KPIs, and qualitative indicators such as leadership, expertise, and ethical management

Outside Director

- Applying a remuneration system that considers the accountability and expertise demonstrated through Board activities
- Determined within the director remuneration limit set by the General Shareholders' Meeting
- Paid in accordance with regulations, without performance-linked compensation, to ensure independence

Director Remuneration Paid

(Unit : KRW million)

Category		2023	2024	2025
Registered Director ¹⁾	Number of Directors ³⁾	5	3	3
	Total Remuneration Paid	4,418	1,566	1,483
	Average Remuneration Paid Per Capita ⁴⁾	884	575	550
Outside Director ²⁾	Number of Directors ³⁾	3	4	5
	Total Remuneration Paid	199	310	346
	Average Remuneration Paid Per Capita ⁴⁾	66	78	69

1) Exclusion of Outside Directors and Audit Committee

2) Inclusion of the Audit Committee

3) Number of Directors : Monthly Average Number Reflecting Retired and Newly Appointed Executives During the Disclosure Period

4) Average Remuneration per Person : (Total Annual Remuneration) ÷ (Monthly Average Number of Working Executives)

Responsible Management of the Board

Committees Under the Board

Audit Committee

Composition and Role of the Audit Committee

- Composing the committee with Chairman Yang Byung-soo, Outside Director Kim Hyung-tae, and Outside Director Kim Hee-yeon
- Conducting audits on the company's accounting and general business operations
- Requesting directors to report on sales status and conducting surveys on the company's financial condition

Key Items for Deliberation and Resolution by the Audit Committee in 2025

- Reporting the business report and quarterly financial statements
- Approving the appointment of an outside auditor, and the preparation and submission of the audit report
- Approving and reporting matters regarding the operation of the Internal Accounting Control System (IACS) and internal oversight mechanisms



Internal Transaction Review Committee

Composition and Role of the Internal Transaction Review Committee

- Composing the committee with Chairperman Kim Hee-yeon, Inside Director Kwon Jae-beom, and Outside Directors Lee Chung-bae and Yang Byung-su
- Reviewing and approving large-scale internal transactions
- Surveying details of internal transactions and requesting relevant reports

Key Items for Deliberation and Resolution by the Internal Transaction Review Committee in 2025

- Reviewing and approving the fairness and appropriateness of transactions between directors and the company
- Conducting preliminary deliberation and resolution on major internal transaction items



Outside Director Candidate Nomination Committee

Composition and Role of the Outside Director Candidate Nomination Committee

- Composing the committee with Chairman Lee Chan, Outside Director Kim Hyung-tae, and Outside Director Yang Byung-soo
- Verifying and recommending outside director candidates based on objective criteria
- Operating an outside director candidate pool management system that considers independence and capabilities

Key Items for Deliberation and Resolution by the Outside Director Candidate Nomination Committee in 2025

- Deliberating on outside director candidate recommendations, along with candidate pool reviews and qualification assessments
- Deliberating and resolving matters regarding the appointment of the Committee Chairman



Compensation Committee

Composition and Role of the Compensation Committee

- Composing the committee with Chairman Lee Chan, Inside Director Cheong Seok Ki, and Outside Director Kim Hee-yeon
- Submitting the remuneration cap for registered directors to the general shareholders' meeting
- Approving remuneration, performance-based bonuses for registered directors, and the remuneration cap for non-registered executives

Key Items for Deliberation and Resolution by the Compensation Committee in 2025

- Reviewing and approving the appropriateness of special performance-based bonus payments for the CEO
- Deliberating and resolving the CEO's remuneration level and payment criteria



ESG Committee

Composition and Role of the ESG Committee

- Composing the committee with Chairman Kim Hee-yeon, Inside Director Cheong Seok Ki, Outside Director Kim Hyung-tae, and Outside Director Lee Chan
- Deliberating and approving ESG policies, strategies, and mid- to long-term goals
- Reviewing ESG management plans and implementation performance

Key Items for Deliberation and Resolution by the ESG Committee in 2025

- Approving the establishment of ESG KPIs and operational plans
- Approving the strategic direction and implementation plans for the carbon neutrality roadmap
- Approving publication plans and implementation approaches for the Sustainability Report



Outside Director Committee

Composition and Role of the Outside Director Committee

- Composing the committee with Chairman Kim Hyung-tae, Outside Director Yang Byung-soo, Outside Director Kim Hee-yeon, and Outside Director Lee Chan
- Conducting preliminary reviews of Board agenda items and presenting independent opinions
- Performing advisory functions on major corporate decision-making

Established the Independent Directors Committee in March 2026

- Developed the committee's operating regulations and defined its scope of responsibilities
- Established procedures for the prior review of key agenda items and the provision of recommendations
- Built a decision-making support framework through coordinated operation with the Board of Directors



Ethics and Compliance

Governance

Board of Directors

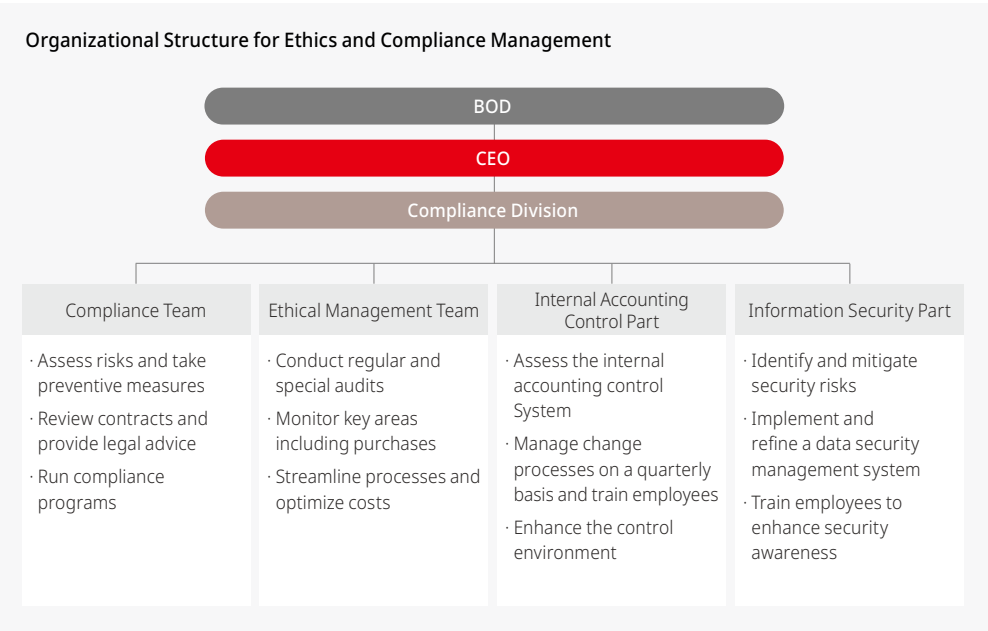
- Deliberating and resolving on key agenda items, including the introduction of major ethics and compliance policies and systems
- Regularly checking the implementation of the compliance system and overseeing the management of major risks

Management

- Managing the company-wide implementation and operation of ethics and compliance policies resolved by the Board
- Overseeing education and inspection activities to establish a culture of ethics and compliance within the organization

Dedicated Organization

- Operating the compliance system and inspecting its implementation to strengthen internal and external risk management
- Preventing and responding to legal risks in advance through ongoing review of relevant laws and internal regulations



Strategy

Framework for Ethics and Compliance Management

Compliance Charter

Lotte Global Logistics Compliance Charter >

- Practicing responsible management based on ethics and compliance management
 - Promoting transparent and fair ethical management activities based on compliance with relevant laws and internal regulations
 - Fulfilling responsibilities to stakeholders, including customers, partners, and society, and establishing a fair and sound trade order

Code of Ethics

Lotte Global Logistics Code of Ethics >

- Building an ethical management system based on responsibility to stakeholders
 - Carrying out honest and responsible management activities based on customer-centered values
 - Ensuring fair treatment of employees, fostering an ethical organizational culture, and building a trust-based work environment
 - Enhancing shareholder value through sound management activities and laying the foundation for the company's sustainable growth
 - Practicing sustainable management and creating social value in consideration of responsibility to the environment and society

Fundamental Principles of Ethics

1. For Customers

Creating customer value based on customer-centered management



5. For the Nation and Society

Contributing to national economic and social development through corporate activities



2. For Our Employees

Ensuring fair treatment and respecting the value of our employees



6. For the Global Community

Respecting the laws and culture of global business regions



3. For Shareholders

Enhancing shareholder value through sound management activities



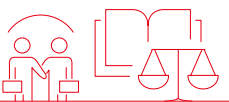
7. For Our Nature

Practicing environmental protection and sustainable environmental management



4. For the Company

Acting responsibly to protect the company's honor and value



Ethics and Compliance

Strategy

Framework for Ethics and Compliance Management

Code of Ethical Management

- Implementing transparent and responsible management activities based on ethical standards
 - Carrying out work ethically based on honesty and accountability
 - Making decisions and acting in accordance with ethical standards and internal regulations
- Fostering a sound organizational culture based on mutual respect and trust
 - Building a collaborative organizational culture based on trust and respect among employees
 - Establishing and spreading a sound and ethical organizational culture
- Implementing transparent management activities based on legal compliance and fair trade principles
 - Complying with relevant laws and establishing a fair trade order
 - Protecting and responsibly managing company assets and important information

Lotte Global Logistics Code of Ethical Management >

Code of Conduct

- 1 We create the value that can maximize the benefits of our customers and shareholders.
- 2 We build mutually trustworthy and respectable organizational culture.
- 3 We respect social norms and keep the honor of being a person from Lotte Global Logistics Corp.
- 4 We protect important information of the company, and share the useful information.
- 5 We do not take personal profit by using the company's assets or information.
- 6 In relation to our work, we do not engage in unfair practices with our stakeholders.
- 7 We comply with sound and fair trade order.
- 8 We protect the environment and do not waste resource.
- 9 As individuals in global logistics industry, we respect the cultures and customs of all regions and countries.
- 10 We do our best to establish ethical corporate culture.

Employee Code of Conduct

- Complying with fair business conduct standards in dealings with stakeholders
 - Prohibiting the receipt of improper benefits such as money, entertainment, or favors from stakeholders
 - Maintaining fairness in relationships with stakeholders, including in matters of entertainment and congratulatory or condolatory events
- Soundly managing and efficiently operating company assets and budget
 - Protecting and properly managing company assets and important information
 - Using company budget and expenses transparently and reasonably
- Using company budget and expenses transparently and reasonably
 - Complying with ethics regulations and the Code of Conduct, and the obligation to report violations
 - Managing operations to protect whistleblowers and establish a culture of ethical management

Lotte Global Logistics Employee Code of Conduct >

Code of Conduct Implementation Guidelines

- | | |
|--|---|
| Article 1 Purpose | Article 8 Event Sponsorship |
| Article 2 Definition of Terms | Article 9 Improper Use of Company Budget |
| Article 3 Money and Valuables | Article 10 Reporting Obligation |
| Article 4 Entertainment | Article 11 Reward and Disciplinary Action |
| Article 5 Convenience | Article 12 Interpretation |
| Article 6 Congratulatory and Condolatory Money | Article 13 Education and Pledge |
| Article 7 Financial Transactions | Article 14 Monitoring |

LGL STORY

Compliance and Anti-bribery Management System

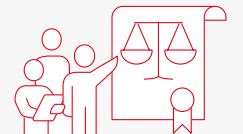
- Obtaining Ethics- and Compliance-related Certifications
 - In 2021, became the first in the industry to simultaneously obtain Compliance and Anti-bribery Management System certifications
 - Operating compliance risk management and internal control systems based on certification standards
 - Strengthening ethics and compliance management by establishing a compliance audit and inspection system
 - Carrying out continuous monitoring and improvement activities to prevent compliance risks



ISO 37001 Certificate



ISO 37301 Certificate



Ethics and Compliance

Strategy

Compliance Awareness Enhancement

Pledge for Compliance and Ethical Management

- Signing a pledge to comply with all job-related regulations, company rules, and guidelines, and to faithfully adhere to the Code of Ethics and internal control standards
- In 2025, completed the signing of the Compliance and Ethical Management Pledge by all employees

CEO's Firm Will, 'Tone at the Top'

- The CEO of Lotte Global Logistics expresses a firm commitment to compliance management on a semi-annual basis
- Reinforcing the importance of internal control and raising compliance awareness among employees
- Promoting the company-wide spread of a compliance management culture and strengthening internal control

Practices for Spreading Ethical Management

- Operating internal monitoring to ensure compliance with ethics and compliance standards
 - ▶ Conducting regular inspections of major ethical risks, including corporate card usage, improper solicitation, and data security
 - ▶ Monitoring compliance with ethics and regulations in work processes such as recruitment and procurement
 - ▶ Strengthening internal control through inventory management and on-site inspections

Compliance Management Training

- Raising compliance awareness among employees and proactively preventing legal violation risks
 - ▶ All employees : Fair trade training
 - ▶ Top management and executives : Specialized training on the Monopoly Regulation and Fair Trade Act, Commercial Act, and Criminal Act
 - ▶ Department heads and designated personnel : Communication and training on compliance issues

Activities to Raise Ethical Awareness

Monitoring
· Corporate Card Monitoring (4 times/year) : Personal use, receipt attachment, transportation expenses, etc. (188 cases) · Improper Solicitation Monitoring (6 times/year) : Entertainment expenses subject to the Improper Solicitation and Graft Act (7,244 cases) · Data Security Monitoring (6 times/year) : Document decryption, data export, etc. (416 cases) · Fair Recruitment Monitoring (2 times/year) : Compliance with procedures, missing documents, etc. (1,552 cases) · Procurement Monitoring (2 times/year) : Vendor selection process, evaluation methods (328 cases) · On-site Inspection (monthly) : On-site inspection based on checklists (56 cases) · Fraud Prevention Monitoring (2 times/year) : Inspection of compliance with standard anti-fraud work processes, etc. (109 cases domestic, 1,199 cases overseas)
Training and Briefing
· Ethical management training - New hires (4 times/year), managers (1 time/year), expatriates (1 time/year), all employees (1 time/year) · Partner company briefing session (1 time/year)

Internalization of Ethical Management Among Partner Companies

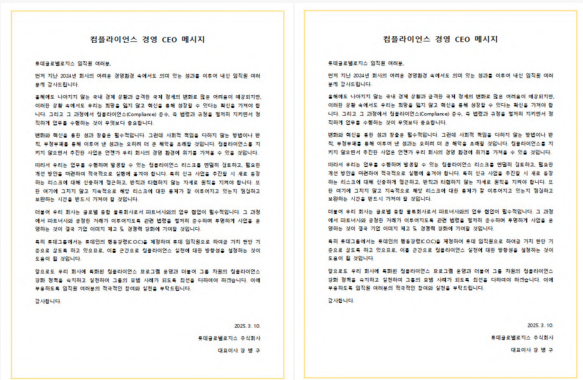
Sending Regular Ethical Management Letters to Partner Companies

- Delivering messages to partner companies to raise awareness of ethics and compliance
- Providing quarterly and holiday-season guidance on ethics violation cases, such as the prohibition on receiving gifts
- Spreading ethics compliance messages along with guidance on reporting channels such as the Ethics Hot-Line

Conducting an Ethical Management Survey for Partner Companies

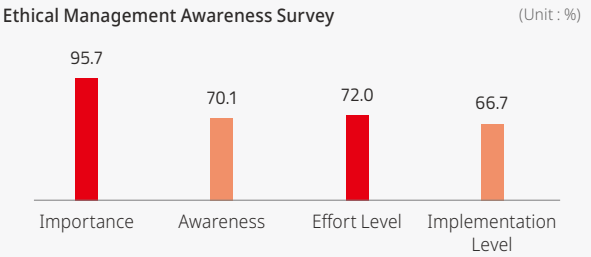
- Assessing the level of ethical management implementation among partner companies and identifying improvement tasks
 - ▶ Conducted an ethical management survey in October 2025
 - ▶ Deriving key improvement tasks and action plans based on the survey results
 - ▶ Promoting ethical management improvement activities by reflecting the identified improvement tasks

CEO's Firm Will, 'Tone at the Top'



CEO Message on Compliance Management

Results of the Ethical Management Survey for Partner Companies



Improvement Measures

- Strengthening offline approaches considering the age characteristics of partner company staff : Promoting proper reporting methods during monthly on-site inspections
- Strengthening internal control activities : Conducting an ethical management self-assessment for employees, and renewing compliance posters

Ethics and Compliance

Risk Management

Internal Control System

Internal Control Organizational Structure

- Introducing and operating of the Legal Compliance Support Officer System
 - Appointed a Legal Compliance Support Officer in 2022 following a resolution by the Board
 - Operating compliance education and training programs for employees
 - Inspecting compliance management standards and monitoring adherence
 - Granted authority to perform independent and effective compliance management
- Establishing and operating of the Contract Review Committee
 - Established the Contract Review Committee in 2025 to strengthen contract management
 - Reviewing the appropriateness and risks of major contracts in advance prior to execution
 - Preventing contract-related disputes in advance and strengthening internal control

Internal Control Organizational Structure

Legal Compliance Support Officer



- Supporting the establishment and operational management of the compliance management system
- Providing ethics and compliance training for employees and raising awareness
- Inspecting compliance with compliance management standards and monitoring internal control
- Proactively preventing legal violation risks and identifying improvement measures

Contract Review Committee



- Reviewing contract terms and appropriateness prior to the execution of major contracts
- Conducting advance review of legal, financial, and business risks related to contracts
- Preventing contract-related disputes in advance
- Strengthening the contract management system and supporting internal control

Effectiveness Evaluation of Compliance Management

- Inspecting the operational status of the compliance management system based on compliance management standards
 - Established compliance management standards based on listed company requirements in October 2022
 - Monitoring the status of compliance management operations and internal control activities
- Diagnosing the level of compliance management operation and identifying improvement tasks
 - Identifying necessary improvements in compliance management operations based on evaluation results
 - Reviewing improvement directions to advance the compliance management system
- Strengthening the compliance management system through continuous inspection
 - Inspecting the operational level of the compliance management system through regular effectiveness evaluations
 - Continuously improving the compliance management system by reflecting identified improvements

Overseas Subsidiary Compliance Management System

- Managing by tier, reflecting group guidelines and considering the capabilities of each subsidiary
 - Differentiating dedicated organization, reporting cycle, and monitoring implementation
 - Distinguishing between essential compliance items (Core Factor) and advanced compliance items (Advanced Factor)
 - Setting three tiers and providing compliance and supplementary guidance to each subsidiary
 - Monitoring the implementation status of the management system and carrying out additional improvements

Details of Compliance Management Monitoring Inspections

Regular Inspection



- Revising company regulations and standard contracts related to compliance management
- Conducting advance review of contracts and legal issues, and inspecting major risks such as new investments
- Identifying and assessing risks by compliance area
- Conducting monitoring led by the Compliance Monitoring Council
- Conducting company-wide random regular compliance inspections (checklists)

Special Inspection



- Inspecting compliance risks at business sites
- Monitoring and supplementing compliance at overseas subsidiaries
- Inspecting compliance risk control measures

Results of Compliance Management Standards Effectiveness Evaluation

Evaluation Item	Details	Result
Compliance Management Standards System	· Met legal requirements by applying standard compliance management standards	Conforming
Legal Risk Assessment	· Conducted regular compliance risk assessments · Identified core risks and derived rating items	Conforming
Compliance Training Program	· Conducted regular compliance risk assessments · Conducted executive training twice a year · Compliance training upon hiring new and experienced employees	Conforming
Day-to-day Compliance Support	· Conducted advance legal review (contract review, advisory) · Operated the Contract Review Committee	Conforming
Compliance Inspection and Reporting	· Conducted compliance inspections · Reported results to the Board (once a year)	Conforming
Legal Compliance Support Officer	· Organized directly under the CEO	Conforming
Sanctions for Violations	· Operating an internal whistleblowing system · Providing risk feedback to relevant departments through monitoring	Conforming

Introduction

ESG Approach

ESG Impact

Environmental

Social

Governance

Responsible Board Management

Ethics and Compliance

Supply Chain Management

Risk Management

Appendix

Ethics and Compliance

Risk Management

Internal Control System

Fair Trade Compliance Program (CP)

- Operating a Fair Trade Compliance Program (CP) to establish a transparent and fair trade culture
 - Providing fair trade-related codes of conduct and standards that employees must comply with in the course of their work
 - Supporting employees' understanding of and compliance with relevant laws and internal regulations through fair trade-related training and guidance activities
 - Conducting advance inspections of compliance with fair trade and subcontracting regulations through self-checks based on site-specific checklists
 - Reporting inspection results and notifying the Compliance Team of violations or ambiguous cases, and implementing improvement measures

Compliance Monitoring Council

- Launching and operating the council to build a company-wide compliance management system
 - Conducting comprehensive monitoring of compliance status through monthly regular meetings
 - Expanding the scope of management to company-wide compliance areas, including fair trade, anti-corruption, information security, and safety management

Operation Status of the Compliance Monitoring Council

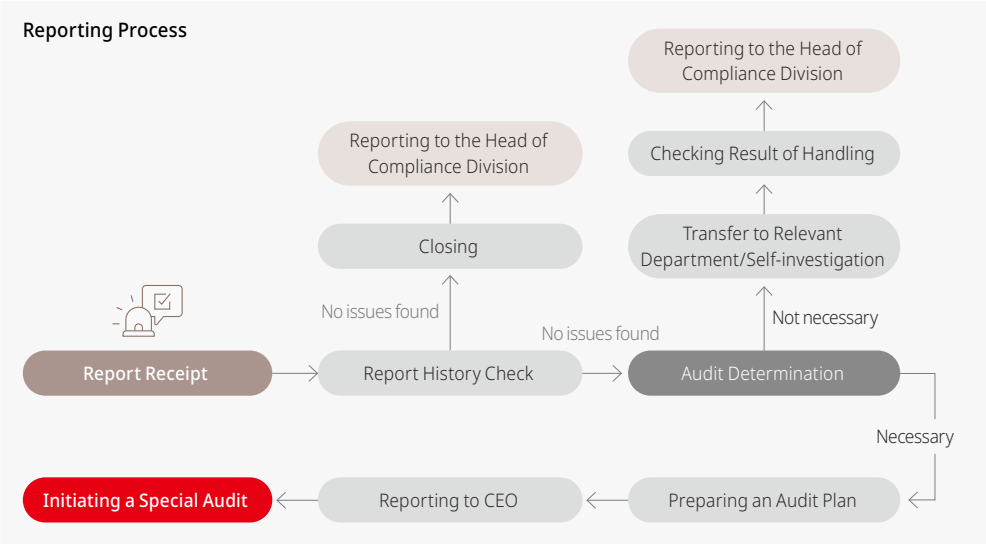
Period	Contents
2025.01 ~ 2025.03	· Sharing the annual activity plan · Guidance on conducting compliance risk measurement and control measure inspections · Guidance on response protocols for external agency investigations, inquiries, and requests for cooperation
2025.04 ~ 2025.06	· Key issues from control departments (Q1 activities and Q2 control plans, etc.) · Best practices in compliance risk control measures · Special lecture by an external expert (Subcontracting Act theory and practice)
2025.07 ~ 2025.09	· Key issues from control departments (Q2 activities and Q3 control plans) · Sharing the results of the self-checklist on the obligation to issue written documents under the Subcontracting Act · Sharing the progress of Fair Trade Commission investigations and key risks
2025.10 ~ 2025.12	· Key issues from control departments (Q3 activities and Q4 control plans) · Guidance on submitting case examples for year-end risk prevention best practice awards · Sharing the progress of on-site investigations by the Fair Trade Commission

Ethics Violation Reporting System

Ethics HOT-LINE Reporting

Ethics Hot-Line >

- Operating ethics and compliance consultation and reporting channels for stakeholders
 - Operating channels through which all stakeholders, including employees, customers, and partner companies, can consult and report on violations of ethics regulations, unfair business practices, and fraudulent or corrupt acts
 - Creating a safe and transparent reporting environment through various reporting channels, including email, phone, fax, mail, and in-person visits
 - Accessible in Korean and English through the Lotte Global Logistics website, allowing reports to be made either by name or anonymously
- Operating confidentiality and protection measures in accordance with the Whistleblower Protection Principles
 - Ensuring strict confidentiality of the identity and report content of whistleblowers, related investigators, and victims
 - Prohibiting disadvantageous treatment, identity exposure, and retaliation against whistleblowers



Supply Chain Management

Governance

Board of Directors

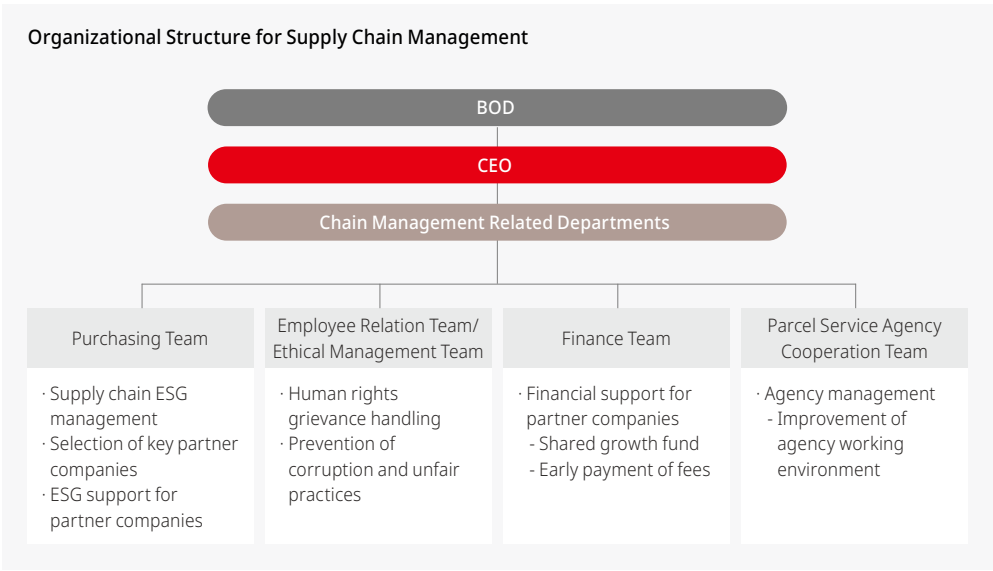
- Overseeing compliance with fair trade regulations related to partner company transactions and management of major compliance issues
- Reviewing partner company ESG risk management and sustainable supply chain management strategies through the ESG Committee

Management

- Establishing strategies for shared growth with partner companies and sustainable supply chain management, and presenting company-wide implementation direction
- Promoting and overseeing shared growth policies, including strengthening partner company competitiveness and operating the Shared Growth Program

Dedicated Organization

- Carrying out the practical work of the entire partner company management process, including new registration, selection, and evaluation
- Diagnosing supply chain ESG risks and providing consulting support to improve partner companies' ESG levels
- Monitoring major issues and risks related to partner companies and identifying improvement tasks



Strategy

Partner Company Code of Conduct

Lotte Group Partner Company Code of Conduct >

- Establishing and managing compliance with the Partner Company Code of Conduct to spread sustainable management
 - Presenting basic principles and standards that partner companies must comply with, including ethical management, environmental protection, and respect for human rights, through the Lotte Group Partner Company Code of Conduct
 - Operating a consent procedure for compliance with the Code of Conduct to establish a foundation for implementation and manage the level of compliance

Shared Growth Strategy

- Strengthening the cooperation system for shared growth with partner companies to build a sustainable supply chain
 - Building a trust-based cooperative relationship with partner companies by establishing a fair and transparent trade order
 - Establishing a foundation for stable supply chain operations to enhance logistics operation efficiency and strengthen safety management
 - Supporting the strengthening of ESG management and operational capabilities of partner companies through training and consulting support

Supply Chain ESG Management Roadmap



Supply Chain Management

Strategy

Shared Growth Program

Financial Support for Partners

Shared Growth Fund and Early Payment for Goods

- Operating a shared growth financial program to support partner companies' liquidity
 - Establishing a KRW 10 billion Shared Growth Fund in cooperation with IBK (Industrial Bank of Korea) and providing low-interest loan support
 - Maintaining smooth cash flow through early payment of goods before national holidays

Investment and Collaboration for Startup Growth

- Strengthening industry competitiveness through discovering logistics innovation startups and investment collaboration
 - Contributed KRW 8 billion to 4 Lotte Ventures funds since 2019 to discover logistics innovation startups
 - Identifying startup collaboration projects linked to the company's new business initiatives, conducting PoCs, and building networks
 - Promoting the development of innovative services and strengthening competitiveness in the logistics industry through startup collaboration

Status of Capital Contribution to Lotte Ventures Collaboration Funds				
	Lotte Startup Fund No. 1	Lotte KDB Open Innovation	Smart Lotte Contactless Mobility	Lotte KDB New Growth Open Innovation
Operation Date	2018.06	2019.09	2021.06	2025.11
Contribution Amount	KRW 3 billion	KRW 3 billion	KRW 2 billion	KRW 1 billion

Interest Rate Support for Large Vehicle Purchases

- Providing vehicle purchase financing support to stabilize partner companies' logistics operations
 - Providing a financing interest rate reduction of up to 1.5%p for partner companies purchasing vehicles of 11 tons or more
 - Strengthening partner companies' logistics operation capabilities and competitiveness by easing the burden of vehicle acquisition costs
 - Easing the burden of securing transport equipment for partner companies to establish a foundation for stable logistics service provision

Strengthening the Growth Foundation of Partner Companies

Export Support Activities for SMEs

- Promoting logistics service support and cooperation to strengthen the logistics competitiveness of small business owners
 - Signed an MOU with the Ministry of SMEs and Startups and Lotte Mart in 2024 to support the overseas market entry of SMEs and small business owners
 - Supporting SME logistics services hosted by the Korea SMEs and Startups Agency Distribution Center and the Small Enterprise and Market Service, including logistics seminars and briefing sessions for small business owners
 - Conducting consulting activities for small business owners and promoting cooperation with related organizations such as the Small Enterprise and Market Service

Strengthening Environmental Management Capabilities

- Supporting partner companies' greenhouse gas management for Scope 3 (Other Indirect Emissions) calculation
 - Providing guidance and support on carbon emissions calculation methods for six key partner companies
 - Establishing a foundation for supply chain carbon management by strengthening partner companies' greenhouse gas management capabilities



Export Support Activities for SMEs



Supply Chain Management

Strategy

Shared Growth Program

Partner Workplace Enhancement

Parcel Sorting Workforce Deployment

- Providing parcel sorting support to alleviate the workload of delivery workers
- Providing parcel sorting support since 2021 to reduce the workload of delivery workers
- Reducing pre-delivery sorting time by approximately two hours, improving delivery work focus and efficiency
- Promoting the creation of a swift and smooth working environment for sorting personnel and delivery workers by improving the efficiency of the sorting process

Intensified Support for Scorching Hot and Freezing Cold Seasons

- Strengthening support for protecting the safety and health of partner company employees in preparation for the scorching hot and freezing cold seasons
- Improving working conditions by installing cooling facilities and providing cooling supplies to prevent heat-related illnesses during the summer season
- Conducting activities to raise on-site workers' awareness of heat-related illness prevention during the summer season
- Providing winter supplies such as cold-weather gear and heating packs to improve working conditions during the winter season



Summer Season Support Activities

Welfare Support for Partner Companies

Scholarships for Children of Lotte Delivery Couriers

- Operating a scholarship program to support the education of couriers' children and ensure stable livelihoods for courier families
- Annually providing scholarships to support the academic studies of couriers' university-student children
- Selecting recipients based on objective criteria such as the courier's length of service and service evaluation
- Support amount : KRW 1 million per university student

Long-Term Operation Incentives for Agencies

- Operating an incentive program to reward agencies that have maintained a long-term, stable cooperative relationship
- Providing incentives to express gratitude to agencies that have operated their business for many years and achieved shared growth with the company
- Strengthening the cooperative relationship with long-term operating agencies through promotional support and incentive programs

Hosting the Together Unity Event

- Operating communication and exchange programs to strengthen win-win cooperation with agencies
- Hosting the 2025 Together Unity Event to strengthen win-win growth and communication with agencies
- Building a sense of solidarity through the participation of delivery workers and their families from agencies, along with Lotte Global Logistics employees



Scholarship Support for Children of Couriers



Together Unity Event

Supply Chain Management

Strategy

Internalization and Expansion of Supply Chain ESG

Reflection ESG During Partner Bidding

- Conducting comprehensive evaluations reflecting ESG factors during the bidding process
 - Incorporating environmental, health, and safety, and ethical ESG elements into evaluation items
 - Evaluating the possession of certifications related to environment and safety, and the operational level of relevant management systems
 - Comprehensively reviewing compliance with ESG-related laws and risk management levels
- Partner selection and management based on fair and transparent criteria
 - Preventing supply chain risks by preemptively inspecting major ESG risk factors
 - Planning to inspect partner ESG management levels through continuous monitoring

Actions for Partners with Major ESG Violations

- Management measures for partners with major ESG violations
 - Inspecting and notifying results regarding major violations of ESG-related matters, such as environment, labor, human rights, health and safety, and ethics
- Partner I-improvement management based on ESG risk inspection results
 - Identifying major risk factors through regular ESG risk diagnostics
 - Granting benefits during bidding for partners with excellent ESG evaluations

Key Partner Management

- Selection and management of key partners based on ESG evaluation
 - Selecting key partners by considering factors such as transaction volume and number of transactions with the company
 - Selecting a total of 44 key partners based on 2025 criteria
 - Providing benefits to participate in ESG management support programs for key partners

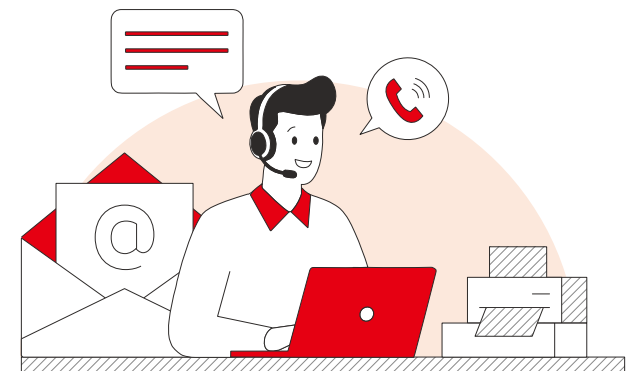
Partner Selection Process



1) SLA : Service Level Agreement

Partner Grievance

- Operating channels for receiving partner grievances
 - Receiving grievance inquiries and reports through email, telephone, mail, and fax
 - Fostering a safe reporting environment by ensuring the anonymity of informants and confidentiality
- Operating investigation and processing procedures for received grievance items
 - Confirming facts and conducting investigations in cooperation with relevant departments
 - Guiding stakeholders on processing outcomes and grievance filings, and managing follow-up actions
- Managing the status of received partner grievances and processing outcomes
 - Receiving a total of 57 grievance cases based on the 2025 reporting channel criteria
 - Completing processing for 100% of received grievances and implementing follow-up measures
 - Planning to advance the partner grievance redress channel in 2026



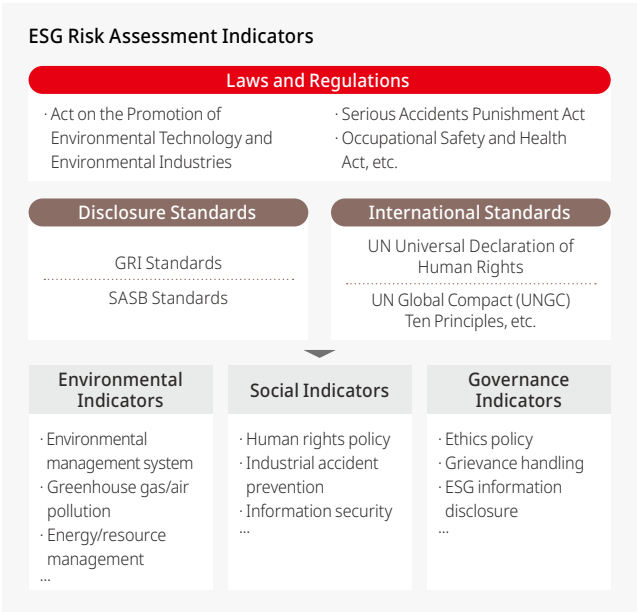
Supply Chain Management

Risk Management

Supply Chain ESG Risk Assessment

Supply Chain ESG Risk Assessment Indicators

- Developing supply chain ESG risk assessment indicators reflecting global ESG standards
 - Reflecting major ESG-related laws, including the Environmental Technology and Industry Support Act, the Serious Accidents Punishment Act, and the Occupational Safety and Health Act
 - Utilizing global ESG disclosure standards such as GRI and SASB Standards
 - Reflecting the Supply Chain K-ESG Guideline and the OECD Guidelines for Multinational Enterprises
- Advancing supply chain ESG risk management indicators
 - Continuously advancing the supply chain ESG evaluation system by reflecting global ESG standards and regulatory trends
 - Improving the effectiveness of evaluation indicators by reflecting partner company feedback



Risk Management

Governance

Company-wide Risk Management

- Establishing and operating a company-wide risk management system
 - Proactively identifying potential risks that may arise across overall business operations
 - Establishing response measures for major risks and continuously monitoring them
- Operating a risk management system centered on the board and management
 - Promoting company-wide response through reporting to the Board when significant risks occur
 - Reviewing risk status and discussing response directions through regular management meetings
- Establishing risk management and response systems by organization
 - Managing risk factors and promoting response measures that reflect business characteristics
 - Inspecting and managing key risks in business operations, finance, and non-financial areas

Type-Specific Risk Management

- Operating a management system by risk type
 - Establishing response measures for risk factors that may arise during business operations
 - Conducting inspections of major risk factors, including financial, safety, and environmental risks
 - Regularly inspecting and managing the risk management status of each business division

Risk Management and Monitoring

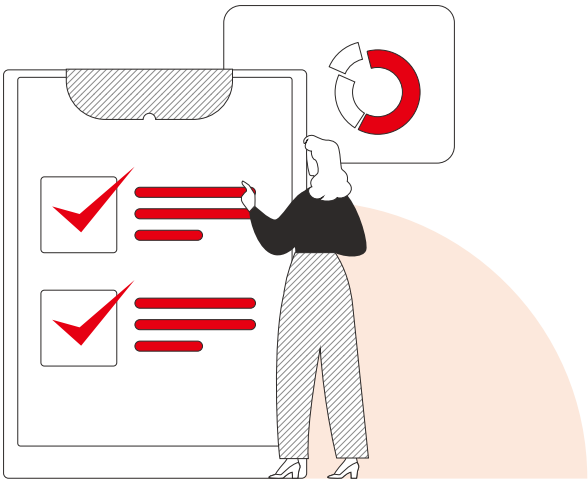
- Operating an integrated company-wide risk management and regular monitoring system
 - Integrating and managing, at the company-wide level, major financial and non-financial risks identified and managed by business and support divisions
 - Reporting to management and promoting response measures when significant risks occur

Risk Management Oversight

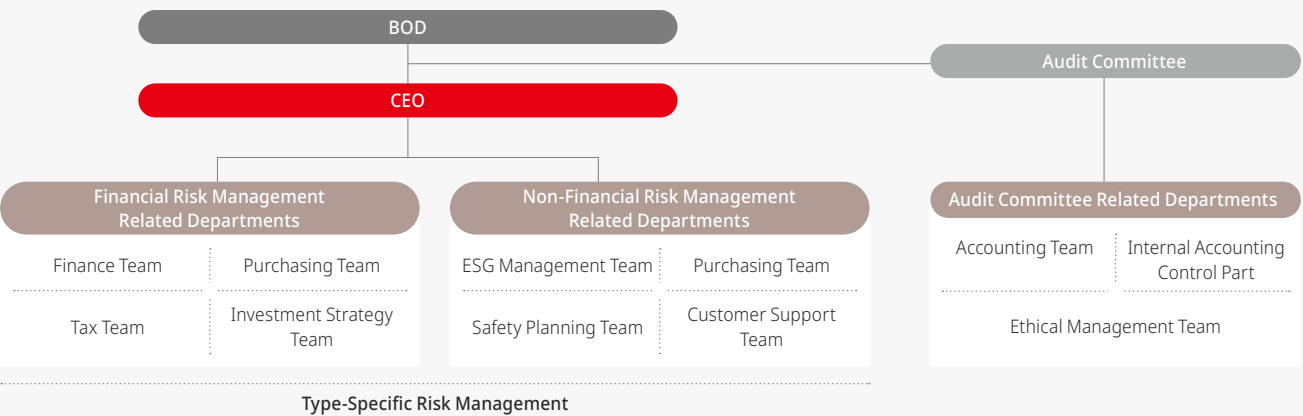
- Inspecting the adequacy of the risk management system and conducting internal audits
 - Conducting internal audits of company-wide risk management activities through the Audit Committee
 - Inspecting the adequacy and operational effectiveness of the risk management system
 - Reporting audit results and key matters to the Audit Committee

Investment Review Risk Management

- Conducting advance review of financial risks in the investment decision-making process
 - Conducting preliminary review of feasibility and economic viability prior to investment review
 - Comprehensively reviewing the feasibility and financial soundness of major investments through deliberation by the Investment Review Committee
 - Reviewing performance after investment execution and establishing improvement measures



Organizational Structure for Company-wide Risk Management



Risk Management

Strategy

Company-wide Risk Management Process

Risk Identification

- ① **Management environment and external risk factors**
 - Changes in economic policy, logistics transportation regulations, and fluctuations in oil prices and exchange rates
- ② **Business operation risk factors**
 - Safety accidents in logistics operations and transportation processes, supply chain risks
- ③ **Non-financial risk factors**
 - Legal violations and compliance issues, reputational risk, etc.

Risk Evaluation

- ① **Analyzing the likelihood of risk occurrence**
 - Past occurrence cases, current market conditions, and future policy and environmental changes
- ② **Analyzing risk impact**
 - Comprehensively considering financial, operational, reputational, and regulatory impacts
- ③ **Determining risk significance**
 - Evaluating risk significance based on likelihood and impact

Risk Response

- ① **Prioritizing risks**
 - Grading major risks and linking them to the company-wide risk management system
- ② **Establishing risk tolerance levels**
 - Designing transaction conditions and management standards based on internal criteria
- ③ **Establishing risk response measures**
 - Preparing risk response measures such as adjusting transaction conditions and strengthening internal ratings

Monitoring and Reporting

- ① **Ongoing risk monitoring**
 - Conducting ongoing inspection and monitoring of major risks
- ② **Regular risk reporting system**
 - Reporting major risks to management
- ③ **Risk management oversight system**
 - Internal audit inspections, reporting of significant risks to the Board

Risk Management

Financial Risk Management

Business Risk (Investment)

- **Investment feasibility review** : Inspecting investment risks, including feasibility reviews for new logistics center and infrastructure investment projects
- **Business profitability management** : Managing the possibility of profitability fluctuations during the promotion of new logistics businesses



Interest Rate Risk

- **Financial cost management** : Monitoring interest rate trends to prepare for the possibility of increased interest expenses due to rate fluctuations
- **Ensuring stable funding** : Maintaining a stable funding structure in response to financial market fluctuations



Exchange Rate Risk

- **Foreign currency transaction management** : Continuously managing exchange rate volatility arising from overseas logistics operations and international transportation processes
- **Responding to exchange rate fluctuations** : Minimizing financial impact by monitoring exchange rate trends



Fuel Price Risk

- **Fuel cost fluctuation management** : Managing fuel cost fluctuation trends in preparation for potential cost increases due to international oil price volatility
- **Transportation cost management** : Easing the burden of logistics operation costs through improvements in transportation efficiency



Tax Risk

- **Responding to changes in tax law** : Continuously reviewing changes in tax law and tax policy to prevent tax risks
- **Operating a tax management system** : Managing risks that may arise during tax filing and accounting processes



Non-Financial Risk Management

Reputational Risk

- **Service quality management** : Managing the possibility of declining corporate trust in the event of service issues such as delivery delays or logistics accidents
- **Customer satisfaction management** : Maintaining brand reputation by responding to customer complaints and service quality issues



Environmental Risk

- **Responding to environmental regulations** : Responding to changes in greenhouse gas and environmental regulations arising from logistics operations
- **Promoting eco-friendly logistics** : Minimizing environmental impact through the introduction of eco-friendly vehicles and improvements in logistics efficiency



Safety Risk

- **Industrial safety management** : Preventing industrial accidents that may occur during logistics center operations and transportation processes
- **Safety inspection and training** : Strengthening accident prevention through regular safety inspections and employee safety training



Supply Chain Risk

- **Partner company management** : Managing operational risks of partner transportation and logistics companies
- **Logistics network management** : Operating a management system to prevent disruptions in logistics center and transportation network operations



Compliance Risk

- **Regulatory compliance management** : Managing compliance with logistics and transportation-related laws and internal regulations
- **Strengthening ethical and compliance management** : Preventing compliance risks through adherence to compliance management and ethical standards



Appendix

ESG Data	102	WEF-IBC Index	120
GRI Index	115	Certificates, Awards and Memberships	121
SASB Index	118	GHG Emissions Assurance Statement	122
TCFD Index	118	Third-Party Assurance Statement	123
UNGC Index	119		

ESG Data

Economy(Economic)

Financial Information (Consolidated)	Unit	2024	2025
Operating Performance			
Sales	KRW million	3,573,334	3,401,497
Cost of sales	KRW million	3,258,163	3,085,739
Gross profit	KRW million	315,171	315,758
Selling, general and administrative expenses	KRW million	224,965	234,052
Operating income (loss)	KRW million	90,206	81,705
Financial income (loss)	KRW million	24,562	13,930
Income before income tax	KRW million	45,482	20,750
Income tax expense	KRW million	4,960	7,376
Current income	KRW million	40,522	13,375
Financial Position			
Current assets	KRW million	604,551	547,882
Non-current assets	KRW million	2,137,725	2,196,837
Total assets	KRW million	2,742,276	2,744,719
Current liabilities	KRW million	804,375	904,154
Non-current liabilities	KRW million	1,315,830	1,204,056
Total liabilities	KRW million	2,120,205	2,108,211
Total capital	KRW million	622,071	636,509
Cash Flow			
Cash flows from operating activities	KRW million	306,012	248,695
Cash flows from investing activities	KRW million	(71,205)	(58,836)
Cash flows from financing activities	KRW million	(193,391)	(67,091)
Cash and cash equivalents at beginning of period	KRW million	108,984	159,169
Cash and cash equivalents at end of period	KRW million	159,169	94,513

Environmental

GHG

Category	Unit	2023	2024	2025
GHG emissions (Scope 1&2)				
GHG emissions (Scope 1&2) target	tCO ₂ eq	64,927	60,946	61,825
GHG emissions (Scope 1&2)	tCO ₂ eq	62,752	60,298	62,920
Scope 1	tCO ₂ eq	14,017	14,011	14,557
Scope 2	tCO ₂ eq	48,735	46,287	48,363
Emissions intensity (Scope 1&2)	tCO ₂ eq/ million	1.95	1.85	2.03
GHG emissions (Scope 3) ¹⁾				
Other indirect GHG emissions (Scope 3)	tCO ₂ eq	-	-	211,529
GHG reduction				
GHG reduction (Scope 1&2) target	tCO ₂ eq	2,981	3,100	3,895
GHG reduction(Scope 1&2) ²⁾	tCO ₂ eq	1,781	4,634	4,519
Scope 1 ^{2) 3)}	tCO ₂ eq	301	59	0
Scope 2 ^{2) 4)}	tCO ₂ eq	1,480	4,575	4,519

1) Emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and business travel
2) Restated from the previous year's report due to a change in the 2025 baseline
3) Based on energy savings from the transition from diesel-fueled trucks to electric and hydrogen-powered trucks
4) Calculated based on the emissions reduction from the adoption of PPAs, in accordance with the Statement of GHG Emissions and Energy Consumption

ESG Data

Environmental

Energy

Category	Unit	2023	2024	2025
Energy consumption				
Energy consumption target	TJ	1,221	1,176	1,187
Non-renewable energy consumption	TJ	1,218	1,166	1,222
Electricity	TJ	1,017	964	1,012
LNG (city gas, natural gas)	TJ	4	3	4
LPG	TJ	1	8	1
Diesel	TJ	194	189	203
Gasoline	TJ	2	2	2
Renewable energy consumption	TJ	23	92	94
Solar Power	TJ	0	2	11
PPA ¹⁾	TJ	23	90	83
Energy consumption intensity (per unit)	TJ/KRW 100 million	0.04	0.04	0.04
Reduced Energy Consumption ²⁾				
Total energy savings	TJ	3.8	0.8	0
Energy (non-renewable fuel) savings ³⁾	TJ	3.8	0.8	0
Electricity savings	TJ	0	0	0

1) PPA : Power Purchase Agreement
2) Restated from the previous year's report due to a change in the 2025 baseline
3) Based on energy savings from the transition from diesel-fueled trucks to electric and hydrogen-powered trucks

Waste

Category	Unit	2023	2024	2025
Waste Generation ¹⁾				
Waste generation target	ton	6,740	6,672	6,606
Waste generation	ton	6,740	6,037	6,727
General waste (non-hazardous waste)	ton	6,740	6,037	6,727
Designated waste (hazardous waste)	ton	0	0	0
Waste disposal ²⁾	ton	6,740	6,037	6,727
Landfill	ton	2,969	2,290	2,373
Incineration	ton	0	0	0
Recycling	ton	3,770	3,747	4,354
General waste (non-hazardous waste)	ton	3,770	3,747	4,354
Designated waste (hazardous waste)	ton	0	0	0
Waste generation intensity (per unit)	ton/KRW 100 million	0.22	0.19	0.22

1) Changed from a headquarters-generation basis to a company-wide basis
2) All waste treatment is fully outsourced, and since the breakdown between landfill and incineration cannot be verified, all waste is reported under landfill

Water

Category	Unit	2023	2024	2025
Water Use ¹⁾				
Water consumption	ton	198,877	205,918	165,229
Water intake ²⁾ (tap water)	ton	198,877	205,918	165,229
Water discharge (sewer discharge)	ton	198,877	205,918	165,229
Water reuse	ton	0	0	0
Recycled water	ton	0	0	0
Reused water	ton	0	0	0
Water recycling rate	ton	0	0	0
Water consumption intensity (per unit)	ton/KRW 100 million	6.4	6.3	5.3

1) Changed from a headquarters-generation basis to a company-wide basis
2) No water intake other than tap water intake

ESG Data

Environmental

Eco-friendly Investment/Procurement

Category	Unit	2023	2024	2025
Eco-friendly Investment				
Eco-friendly investment plan	KRW million	523	1,510	1,789
Eco-friendly investment amount	KRW million	1,610	3,127	1,789
Eco-friendly investment progress rate	%	308	207	100
Eco-friendly Procurement				
Eco-friendly product purchase amount	KRW million	460	326	722
Waybill	KRW million	41	137	140
Uniform	KRW million	318	32	394
Calcium chloride	KRW million	46	57	28
Poly bag	KRW million	55	100	160

Eco-friendly Vehicles

Category	Unit	2023	2024	2025
Eco-friendly Vehicle Possession ¹⁾				
Total energy savings	TJ	819	702	656
Energy (non-renewable fuel) savings	TJ	97	123	124
Eco-friendly vehicle ratio	%	12	18	19

1) Based on the K-EV100 criteria

Environmental Performance Management

Category	Unit	2023	2024	2025
Environmental Performance Disclosure				
No. of business sites ¹⁾ subject to environmental performance disclosure	Site	230	239	243
No. of business sites ¹⁾ with environmental performance disclosed	Site	230	239	243
Percentage of business sites with environmental performance disclosed	%	100	100	100
Biodiversity				
Biodiversity management sites ²⁾	Site	65	69	63
Environmental Law Violation				
No. of breaches of environmental laws and regulations	Case	0	0	0
No. of monetary sanctions	Case	0	0	0
Fines	Case	0	0	0
Penalty surcharges	Case	0	0	0
Administrative fines	Case	0	0	0
No. of non-monetary sanctions (e.g., corrective orders)	Case	0	0	0
Amount of monetary sanctions for environmental law violations	KRW million	0	0	0

1) Domestic business sites (sites subject to detailed reporting)

2) Reflecting business site mergers and consolidations

Environmental Education

Category	Unit	2023	2024	2025
Environmental Education Conducted ¹⁾				
No. of education recipients	Person	1,742	1,710	1,675
Total education hours	Hour	4,153	2,873	8,515
Education hours per person	Hour/Person	2.4	1.7	5.1

1) Restated from the previous year's report due to a change in the 2025 baseline

ESG Data

Social

Employees

Category	Unit	2023	2024	2025
Workforce Status				
Total no. of employees	Person	2,299	2,288	2,252
Gender				
Male	Person	1,913	1,892	1,851
Female	Person	386	396	401
Female ratio	%	16.79	17.31	17.81
By employment type				
Full-time	Person	2,263	2,253	2,205
Part-time/contract ¹⁾	Person	36	35	47
Workers outside of organization ²⁾	Person	6,885	7,084	7,283
Full-time ratio	%	98.43	98.47	97.91
Part-time/contract ratio	%	1.57	1.53	2.09
By age				
Age under 30	Person	433	382	340
Age 30-49	Person	1,511	1,514	1,518
Age 50 or above	Person	355	382	394
Age under 30 ratio	%	18.83	17.13	15.10
Age 30-49 ratio	%	65.72	66.17	67.41
Age 50 or above ratio	%	15.44	16.70	17.50
By region				
Domestic business sites	Person	2,287	2,276	2,240
Overseas business sites	Person	781	921	1,094

Category	Unit	2023	2024	2025
By rank				
Executive level ³⁾	Person	13	13	12
Manager level ⁴⁾	Person	299	326	351
Non-manager level	Person	1,987	1,949	1,889
Executive ratio	%	0.57	0.57	0.53
Manager ratio	%	13.01	14.25	15.59
Non-manager ratio	%	86.43	85.18	83.88

1) Includes maternity/leave replacement personnel, athletes with disabilities, etc.

2) Outsourced personnel (logistics center operations, delivery terminal sorting), parcel delivery drivers, etc.

3) Excluding registered executives

4) S Grade, M Grade

Labor-Management Relations

Category	Unit	2023	2024	2025
Collective Bargaining Agreement				
No. of employees subject to collective bargaining agreement	Person	2,299	2,288	2,252
No. of employees covered by collective bargaining agreement ¹⁾	Person	446	451	453
Collective bargaining agreement coverage rate	%	19.4	19.7	20.1
Labor-Management Risk				
Monetary losses due to labor law violations	KRW thousand	0	0	0
No. of work stoppages due to strikes	Time	0	0	0

1) Restated from the previous year's report due to a change in the 2025 baseline (only employees affiliated with the Busan port are included in union membership and the collective bargaining agreement)

ESG Data

Social

Recruitment and turnover

Category	Unit	2023	2024	2025
New recruitment				
Total no. of new recruitment	Person	224	191	154
By gender				
Male	Person	177	145	104
Female	Person	47	46	50
Female ratio	%	20.98	24.08	32.47
By employment type				
Full-time	Person	199	165	99
Part-time/contract	Person	25	26	55
By age				
Age under 30	Person	137	113	101
Age 30-49	Person	78	69	42
Age 50 or above	Person	9	9	11
By rank				
Manager level ¹⁾	Person	4	12	5
Non-manager level	Person	220	179	149

1) Based on executives, S Grade, and M Grade

Category	Unit	2023	2024	2025
Turnover Status				
Total no. of leavers	Person	177	197	147
Turnover rate ¹⁾	%	7.8	8.6	6.6
By gender				
Male	Person	147	165	124
Female	Person	30	32	23
By age				
Age under 30	Person	72	53	31
Age 30-49	Person	88	98	80
Age 50 or above	Person	17	46	36
Voluntary Turnover Status				
No. of voluntary leavers ²⁾	Person	152	126	103
Voluntary turnover rate	%	6.6	5.5	4.6
By gender				
Male	Person	125	96	85
Female	Person	27	30	18
By age				
Age under 30	Person	70	46	28
Age 30-49	Person	77	74	68
Age 50 or above	Person	5	6	7
Average years of service				
Average years of service	Person	8.5	9.6	9.9

1) Total no. of leavers/average month-end headcount

2) Total no. of leavers minus no. of involuntary leavers

ESG Data

Social

Diversity

Category	Unit	2023	2024	2025
Female				
No. of female employees	Person	386	396	401
Full-time	Person	377	385	380
Part-time/contract	Person	9	11	21
Manager level ¹⁾	Person	26	35	47
Female employee ratio	%	16.79	17.31	17.81
Full-time ratio	%	16.66	17.09	17.23
Part-time/contract ratio	%	25.00	31.43	44.68
Manager level ratio	%	8.70	10.74	13.39
Persons with Disabilities, Veterans, and Foreign Nationals				
Persons with disabilities ²⁾	Person	72	72	71
Veterans	Person	19	19	18
Ratio of persons with disabilities	%	3.20	3.20	3.22
Veteran ratio	%	0.83	0.83	0.80

1) S Grade, M Grade
2) Based on employment-linked headcount (severe disability counted as two persons)

Training

Category	Unit	2023	2024	2025
Training Hours				
Total training hours	Hour	101,835	111,129	115,281
Average training hours per person	Hour/Person	45	49	52
By gender				
Male	Hour/Person	44	46	49
Female	Hour/Person	56	65	68
By job type				
Office job	Hour/Person	55	62	65
Technical job (Special job)	Hour/Person	22	22	22
Training Costs				
Total training costs	KRW thousand	2,337,298	2,096,850	2,131,863
Average training costs per person	KRW thousand/ Person	1,017	916	947

ESG Data

Social

Performance Evaluation

Category	Unit	2023	2024	2025
Employee Performance Evaluation				
No. of employees subject to performance evaluation	Person	2,226	2,203	2,158
No. of employees who underwent performance evaluation	Person	2,226	2,203	2,158
Manager level ¹⁾	Person	299	314	342
Male	Person	273	285	299
Female	Person	26	29	43
Non-manager level	Person	1,927	1,889	1,816
Male	Person	1,603	1,565	1,498
Female	Person	324	324	318
Office job	Person	1,542	1,525	1,531
Male	Person	1,222	1,205	1,199
Female	Person	320	320	332
Technical job (Special job) ²⁾	Person	684	678	627
Male	Person	654	645	598
Female	Person	30	33	29
Performance evaluation implementation rate	%	100	100	100

1) S Grade, M Grade

2) Courier roles, port roles, BATK OP roles

Human Rights Reporting and Violations

Category	Unit	2023	2024	2025
Human Rights Reporting				
No. of human rights grievances received	Case	11	3	6
No. of human rights grievances resolved	Case	11	3	6
Human rights grievance resolution rate	%	100	100	100
Human Rights Violations				
No. of violations	Case	0	0	0
Administrative fines	KRW thousand	0	0	0
Fines	KRW thousand	0	0	0

Human Rights Impact Assessment

Category	Unit	2023	2024	2025
Self-Operated Business Sites				
No. of business sites subject to Human Rights Impact Assessment ¹⁾	Site	283	277	281
Percentage of identified human rights risk items	%	25.0	2.4	0.5
Improvement action rate	%	100	100	100

1) Headquarters (75 sites) and field sites (206 sites)

ESG Data

Social

Parental Leave

Category	Unit	2023	2024	2025
Employees Eligible for Parental Leave				
No. of employees eligible for parental leave ¹⁾	Person	54	55	36
Male	Person	42	45	21
Female	Person	12	10	15
Employees Who Used Parental Leave				
No. of employees who used parental leave ¹⁾	Person	41	46	35
Male	Person	30	38	20
Female	Person	11	8	15
Parental leave usage rate ¹⁾	%	75.9	83.6	97.2
Male	%	71.4	84.4	95.2
Female	%	91.7	80.0	100.0
Employees with 12 Months or More of Service After Returning				
No. of employees with 12 months or more of service after returning from parental leave ¹⁾	Person	61	68	50
Male	Person	45	53	41
Female	Person	16	15	9

1) Restated from the previous year's report due to a change in the 2025 baseline

Work-related Accidents

Category	Unit	2023	2024	2025
Employees				
Total working hours ¹⁾	Hour	6,800,976	6,804,000	6,676,992
No. of full-time workers	Person	2,249	2,250	2,208
Total no. of accidents ²⁾	Case	6	4	8
Fatalities	Case	0	0	0
Serious accidents	Case	0	0	0
Accidental injuries	Case	5	4	8
Illness cases	Case	1	0	0
Lost Time Injury Frequency Rate (LTIFR) ³⁾	Case/million hours	0.88	0.59	1.20
Industrial accident rate ⁴⁾	%	0.15	0.10	0.23
Accident rate ⁴⁾	%	0.13	0.10	0.21
Frequency rate of injury ⁵⁾	%	0.88	0.59	1.20
Occupational Illness Frequency Rate (OIFR) ⁶⁾	Case/million hours	0.15	0.00	0.00

1) Restated from the previous year's report due to a change in the 2025 baseline2) Based on the number of industrial accidents reported to the Korea Workers' Compensation and Welfare Service; restated from the previous year's report due to a change in the 2025 baseline
3) No. of accidents requiring medical treatment (injury, illness) × 1,000,000 hours/Total working hours
4) Based on data from the Korea Occupational Safety and Health Agency
5) Restated from the previous year's report due to a change in the 2025 baseline (Total no. of accidents × 1,000,000 hours/Total working hours)
6) No. of occupational illness cases × 1,000,000 hours/Total working hour

ESG Data

Social

Safety and Health Training

Category	Unit	2023	2024	2025
Dedicated Personnel				
Completion hours	Hour	24	102	24
No. of completers	Person	1	3	1
Training hours per person	Hour/Person	24	34	24
General Employees				
Completion hours	Hour	44,540	44,180	44,796
No. of completers	Person	2,227	2,209	2,217
Training hours per person	Hour/Person	20	20	20
Resident Partner Company Employees				
Completion hours	Hour	2,802	2,598	2,526
No. of completers	Person	934	866	842
Training hours per person	Hour/Person	3	3	3

Customer Management

Category	Unit	2023	2024	2025
Customer Opinions and Complaints (VOC)				
No. of VOC received	Case	18,393	11,894	9,044
No. of VOC resolved	Case	18,345	11,877	9,038
VOC resolution rate	%	99.7	99.9	99.9

Information security

Category	Unit	2023	2024	2025
Information security activities				
Completion hours	Hour	3,910	2,620	8,385
No. of completers	Person	1,564	1,572	1,582
Training hours per person	Hour/ Person	2.5	1.7	5.3
Information security investment				
Total IT budget	KRW million	34,143	35,315	36,676
Information security investment amount	KRW million	2,874	2,832	2,860
Information security investment ratio	%	8.4	8	8
Information Leakage				
No. of information security breaches	Case	0	0	0
No. of customer data protection violations	Case	0	0	0
Amount of fines for information security violations	KRW thousand	0	0	0

Social contribution

Category	Unit	2023	2024	2025
Volunteer Participation				
Volunteer participation hours	Hour	332	564	776
Volunteer participation hours per person	Hour/Person	3.39	3.66	2.59
No. of volunteer participants	Person	98	154	300
Social Contribution Cost				
Cash donation (charitable giving)	KRW million	998	959	1,183
In-kind donation	Number	15,705	11,146	12,696

ESG Data

Governance

Board of Directors

Category	Unit	2023	2024	2025
BOD composition				
Total no. of directors	Person	9	8 ¹⁾	7
Inside Director	Person	5	2	2
Outside Director	Person	3	5	5
Outside Director ratio	%	33.33	62.50 ¹⁾	71.43
Other Non-executive Director	Person	1	1	0
Average director tenure ²⁾	Year	2.53	2.61	1.63
BOD Diversity				
Male director	Person	9	7	6
Female director	Person	0	1	1
Female director ratio	%	0.0	14.3	16.7
BOD Operation				
BOD attendance rate	%	89.3	96.2	97.7
Inside Director attendance rate	%	83.3	92.3	96.8
Outside Director attendance rate	%	95.2	100.0	98.2
No. of board meetings held	Time	7	9	11
Total no. of report and resolution items at BOD meetings	Case	21	31	30
No. of report items	Case	7	7	10
No. of resolution items	Case	14	24	20
BOD Remuneration				
Registered Director – Total Remuneration Paid ³⁾	KRW million	4,418	1,566	1,483
Registered Director – Average Remuneration Paid Per Capita	KRW million/ Person	884	575	550
Outside Director – Total Remuneration Paid	KRW million	199	310	346
Outside Director – Average Remuneration Paid Per Capita	KRW million/ Person	66	78	69

1) Prior-year data have been restated due to a change in the reporting criteria effective in 2025
2) Calculated as the average tenure from the date of initial appointment as a registered executive to the end of the reporting year
3) Excludes one non-remunerated director

Remuneration System

Category	Unit	2023	2024	2025
Employee Remuneration				
CEO	KRW million	910	1,113	911
Earned income (excluding bonus)	KRW million	816	994	860
Bonus	KRW million	94	119	51
Employee benefits expense	KRW million	36,315	37,635	38,140
CEO total annual remuneration ratio	%	1,572.0	1,776.0	1,383.6
Median annual total salary of all employees excluding CEO	KRW million	57.9	62.7	65.8
Average Employee Remuneration				
Ratio of starting salary to minimum wage ¹⁾	%	139	152	157
Male	%	136	150	155
Female	%	142	153	161
Average wage of male employees ²⁾	KRW million	64.2	69.3	72.4
Manager level	KRW million	85.1	90.9	91.1
Non-manager level	KRW million	60.7	65.4	68.7
Average wage of female employees ²⁾	KRW million	53.6	57.2	58.2
Manager level	KRW million	76.8	89.2	83.3
Non-manager level	KRW million	51.9	54.0	54.9
Ratio of average wage of female to male employees	%	83.5	82.5	80.4
Manager level	%	90.2	98.1	91.4
Non-manager level	%	85.5	82.6	79.9

1) Based on the annual average salary of employees hired at Grade A and JA for each respective year
2) Based on the year-end headcount and annual taxable compensation, converted to full-time equivalent (FTE) employees

ESG Data

Governance

Committees Under the Board

Category	Unit	2023	2024	2025
Outside Director Candidate Nomination Committee ¹⁾				
No. of Inside Directors	Person	-	0	0
Inside Director ratio	%	-	0	0
No. of Outside Directors	Person	-	3	3
Outside Director ratio	%	-	100	100
No. of Convocations	Time	-	1	2
Attendance Rate	%	-	100	100
No. of Agenda Item Resolutions	Case	-	1	2
ESG Committee				
No. of Inside Directors	Person	1	0	0
Inside Director ratio	%	25	0	0
No. of Outside Directors	Person	3	3	3
Outside Director ratio	%	75	100	100
No. of Convocations	Time	1	2	3
Attendance Rate	%	100	100	100
No. of Agenda Item Resolutions	Case	0	0	4
Audit Committee ¹⁾				
No. of Inside Directors	Person	-	0	0
Inside Director ratio	%	-	0	0
No. of Outside Directors	Person	-	3	3
Outside Director ratio	%	-	100	100
No. of Convocations	Time	-	4	4
Attendance Rate	%	-	100	100
No. of Agenda Item Resolutions	Case	-	5	4

Category	Unit	2023	2024	2025
Internal Transaction Review Committee ¹⁾				
No. of Inside Directors	Person	-	1	1
Inside Director ratio	%	-	25	25
No. of Outside Directors	Person	-	3	3
Outside Director ratio	%	-	75	75
No. of Convocations	Time	-	1	2
Attendance Rate	%	-	100	100
No. of Agenda Item Resolutions	Case	-	1	2
Compensation Committee ¹⁾				
No. of Inside Directors	Person	-	1	1
Inside Director ratio	%	-	33	33
No. of Outside Directors	Person	-	2	2
Outside Director ratio	%	-	67	67
No. of Convocations	Time	-	1	1
Attendance Rate	%	-	100	100
No. of Agenda Item Resolutions	Case	-	1	2

1) Newly established in 2024

ESG Data

Governance

Corruption Risk Assessment

Category	Unit	2023	2024	2025
Corruption Risk Management				
No. of organizations assessed for corruption risk ¹⁾	Number	51	57	56
Ratio of organizations assessed for corruption risk	%	100	100	100
No. of business sites where corruption cases occurred ²⁾	Number	5	3	4
No. of cases where workers were fired or disciplined	Case	5	4	5
No. of partner contract terminations or non-renewals ³⁾	Case	0	0	3

1) Subject to ISO assessment
2) Based on business sites where disciplinary action (dismissal or higher) occurred
3) No. of contract terminations with corruption-risk partner companies

Compliance

Category	Unit	2023	2024	2025
Violations of Fair Trade Regulations				
No. of violations of fair trade regulations	Case	0	0	0
Total monetary sanctions for violations of fair trade regulations	KRW thousand	0	0	0
Corruption and Bribery Regulation Violations				
No. of violations of corruption and bribery regulations	Case	0	0	0
Total monetary sanctions for violations of corruption and bribery regulations	KRW thousand	0	0	0

Ethics Code Violations and Ethics Reporting

Category	Unit	2023	2024	2025
Ethics Code Violations				
No. of violations	Case	5	4	5
No. of actions taken	Case	5	4	5
Action rate	%	100	100	100
Ethics Reporting ¹⁾				
No. of reports received	Case	46	51	81
No. of actions taken	Case	46	51	81
Action rate	%	100	100	100

1) Total no. of reports received via the Group Sinmungo (whistleblowing channel), phone reports to the Ethical Management Team, and the Ethics Hot-Line

Ethics and Compliance Training

Category	Unit	2023	2024	2025
Ethics Training				
Completion hours	Hour	3,910	2,672	8,385
No. of completers ¹⁾	Person	1,564	1,572	1,582
Training hours per person ¹⁾	Hour/ Person	2.5	1.7	5.3
Compliance and Fair Trade Training ²⁾				
Completion hours	Hour	900	1,320	555
No. of completers	Person	75	110	111
Training hours per person	Hour/ Person	12	12	5

1) Restated from the previous year's report due to a change in the 2025 baseline
2) Subject to the Compliance Monitoring Council

ESG Data

Governance

Partner Companies

Category	Unit	2023	2024	2025
Partner Company ESG Risk Assessment				
Total no. of Tier-1 partner companies	Number	1,243	1,174	1,162
No. of major (key) Tier-1 partner companies	Number	134	415	44 ¹⁾
No. of Tier-1 (key) partner companies that received document-based assessment	Number	119	391	44
No. of Tier-1 (key) partner companies that received on-site inspection	Number	10	20	34
Partner Company Grievance Handling				
No. of grievances received	Case	29	32	57
No. of grievances resolved	Case	29	32	57
Grievance resolution rate	%	100	100	100

1) Decreased due to strengthened criteria for selecting key partner companies

Economic Value Creation and Distribution

Category	Unit	2023	2024	2025
Direct economic value generated (revenue)	KRW million	3,614,145	3,573,334	3,401,497
Economic value distributed				
Employees (wages and bonuses)	KRW million	182,221	202,497	206,944
Employees (employee benefits expense)	KRW million	40,298	42,278	42,612
Government and public institutions (corporate tax) ¹⁾	KRW million	4,587	4,960	7,376
Local community (social contribution amount)	KRW million	1,300	1,242	2,016
Economic value retained ²⁾	KRW million	3,331,723	3,258,333	3,079,348

1) Restated from the previous year’s report due to a change in the 2025 baseline

2) Economic value retained = Direct economic value generated - Economic value distributed

GRI Index

GRI 1 : Foundation 2021

Statement of Use	Lotte Global Logistics reports its sustainability management information for the period from January 1, 2025, to December 31, 2025, in accordance with the GRI Standards
GRI 1 Used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	As of the publication date in June 2025, no GRI Sector Standards are applicable to the logistics sector.

GRI 2 : General Disclosures

GRI Standards	NO.	Disclosure	Page	Remarks
The organization and its reporting practices	2-1	Organizational details	6-8	
	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	104, 105, 109, 111, 113, 114	
	2-5	External assurance	2, 122-124	
Activities and workers	2-6	Activities, value chain and other business relationships	7-8, 10	
	2-7	Employees	105	
	2-8	Workers who are not employees	105	
Governance	2-9	Governance structure and composition	85, 88	
	2-10	Nomination and selection of the highest governance body	85	
	2-11	Chair of the highest governance body	85	
	2-12	Role of the highest governance body in overseeing the management of impacts	86	
	2-13	Delegation of responsibility for managing impacts	12, 88	
	2-14	Role of the highest governance body in sustainability reporting	12, 88	
	2-15	Conflicts of interest	86	
	2-16	Communication of critical concerns	86	

GRI Standards	NO.	Disclosure	Page	Remarks
Governance	2-17	Collective knowledge of the highest governance body	86	
	2-18	Evaluation of the performance of the highest governance body	87	
	2-19	Remuneration policies	87	
	2-20	Process to determine remuneration	87	
	2-21	Annual total compensation ratio	111	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	32, 46, 63, 76, 89, 90, 94	
	2-24	Embedding policy commitments	32, 46, 63, 76, 89, 90, 94	
	2-25	Processes to remediate negative impacts	51, 83	
	2-26	Mechanisms for seeking advice and raising concerns	93, 97	
	2-27	Compliance with laws and regulations	104, 110, 113	
	2-28	Membership associations	121	
Stakeholder engagement	2-29	Approach to stakeholder engagement	17	
	2-30	Collective bargaining agreements	105	

GRI Index

Topic Specific Standards

GRI Standards	NO.	Disclosure	Page	Remarks
Disclosures on material topics	3-1	Process to determine material topics	18	
	3-2	List of material topics	19	
Material Topic 1. Occupational Health and Safety				
Disclosures on material topics	3-3	Management of material topics	20	
	403-1	Occupational health and safety management system	64	
Occupational Health and Safety	403-2	Hazard identification, risk assessment, and incident investigation	68-69	
	403-3	Occupational health services	67	
	403-4	Worker participation, consultation, and communication on occupational health and safety	65	
	403-5	Worker training on occupational health and safety	67	
	403-6	Promotion of worker health	66	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	64	
	403-8	Workers covered by an occupational health and safety management system	64	
	403-9	Work-related injuries	109	
	403-10	Work-related ill health	109	
Material Topic 2. Consumer-Centered Management				
Disclosures on material topics	3-3	Management of material topics	20	
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	0 cases of regulatory violations

GRI Standards	NO.	Disclosure	Page	Remarks
Material Topic 3. Action on Climate Change				
Disclosures on material topics	3-3	Management of material topics	20	
	302-1	Energy consumption within the organization	103	
Energy	302-3	Energy intensity	103	
	302-4	Reduction of energy consumption	26	
	302-5	Reductions in energy requirements of products and services	26	
	305-1	Direct (Scope 1) GHG emissions	102	
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	102	
	305-3	Other indirect (Scope 3) GHG emissions	25	
	305-4	GHG emissions intensity	102	
	305-5	Reduction of GHG emissions	102	
	201-2	Financial implications and other risks and opportunities due to climate change	30	
Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	30	

GRI Index

Topic Specific Standards

GRI Standards	NO.	Disclosure	Page	Remarks
Material Topic 4. Human Rights Management				
Disclosures on material topics	3-3	Management of material topics	20	
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	111	
Employment	401-1	New employee hires and employee turnover	106	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	59-60	
	401-3	Parental leave	109	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	85, 107	
	405-2	Ratio of basic salary and remuneration of women to men	111	
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	-	0 discrimination incidents
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Not Applicable
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	-	Not Applicable
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	Not Applicable
Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	-	Not Applicable
Material Topic 5. Ethics and Compliance				
Disclosures on material topics	3-3	Management of material topics	20	
Anti-corruption	205-1	Operations assessed for risks related to corruption	113	
	205-2	Communication and training about anti-corruption policies and procedures	91, 113	
	205-3	Confirmed incidents of corruption and actions taken	113	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	113	

Other GRI Index

GRI Standards	NO.	Disclosure	Page	Remarks
Biodiversity	101-2	Management of biodiversity impacts	42-44	
	101-5	Locations with biodiversity impacts	41-42	
	101-8	Ecosystem services	43	
Economic Performance	202-1	Direct economic value generated and distributed	114	
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	80-83	
	203-2	Significant indirect economic impacts	80-83	
Water and Effluents	303-3	Water withdrawal	103	
	303-4	Water discharge	103	
Waste	306-2	Management of significant waste-related impacts	34, 36-37	
	306-3	Waste generated	103	
	306-4	Waste diverted from disposal	103	
	306-5	Waste directed to disposal	103	
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	98	
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	80-83	
	404-1	Average hours of training per year per employee	107	
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	55-56	
	404-3	Percentage of employees receiving regular performance and career development reviews	108	
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	98	
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	110	

SASB Index

Road Transportation

Topic	Code	Accounting Metric	Unit	Page	Remarks
Greenhouse Gas Emissions	TR-RO-110a.1	Gross global Scope 1 emissions	tCO ₂ eq	102	
	TR-RO-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	25	
	TR-RO-110a.3	(1) Total fuel consumed, (2) percentage natural gas and (3) percentage renewable	GJ, %	103	
Workforce Conditions, Health & Safety	TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Case/200,000 working hours, %	109	
	TR-RO-320a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	%	106	
	TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	-	66	
Accident & Safety Management	TR-RO-540a.1	Number of road accidents and incidents	Case	-	31 cases
	TR-RO-540a.3	(1) Number and (2) aggregate volume of spills and releases to the environment	Case, m ³	104	
Activity Metrics					
Activity Metrics	TR-RO-000.A	Revenue tonne-kilometres (RTK)		-	
	TR-RO-000.B	Load Factor		-	
	TR-RO-000.C	Number of employees, number of truck drivers		105	

TCFD Index

Category	TCFD Recommendations	Page
Governance	a. Describe the board's over-sight of climate-related risks and opportunities.	23
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	23
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	30-31
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	30-31
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	30
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	29
	b. Describe the organization's processes for managing climate-related risks.	29
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	29
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.	25
	b. Disclose Scope 1 (direct emissions), Scope 2 (indirect emissions), and Scope 3 (miscellaneous indirect scope) greenhouse gas (GHG) emissions, and the related risks.	25, 102
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against target.	25, 102

UNGC Index

UNGC

Human Rights



- Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2** make sure that they are not complicit in human rights abuses.

Labour

- Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4** the elimination of all forms of forced and compulsory labour;
- Principle 5** the effective abolition of child labour; and



- Principle 6** the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** undertake initiatives to promote greater environmental responsibility; and



- Principle 9** encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption



- Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

No.	UNGC ADVANCED CRITERIA	Page
1	The COP describes mainstreaming into corporate functions and business units	6
2	The COP describes value chain implementation	119
3	The COP describes robust commitments, strategies or policies in the area of human rights	46-47
4	The COP describes effective management systems to integrate the human rights principles	47
5	The COP describes effective monitoring and evaluation mechanisms of human rights integration	50-51
6	The COP describes robust commitments, strategies or policies in the area of labour	46-47
7	The COP describes effective management systems to integrate the labour principles	47
8	The COP describes effective monitoring and evaluation mechanisms of labour principles integration	61
9	The COP describes robust commitments, strategies or policies in the area of environmental stewardship	32
10	The COP describes effective management systems to integrate the environmental principles	32
11	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	38
12	The COP describes robust commitments, strategies or policies in the area of anti-corruption	89-90
13	The COP describes effective management systems to integrate the anti-corruption principle	90
14	The COP describes effective monitoring and evaluation mechanisms for the integration of anticorruption	91-93
15	The COP describes core business contributions to UN goals and issues	13-14
16	The COP describes strategic social investments and philanthropy	80-83
17	The COP describes advocacy and public policy engagement	32, 46, 63, 76, 89, 90, 94
18	The COP describes partnerships and collective action	121
19	The COP describes CEO commitment and leadership	5
20	The COP describes Board adoption and oversight	12
21	The COP describes stakeholder engagement	17

WEF-IBC Index

Principles of Governance

Theme	Disclosure	Page
Governing purpose	Setting purpose	13
Quality of governing body	Governance body composition	85
Stakeholder engagement	Material issues impacting stakeholders	19
Ethical behaviour	Anti-corruption	92-93
	Protected ethics advice and reporting mechanisms	93

People

Theme	Disclosure	Page
Dignity and equality	Diversity and inclusion	48-49
	Pay equality	111
	Wage level	111
	Risk for incidents of child, forced or compulsory labour	51
Health and well-being	Health and safety	62-71
Skills for the future	Training provided	55-56

Planet

Theme	Disclosure	Page
Risk and opportunity oversight	Integrating risk and opportunity into business process	29
	TCFD implementation	118
Climate change	Greenhouse gas (GHG) emissions	102
	Land use and ecological sensitivity	39-44
	Water consumption and withdrawal in water-stressed areas	103

Prosperity

Theme	Disclosure	Page
Employment and wealth generation	Absolute number and rate of employment	106
	Economic contribution	114
	Financial investment contribution	102
Innovation of better products and services	Total R&D expenses (\$)	Annual Report 26-27
Community and social vitality	Total tax paid	102

Certificates, Awards and Memberships

Awards

Date	Host	Award
2025.11	Korean Standards Association	Ranked No. 1 in the Korea Service Quality Index (KS-SQI) for 5 consecutive years
2025.03	Incheon International Airport Corporation (IIAC)	Received the Excellent Logistics Company Award
2024.11	National Fire Agency	Awarded the Prime Minister's Commendation in celebration of the 62nd Firefighters' Day
2024.09	Korea Consumer Council	Achieved top rankings in 'CEO Category' at the 'Brand of the Year' Award(First recipient in the logistics industry)
2023.05	Korea Port Logistics Association	Won the Grand Prize at the Port Safety Awards
2023.04	Korea Productivity Center	Ranked No. 1 in Home Delivery by National Customer Satisfaction Index (NCSI)
2022.12	Gyeongsangnam-do Fire Department	Won the Grand Prize at the Cardiopulmonary Resuscitation Contest
2022.12	Gyeongsangnam-do Fire Department	Won the Grand Prize at the 2022 Fire Safety Training Competition for Fire-Related Personnel
2022.12	Ministry of Employment and Labor	Won the Minister of Employment and Labor Award at the Fair Recruitment Best Practices Contest

Memberships

Korea Integrated Logistics Association (Senior Vice Chairman)	The Federation of Korean Industries	Korea Chamber of Commerce and Industry
Seoul Chamber of Commerce and Industry	IATA (International Air Transport Association)	Korea Railroad Logistics Association
Korea Customs Logistics Association (Uiwang CY, Uiwang Bonded Warehouse)	Korea Customs Logistics Association (Bonded Transportation)	Korea Trucking Association
BCTA Council	Korea Fair Competition Federation	Korea Industrial Safety Association
Korea AEO Association	Korea Certified Customs Attorneys Association	Korea International Freight Forwarders Association
KOREA Investor Relations Service	Korea Exhibition Service Providers Association	Korea Franchise Association

Certificates

Certification Date	Host	Details
2025.11	Ministry of Health and Welfare, Korea Council on Social Welfare	Local Community Contribution Recognition Certification
2024.10	Ministry of Employment and Labor, Ministry of Trade, Industry and Energy, Ministry of SMEs and Startups	Best Practice Company for Work-Life Balance
2024.10	Korea Management Register (KMR)	Human Rights Management System Certification
2024.02	International Air Transport Association (IATA)	CEIV Pharma Certification (International Certification for Special Air Cargo Pharmaceuticals)
2023.12	Korea Fair Trade Commission	Consumer-Centered Management (CCM) Certification
2023.05	International Air Transport Association (IATA)	CEIV Lithium Certification (International Certification for Special Air Cargo – Lithium Batteries)
2022.12	Ministry of Oceans and Fisheries, Korea Ocean Business Corporation	Certified Excellent Shipping Company and Shipper (CESS)
2022.03	Korea Customs Service, Korea AEO Association	AEO certification
2021.09	-	ISO 37301 (Compliance management system)
2021.06	-	ISO 45001 (Occupational health and safety management system)
2020.11	Human Resources Development Service of Korea	Best HRD Certification
2020.03	Korea Internet & Security Agency	ISMS (Information Security Management System)
2018.09	-	ISO 37001 (Anti-bribery management system)
2017.12	Ministry of Gender Equality and Family	Family-friendly business certification
2016.11	Ministry of Land, Infrastructure and Transport	Excellent green logistics practice company certification
2016.03	-	ISO 13485 (Medical Device Quality Management System (Healthcare Center in Southeast Region))
2012.03	Korea Customs Service	AEO certification
2008.12	Transported Asset Protection Association (TAPA AMERICAS)	TAPA (Cargo Security and Safety Certification)
2008.08	-	ISO 14001 (Environmental management system)
2007.11	-	ISO 9001 (Quality management systems)
2006.08	Ministry of Land, Infrastructure and Transport	Excellent logistics company certification (Comprehensive Logistics Company)

GHG Emissions Assurance Statement

MOC-26-133

GHG Emission Verification Opinion

Lotte Global Logistics Corporation

✔ Verification Scope

Korean Standards Association has conducted verification for GHG emissions based on GHG report provided by Lotte Global Logistics Corporation which includes Scope1 and Scope2 emissions.

✔ Verification Standards and Guidelines

To conduct verification activities, verification team applied verification standards and guidelines. The standards and guidelines are as follows.

- Guidance for reporting and verification of GHG emissions trading scheme (No. 2025-64 provided by Ministry of Environment, Republic of Korea)
- Verification Guidelines for the Operation of the Greenhouse Gas Emission Trading System (No. 2025-165 provided by Ministry of Environment, Republic of Korea)
- For matters not specified in other guidelines, refer to KS I ISO 14064-1: 2018 and KS I ISO 14064-3: 2019

✔ Level of Assurance

Lotte Global Logistics Corporation's GHG emissions satisfies the under Reasonable Assurance(less than 5.0% of total emissions).

✔ Verification Conclusion

As a result of verification activities, verification team has found no significant errors, omissions, and misstatements. Therefore, Korean Standards Association confirms that following emissions data are adequately quantified.

• 2025 GHG Emissions and Energy Consumption(Scope1, Scope2)

Year	GHG Emissions(tCO ₂ eq)			Energy Consumption(TJ)			
	Scope1	Scope2	Subtotal	Fuel	Electricity	Heat	Subtotal
2025	14,559.374	48,363.765	62,920	209.103	1,014.882	-	1,222

※ This emission is based on the March 2026 abd the final emission value is subject to change.
※ Note : Decimal place is not considered when calculating the emission of each workplace.

May 22, 2026

Dongmin Moon

KOREAN STANDARDS ASSOCIATION

EVC-26-021

GHG Emission Verification Opinion

Lotte Global Logistics Corporation

10, Tongil-ro, Jung-gu, Seoul, Republic of Korea

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted a limited assurance verification of Lotte Global Logistics Corporation's Scope3 GHG statement.

- Reporting Target : Operational control sites of Lotte Global Logistics Corporation
- Boundary : Scope3(Other Indirect emissions)
 - Category 1. Purchased goods and services
 - Category 3. Fuel-and energy-related activities (not included in Scope1 or Scope2)
 - Category 4. Upstream Transportation and Distribution
 - Category 6. Business travel
- Year : January 1, 2025 to December 31, 2025

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
 - Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WRI)
 - Technical Guidance for calculating Scope 3 Emissions(WRI, wbscd)
 - Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Ministry of Environment Notice No. 2025-64)
 - 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines

4. Level of assurance verification and Responsibility

Korea Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Lotte Global Logistics Corporation's Headquarter
- Method of confirmation
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

Lotte Global Logistics Corporation should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

In addition, where emissions have been calculated using spend-based emission factors, there is a limitation in that the characteristics of emissions in the domestic industry may not be sufficiently reflected.

6. Verification Conclusion

Korean Standards Association confirmed that the GHG emissions calculated by Lotte Global Logistics Corporation meet the level of assurance and the materiality threshold (less than 10%) in accordance with the verification criteria. No evidence was found to suggest that the GHG data and information were unfairly presented.

Lotte Global Logistics Corporation has taken appropriately corrective actions on the major findings identified by the verification team. Based on the verification results, including the absence of material errors of omissions, the data and processes are considered to meet the verification and guidelines. Therefore, a 'Unmodified opinion' is issued.

● Appendix. GHG Emissions in 2025 (Scope3)

(Unit : tCO₂eq)

Category		GHG Emissions
Category 1	Purchased goods and services	4,798
Category 3	Fuel and energy-related activities (not included in Scope1 or Scope2)	11,570
Category 4	Upstream transportation and distribution	194,436
Category 6	Business travel	725
Total		211,529

May 22, 2026

Dongmin Moon

KOREAN STANDARDS ASSOCIATION

Third-Party Assurance Statement

To: The Stakeholders of LOTTE GLOBAL LOGISTICS.

Overview

The British Standards Institution (hereinafter referred to as the “Assurer”) was requested to verify the 2025 Lotte Global Logistics Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent to Lotte Global Logistics and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the Lotte Global Logistics's report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the Lotte Global Logistics. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

Lotte Global Logistics is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Lotte Global Logistics only.

The Assurer is responsible for providing Lotte Global Logistics's management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of Lotte Global Logistics. The Assurer will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with Lotte Global Logistics includes the following:

- Report contents during the period from January 1st to December 31st 2025 included in the Report, some data of 2026 are included.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report's compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance level and type are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by Lotte Global Logistics.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

101-2,5&8, 201-1&2, 202-1, 203-1&2, , 205-1~3, 206-1, 302-1,2&4, 303-3&4, 305-1~5, 306-3~5, 308-2, 401-1~3, 403-1~10, 404-1~3, 405-1&2, 406-1, 407-1, 408-1, 409-1, 411-1, 413-1, 414-2, 416-2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of the materiality issue analysis process and prioritization and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures.
- An assessment of Lotte Global Logistics's reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the Lotte Global Logistics's HQ to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by Lotte Global Logistics. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Third-Party Assurance Statement

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with over 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with Lotte Global Logistics. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain Lotte Global Logistics's approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards is set out as below.

Inclusivity : Stakeholder Engagement and Opinion Lotte Global Logistics has identified employees, customers, partner companies, shareholders and investors, local communities, and government and related institutions as its key stakeholders. The company operates diverse communication channels tailored to each stakeholder group and, through stakeholder engagement processes, collects expectations and opinions from these groups. The major issues derived from this process are incorporated into sustainability-related decision-making.

Materiality : Identification and reporting of material sustainability topics Through a double materiality assessment process, Lotte Global Logistics analyzed global ESG disclosure guidelines, ESG evaluation indicators, and ESG-related laws and regulations, resulting in the identification of 48 sustainability issues. Based on media research, benchmarking, expert evaluations, and reviews of past material issues, the company narrowed these down to a short list of 17. From this, a comprehensive materiality assessment was conducted, considering both business importance and environmental and social impact, leading to the final selection of five key material issues, which are disclosed in the report.

Responsiveness : Responding to material sustainability topics and related impacts For the five key material issues identified through the double materiality assessment, Lotte Global Logistics reports on their impacts, associated risks and opportunities, business strategies, 2025 performance, and major targets under the section 'Material Issue Impacts and Response Strategies.' During the reporting period, the company disclosed its response measures and achievements related to these core material issues.

Impact : Impact of an organization's activities and material sustainability topics on the organization and stakeholders Lotte Global Logistics has established a process to identify and assess the impacts of core material issues on the organization and its stakeholders. The analysis of impacts, risks, and opportunities related to these core material issues is utilized in decision-making for developing response strategies for each issue. This process is disclosed through the report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, an assurance Type 2 were conducted against the following discloursers based on the information and data provided by Lotte Global Logistics. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the Report were not found through assurance processes. The Lotte Global Logistics manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected and the Assurer confirmed the final version of the Report prior to its final publication.

· GRI Topic Standards: 201-2, 202-1, 205-1~3, 206-1, 302-1&3~5, 305-1~5, 401-1~3, 403-1~10, 405-1&2, 418-1

Recommendations and Opportunity for improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;
· In its report, Lotte Global Logistics conducted a climate risk assessment and disclosed its climate risk response strategies, implementation plans, and enterprise-wide integrated risk management framework. This demonstrates the company's strong commitment to climate action. Global standards such as the EU CSRD, ISSB S2, and TCFD mandate the disclosure of the financial impacts of climate risks. By providing quantitative reporting on the financial impacts of both physical and transition risks, and by considering opportunities arising from climate risks, Lotte Global Logistics can further strengthen its climate risk response system.

GRI-reporting

Lotte Global Logistics has self-declared compliance with GRI Standards. Based on the data and information provided by Lotte Global Logistics, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards, and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards Indicators. No sector standard is applied.

Issue Date: 29/05/2026

For and on behalf of BSI (British Standards Institution):

BSI representative



BSI Group Korea Limited:
29, Insa-dong 5-gil, Jongno-gu,
Seoul, South Korea
Hold Statement Number: SRA 786303



SangWoo Nam, Lead Assurer(LCSAP)
Sustainability Framework and KPIs related to
Governance, Environmental and Social/People



Seonghwan Lim,
Managing Director

