

Lifetime **Value** Creator



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Better Dreams & Different Innovation	Advance & Expand	Growth & Diversity	Supporting & Sharing
- CHAIRMAN'S MESSAGE LOTTE PROFILE	- GLOBAL LOTTE	- BUSINESS OVERVIEW	- SOCIAL RESPONSIBILITY



LOTTE continues to leap forward to
enrich the lives of people worldwide and
to build a more valuable tomorrow.

We will provide value for our customers
and become a beloved global company
by consistently working to:
enhance transparent management
and core competencies;
seek growth engines through
change and innovation; and contribute
to society with sustainable management.

LOTTE's new symbol is designed as a simple curve within a rounded diamond shape, which evokes the LOTTE World Tower site. It can also be read as an abbreviation of L, V and C, which stands for "Lifetime Value Creator." The point on the bottom left represents our customers' "beginning of life," while the continuing curved line portrays the "journey of life" of our customers with LOTTE.



By embracing bold change and innovation, we are growing into a global company loved and respected worldwide.

Over the past half-century, LOTTE has overcome challenges, helped to develop the nation and society and deepened our passion for enriching human life. Throughout that history, LOTTE has also maintained its dreams while driving growth and finding opportunities in crisis and trial. Our unceasing efforts have expanded our success in a range of fields, including food, retail, tourism, service, chemical and construction industries. We have actively moved forward to pioneer overseas markets and establish our global status.

Building on more than five decades of history and success, LOTTE is eagerly leaping forward to launch a new chapter in our ongoing story to become a 100-year-old company. Based on core competencies, we will pursue topline and qualitative growth together. We will discover greater opportunities in our customers and markets, while continuing to meet challenges with bold change and innovation. As always, we will practice thoroughly transparent management and compliance to earn and maintain trust with customers and stakeholders around the world. We will take the lead in job creation and win-win growth initiatives and participate in finding solutions to social problems as we contribute to the national economy and community development.

Through change and innovation, LOTTE will grow as a beloved and respected company. As we further our dream of enriching human life, we envision a future in which everyone is happier and renewed. I hope for your generous support for LOTTE's new leap forward.

A handwritten signature in black ink, reading "Shin Dong-bin". The signature is fluid and cursive, with a large, stylized 'S' and 'B'.

Chairman **Shin Dong-bin**

An aerial photograph of the Lotte World Tower in Seoul, South Korea, during sunset. The tower is illuminated with blue and white lights, standing out against the orange and yellow sky. The surrounding cityscape is visible, with various buildings and a body of water in the foreground.

Our Better & Different future by...

A better world for all and the new future everyone dreams about...

A woman with long blonde hair, wearing a gold sequined dress, is smiling warmly at a man. The man, seen from the back, has dark hair and is wearing a tuxedo. They are seated at a table in a restaurant with warm, wood-paneled walls. The woman is holding a glass of orange juice with a cucumber garnish. The man is holding a glass of red wine. The overall atmosphere is intimate and elegant.

Focusing on customers...

We deliver joy by deeply understanding our customer



Creating innovation...

We continuously seek change and innovation to create new value

And fulfilling our promise

We cherish the trust of our customers and society



MISSION

We enrich people’s lives
by providing superior products
and services that
our customers love and trust.

VISION

Lifetime
Value Creator

MANAGEMENT PRINCIPLES

- Transparent
management
- Strengthening
core competencies
- Value-based
management
- On-site
management

LOTTE PROFILE

- GOVERNANCE STRUCTURE
- FINANCIAL HIGHLIGHTS
- BUSINESS PORTFOLIO
- GLOBAL BUSINESS
- LOTTE HISTORY

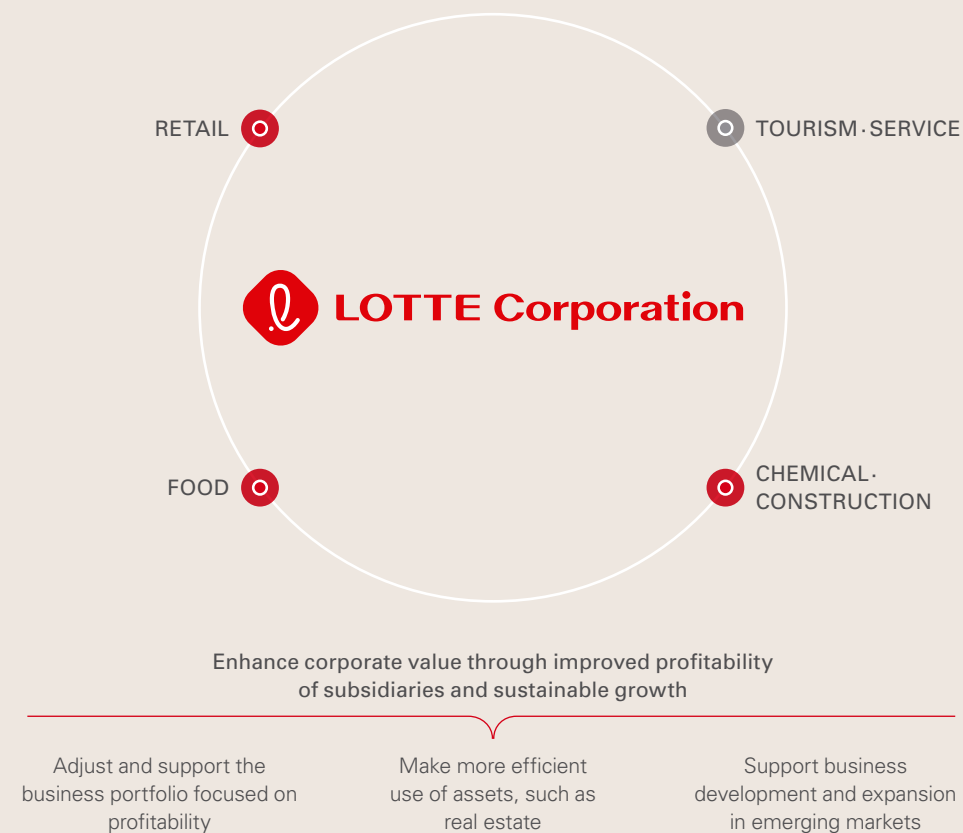
GOVERNANCE STRUCTURE

LOTTE Corporation is achieving greater management transparency and Groupwide quality growth.

LOTTE strives to enrich lives and enhance value for customers in all of its business fields, including food, retail, tourism, service, chemical and construction. In October 2017, we established LOTTE Corporation as a holding company in order to secure Group-wide management transparency and to continue to achieve sustainable and qualitative growth. The establishment of LOTTE Corporation has enabled us to simplify our governance structure to strengthen management transparency, and to improve management efficiency by dividing risk-taking between our business and investment divisions companywide. LOTTE Corporation is increasing the number of affiliated subsidiaries with various strategies while actively supporting and cooperating with affiliates to increase corporate value. In addition, we will develop as a transparent company trusted and beloved by our customers through the creation of mid- to long-term business plans that deliver future value and the fulfillment of our social responsibilities.

LOTTE CORPORATION STRUCTURE

● Affiliated ● To be affiliated



FINANCIAL HIGHLIGHTS

LOTTE is Korea's fifth largest business group, based on assets, and continues steady annual growth with a stable financial structure.

2019 FINANCIAL OVERVIEW

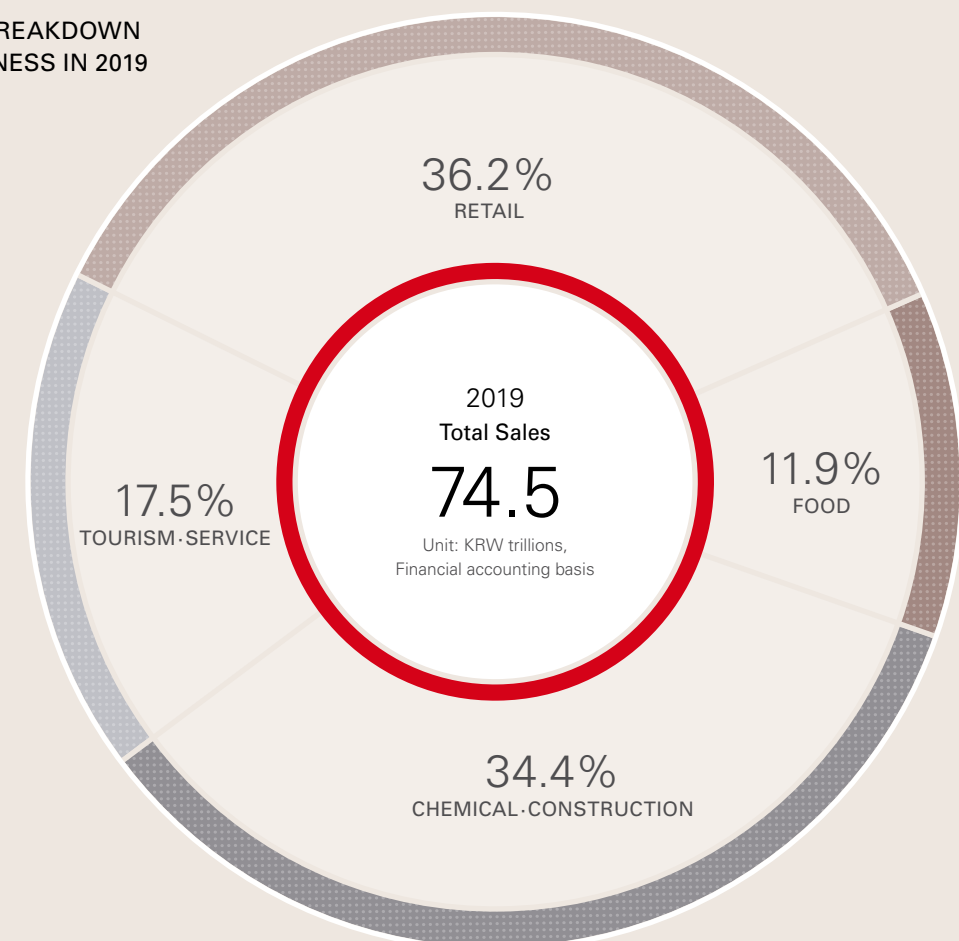
Business ranking in Korea	Assets ⁽¹⁾	Debt ratio ⁽²⁾	Sales ⁽³⁾
5 th	KRW 121.5 trillion	98.7 %	KRW 65.3 trillion

* Source: May 2020 announcement by the Korea Fair Trade Commission

* Note: Excluding public corporations and asset-based (1) Fair assets (2) Excluding financial corporations

(3) Fair sales (based on domestic market sales, excluding internal transactions)

SALES BREAKDOWN BY BUSINESS IN 2019



* Since 2017, we have reported total sales on a financial accounting basis rather than a managerial accounting basis.

BUSINESS PORTFOLIO

Founded as a food business, LOTTE has expanded into retail, tourism, service, chemical and construction to build a successful business portfolio.



1

FOOD

- LOTTE Confectionery
- LOTTE Chilsung Beverage
- LOTTE Foods
- LOTTE GRS
- LOTTE Asahi Liquor
- LOTTE-Nestlé (Korea)
- LOTTE Merchandising Service Center

2

RETAIL

- LOTTE Department Store
- LOTTE Mart
- LOTTE Super
- LOHB's
- LOTTE e-commerce
- LOTTE Hi-Mart
- Korea Seven
- LOTTE Homeshopping
- LOTTE Asset Development
- FRL Korea
- LOTTE Members

3

TOURISM·SERVICE

- LOTTE Hotel
- LOTTE Duty Free
- LOTTE World
- LOTTE Resort
- LOTTE Cultureworks
- LOTTE JTB
- LOTTE P&D
- LOTTE Rental
- LOTTE International
- LOTTE Global Logistics
- LOTTE Data Communication
- Daehong Communications
- LOTTE Giants
- Canon Korea Business Solutions
- Korea Fujifilm

4

CHEMICAL·CONSTRUCTION

- LOTTE Chemical
- LOTTE Fine Chemical
- LOTTE MCC
- LOTTE BP Chemical
- LOTTE E&C
- LOTTE CM Division
- LOTTE Aluminium

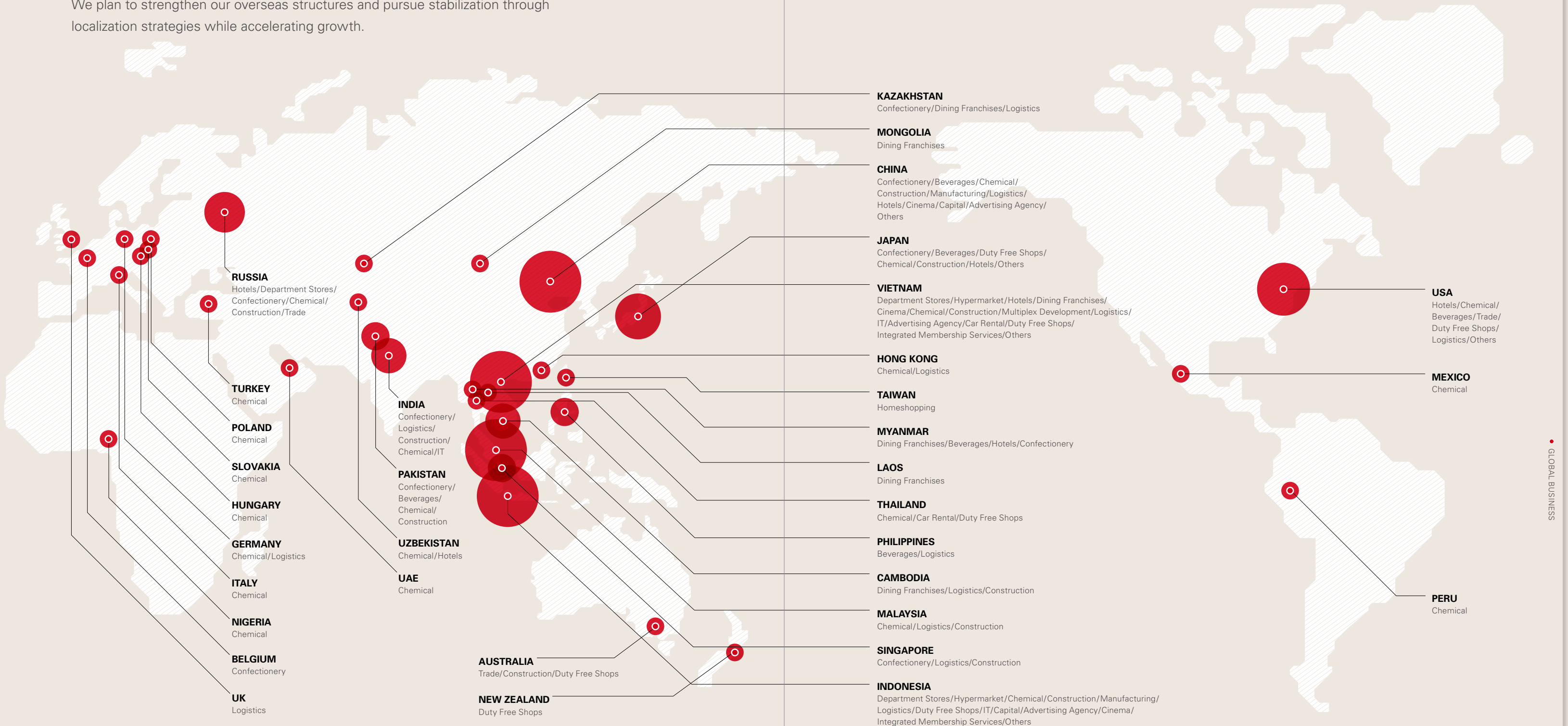
5

R&D·SUPPORT·OTHERS

- LOTTE Scholarship Foundation
- LOTTE Welfare Foundation
- LOTTE Samdong Welfare Foundation
- LOTTE Foundation for Arts
- LOTTE R&D Center
- LOTTE Academy
- LOTTE Institute of Economy & Strategy
- LOTTE Capital

GLOBAL BUSINESS

LOTTE is actively engaged in business in 30 countries, including in Asia and Europe, and is expanding its operations throughout the Americas and in emerging economies. We plan to strengthen our overseas structures and pursue stabilization through localization strategies while accelerating growth.



LOTTE HISTORY

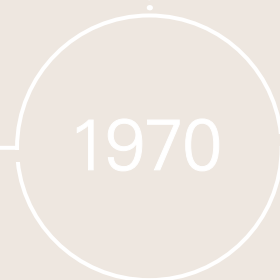
LOTTE's shining history began in 1967. We have grown into a global company loved around the world. We are continuing our journey of challenge and innovation with unchanging passion.



LOTTE Confectionery, founded in 1967 by General Chairman Kyuk-ho Shin, was the origin of the LOTTE Group. LOTTE Confectionery provided new and delicious products that modernized the Korean food industry and raised people's standard of living.

1966 Established Dongbang Alumi Industry (now LOTTE Aluminium)

1967 Established LOTTE Confectionery



LOTTE actively promoted business diversification in response to the fast-growing Korean economy. We expanded our food business into the largest company of its kind in Korea. We entered tourism, retail and other key national industries by establishing LOTTE Hotel, LOTTE Shopping, LOTTE Engineering & Construction and Honam Petrochemical Corp.

1977 Established LOTTE Liquor (now LOTTE Chilsung Beverage Liquor Division)

1977 Acquired Samkang Industrial (now LOTTE Foods)

1978 Established Hanil Spice and LOTTE Milk (now LOTTE Foods)

1978 Acquired Pyeonghwa Engineering & Construction (now LOTTE Engineering & Construction)

1979 Acquired Honam Petrochemical Corp. (now LOTTE Chemical)

1979 Established LOTTERIA (now LOTTE GRS)

1979 Established LOTTE Shopping

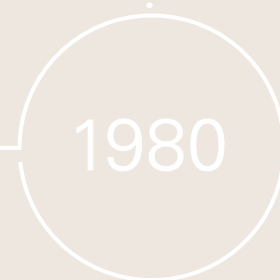


1973 Established LOTTE Hotel

1973 Established LOTTE Machine Industry (now LOTTE Aluminium)

1974 Established LOTTE Int'l (now LOTTE International, LOTTE Resort Skyhill CC)

1974 Acquired Chilsung Hanmi Beverage (now LOTTE Chilsung Beverage)



During the 1980s, LOTTE became one of Korea's top 10 companies as we leveraged our accumulated assets and technology to secure competitive positions in food, retail, tourism and other businesses. We established a long-term strategy for future growth and created a foundation to enter the global market.

1983 Established LOTTE R&D Center

1983 Established LOTTE Merchandising Service Center

1983 Established Samnam Scholarship Committee (now LOTTE Scholarship Foundation)

1985 Established Jamsil LOTTE World Engineering & Construction Division (now LOTTE CM Division)

1985 Established LOTTE Canon (now Canon Korea Business Solutions)

1989 Opened LOTTE World Adventure

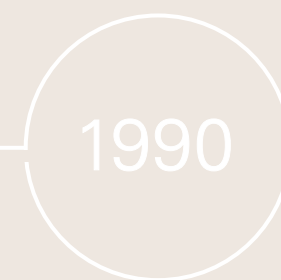
1980 Established LOTTE Duty Free Shop

1980 Acquired Miwha Photo Film and Miwha Photo Sale (now Korea Fujifilm)

1982 Established Daehong Communications

1982 Established LOTTE Giants

1982 Established LOTTE Property & Development



In the 1990s, LOTTE systematically prepared to take the leap toward becoming a global company. We laid the groundwork with sound management and bold investments. We also overcame the foreign currency crisis with stronger competitiveness and the most stable financial structure.

1994 Opened LOTTE Training Center (now LOTTE Academy)

1994 Acquired Korea Seven

1994 Established LOTTE Welfare Foundation

1995 Established Busan Installment Financing Company (now LOTTE Capital)

1996 Established LOTTE Logistics (now LOTTE Global Logistics)

1996 Established LOTTE Data Communication

1998 Established LOTTE Mart

1999 Established LOTTE Cinema (now LOTTE Cultureworks)



2000

In the 2000s, LOTTE grew into a leader in the food, retail, tourism, service, chemical, construction, manufacturing and finance industries. We expanded beyond Asia into Europe, the Middle East and the Americas to become a global company.

- 2000 Established LOTTE.com (now LOTTE e-commerce)
- 2000 Established Hi Star (now LOTTE Asahi Liquor)
- 2001 Established LOTTE Super
- 2002 Established LOTTE Economics Laboratory (now LOTTE Institute of Economy & Strategy)
- 2002 Acquired Dongyang Card (now LOTTE Card)
- 2004 Acquired KP Chemical, KP Chemtech (now LOTTE Chemical)
- 2004 Established FRL Korea
- 2006 Established Daesan MMA (now LOTTE MCC)

- 2007 Acquired Woori Home Shopping (now LOTTE Homeshopping)
- 2007 Established LOTTE JTB
- 2007 Established LOTTE Asset Development
- 2007 Acquired Korea Fire & Marine Insurance (now LOTTE Insurance)
- 2008 Acquired Guylian in Belgium
- 2008 Acquired KI Bank (now Korea Seven)
- 2008 Established LOTTE Jeju Resort



- 2008 Acquired 19 Makro stores in Indonesia
- 2008 Established LOTTE Buyeo Resort
- 2009 Acquired Doosan Liquor BG (now LOTTE Chilsung Beverage Liquor Division)
- 2009 Acquired Pakistan PTA (now LOTTE Chemical Pakistan)
- 2009 Acquired MYbi
- 2009 Established LOTTE Samdong Welfare Foundation

2010

LOTTE has been steadily growing in the 2010s through sound management and efficient investments. We continue to actively expand our businesses and accelerate overseas expansion beyond Asia, thereby strengthening our capabilities as a global group.

- 2010 Acquired Buy The Way
- 2010 Acquired EB Card
- 2010 Acquired Philippines' Pepsi (PCPPI)
- 2010 Acquired Pakistan's Kolson
- 2010 Acquired Malaysia's Titan Chemical (now LOTTE Chemical Titan)
- 2011 Acquired Hyundai Information Technology
- 2011 Acquired Pasteur Dairy Company (now LOTTE Foods)
- 2012 Acquired Hi Mart (now LOTTE Hi-Mart)
- 2012 Established LOHB's
- 2013 Acquired Kazakhstan's Rakhat



- 2014 Established LOTTE-Nestlé (Korea)
- 2014 Acquired Hyundai Logistics (now LOTTE Global Logistics)
- 2015 Established LOTTE Members
- 2015 Acquired KT Rental (now LOTTE Rental)
- 2015 Established LOTTE Foundation for Arts
- 2016 Acquired Samsung SDI's Chemical Division, Samsung Fine Chemicals, Samsung BP Chemicals (Now LOTTE Chemical, LOTTE Fine Chemical, LOTTE BP Chemical)
- 2017 Marked LOTTE Group's 50th anniversary and announced a new vision
- 2017 Established LOTTE Corporation
- 2017 Acquired India's Havmor Ice Cream

- 2018 Established LOTTE Cultureworks
- 2018 Established LOTTE e-commerce
- 2019 Launched integrated LOTTE Global Logistics
- 2019 Sold LOTTE Card and LOTTE Insurance
- 2020 Launched integrated LOTTE Chemical

and...

In 2020, LOTTE's transformation and innovation continues to build a greater future. We will provide the best value throughout the lifecycles of our customers and create enriched lives and a happier world for everyone.



GLOBAL LOTTE

ADVANCE

We enrich and improve the lives of customers around the world
by providing superior products and inventive services.

EXPAND

We continue to develop on every continent, expanding beyond Asia
to Europe, the Middle East, Africa and the Americas.

Our Global Food Customer

We share delicious and wholesome food
with worldwide customers to make lives
happier and healthier.

LOCATION OF OUR MAJOR BUSINESSES



INDIA
LOTTE
Confectionery

LOTTE Confectionery's
Choco Pie has a
dominant 90% market
share in India.

90%
MARKET SHARE

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION

CHINA



BELGIUM
Guylian

LOTTE Confectionery leads the global chocolate market with its premium Guylian brand.



CHINA
LOTTE Confectionery

LOTTE Confectionery continues to expand its retail stores in China to meet customer demand.

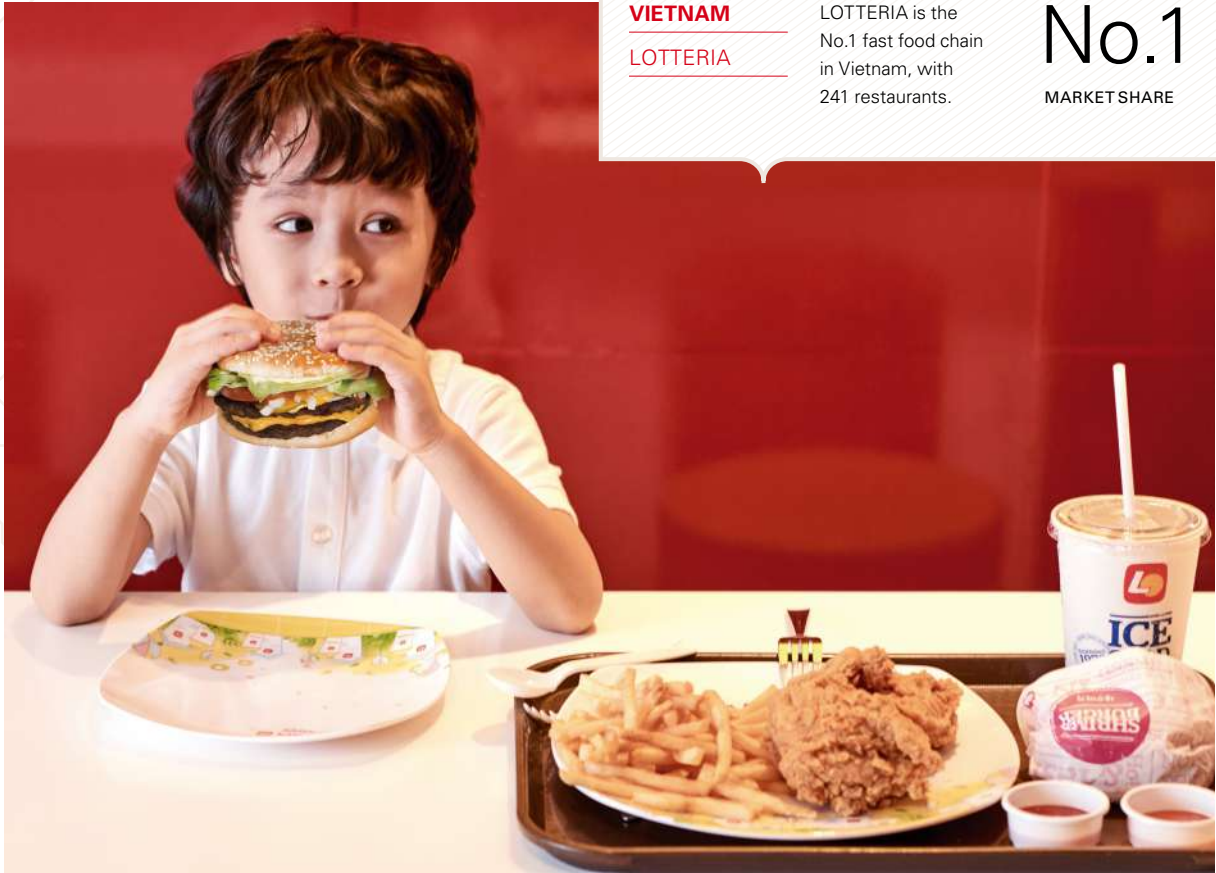
VIETNAM



VIETNAM
Angel-in-us Coffee

Angel-in-us Coffee entered the Vietnam market in 2008 to offer a differentiated coffee culture.

INDIA



VIETNAM
LOTTERIA

LOTTERIA is the No.1 fast food chain in Vietnam, with 241 restaurants.

No.1
MARKET SHARE

MALAYSIA, INDONESIA
LOTTE Chilsung Beverage

LOTTE Chilsung Beverage serves a wide range of markets by exporting Halal Certified beverages to such countries as Malaysia and Indonesia.



Our Global Retail Customer

We provide daily happiness as well as new and diverse cultures to worldwide customers with our enjoyable and convenient shopping.

LOCATION OF OUR MAJOR BUSINESSES



- LOTTE
Department Store

Vietnam
Indonesia
Russia
- LOTTE
Mart

Vietnam
Indonesia



INDONESIA

LOTTE Mart

LOTTE Mart leads innovation in Indonesia's wholesale and retail businesses with 50 stores.

50
NUMBER OF STORES

RUSSIA



INDONESIA
LOTTE Mart

LOTTE Mart takes a step closer to local customers through its localization strategy paired with differentiated products.

VIETNAM



VIETNAM
LOTTE Department Store
LOTTE Asset Development

LOTTE Center Hanoi, a shopping complex operated by LOTTE Asset Development, is anchored by the LOTTE Department Store and has gained wide popularity for its shopping and leisure activities.

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION



RUSSIA
LOTTE Department Store

LOTTE Department Store in Moscow was the company's first overseas branch and continues steady growth every year.



INDONESIA
LOTTE Department Store

LOTTE Shopping Avenue is a premium complex that offers a range of high-quality merchandise.

INDONESIA



VIETNAM
LOTTE Mart

LOTTE Mart entered the Vietnamese market in 2008 and now operates 14 stores nationwide.

Our Global Tourism & Service Customer

We provide customers with upscale facilities and differentiated services that create unforgettable experiences.

LOCATION OF OUR MAJOR BUSINESSES



LOTTE Hotel	LOTTE Duty Free	LOTTE Cultureworks
USA Guam (United States) Russia Uzbekistan Vietnam Myanmar Japan	Indonesia Guam (United States) Japan Thailand Vietnam Australia New Zealand	China Vietnam Indonesia



USA
LOTTE Hotel

LOTTE New York Palace
provides superior services
only found at LOTTE.

909
NUMBER OF ROOMS

USA

LOTTE Hotel

LOTTE Hotel is expanding into a first-class global chain with hotels in New York and Guam.



FOOD
RETAIL
TOURISM SERVICE
CHEMICAL CONSTRUCTION

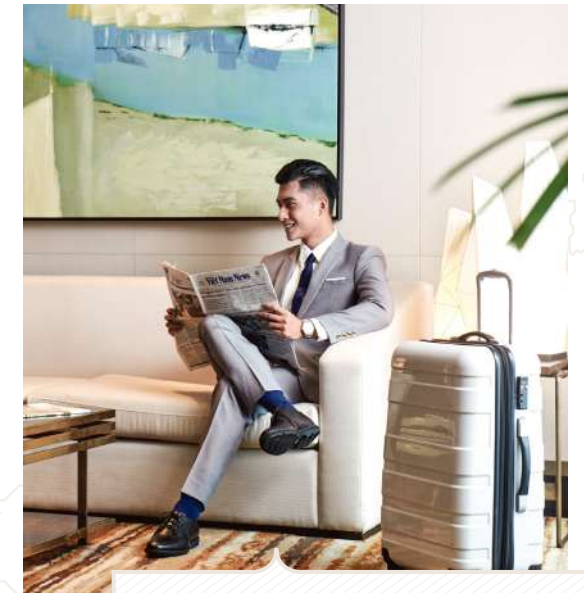
RUSSIA



RUSSIA

LOTTE Hotel

LOTTE Hotel is prized as the finest hotel brand in Russia, as we continue to launch hotels from Moscow to St. Petersburg, Samarra and Vladivostok.



VIETNAM

LOTTE Hotel

LOTTE Hotel provides differentiated services in Ho Chi Minh City and Hanoi.

INDONESIA



VIETNAM

LOTTE
Duty Free

LOTTE Duty Free offers differentiated shopping experiences in its Duty Free Shop at Da Nang International Airport, Vietnam.

No.2

RANKING IN
WORLD'S DUTY
FREE SHOPS



VIETNAM

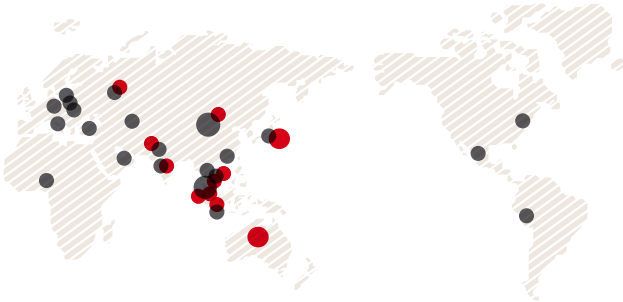
LOTTE
Cultureworks

LOTTE Cultureworks operates 46 movie theaters in major cities around the country, including Ho Chi Minh City and Hanoi.

Our Global Chemical & Construction Partner

We work with the best international partners to diversify our capabilities, provide customer value and grow our profile.

LOCATION OF OUR MAJOR BUSINESSES



LOTTE Chemical- LOTTE Fine Chemical	LOTTE E&C
China	China
Thailand	Vietnam
Vietnam	Malaysia
Malaysia	Indonesia
Indonesia	Australia
Japan	Japan
Hong Kong	India
Russia	Pakistan
Uzbekistan	
Pakistan	
Turkey	
Poland	Russia
Germany	Cambodia
Slovakia	Singapore
Hungary	
USA	
Mexico	
Peru	
India	
Italy	
UAE	
Nigeria	



USA

LOTTE Chemical

Building on ethane cracker and ethylene glycol businesses, LOTTE Chemical plans to secure a large production base in the US and to diversify its raw materials, production bases and sales regions.

UZBEKISTAN

**MALAYSIA,
INDONESIA**

**LOTTE
Chemical**

LOTTE Chemical Titan is on track to become the top chemical company in Southeast Asia.

No.1



FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION

MALAYSIA

**LOTTE
Chemical**

LOTTE Chemical Titan is the largest producer of olefin and polyolefin in Malaysia.



VIETNAM

VIETNAM

LOTTE E&C

LOTTE E&C successfully built LOTTE Center Hanoi by utilizing high-rise building technology.

65
FLOORS



MALAYSIA

INDONESIA

INDONESIA

LOTTE E&C

LOTTE E&C completed Kota Kasablanka 3, a mixed residential and commercial complex in Jakarta, Indonesia.

365,251m²
TOTAL FLOOR AREA



BUSINESS OVERVIEW

GROWTH

We are building on the leadership that helped develop Korea and expanding into a trusted global group.

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

DIVERSITY

We create lifetime value while leading growth in a wide range of industries, including food, retail, tourism·service and chemical.

1.

FOOD

LOTTE Confectionery
LOTTE Chilsung Beverage
LOTTE Foods
LOTTE GRS
LOTTE Asahi Liquor
LOTTE-Nestlé (Korea)
LOTTE Merchandising Service Center

2.

RETAIL

LOTTE Department Store
LOTTE Mart
LOTTE Super
LOHB's
LOTTE e-commerce
LOTTE Hi-Mart
Korea Seven
LOTTE Homeshopping
LOTTE Asset Development
FRL Korea
LOTTE Members

3.

TOURISM·SERVICE

LOTTE Hotel
LOTTE Duty Free
LOTTE World
LOTTE Resort
LOTTE Cultureworks
LOTTE JTB
LOTTE P&D
LOTTE Rental
LOTTE International
LOTTE Global Logistics
LOTTE Data Communication
Daehong Communications
LOTTE Giants
Canon Korea Business Solutions
Korea Fujifilm

4.

CHEMICAL·
CONSTRUCTION

LOTTE Chemical
LOTTE Fine Chemical
LOTTE MCC
LOTTE BP Chemical
LOTTE E&C
LOTTE CM Division
LOTTE Aluminium

5.

R&D·SUPPORT·OTHERS

LOTTE Scholarship Foundation
LOTTE Welfare Foundation
LOTTE Samdong Welfare Foundation
LOTTE Foundation for Arts
LOTTE R&D Center
LOTTE Academy
LOTTE Institute of Economy & Strategy
LOTTE Capital

FOOD

Increasing brand
value and quality
competitiveness

Beginning with LOTTE Confectionery in 1967, LOTTE's food division has expanded into beverages, liquor, food ingredients, processed foods and restaurants, growing into the largest food company in Korea. Our food affiliates, including LOTTE Confectionery, LOTTE Chilsung Beverage, LOTTE Foods, LOTTE GRS, LOTTE Asahi Liquor and LOTTE-Nestlé (Korea) lead the Korean food industry with superior technology, higher quality and better marketing capabilities. Leveraging a differentiated brand strategy, we created a new food culture by launching popular mega brands and offering diverse dining franchises. We emphasize global safety and sanitation management to provide wholesome foods.

Growing into a
valued global
food company

LOTTE's food division is expanding internationally by exporting products and directly entering overseas markets. Our delicious and satisfying confectionery, beverages, liquor, milk powder and coffee products now are available worldwide. LOTTE Confectionery delivers a range of products based on local production facilities across major global regions in Asia, Europe and Russia. LOTTE Chilsung Beverage also exports around the globe. LOTTERIA and Angel-in-us Coffee have debuted in Asia and are rapidly expanding thanks to growing popularity. Building on our global competitiveness, our food division will become increasingly recognized as we strengthen core brands, expand overseas operating revenues and secure new growth engines in international raw materials markets.



1

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS



2



3

1
LOTTE
Confectionery,
India

Choco Pie,
Production line

2
LOTTE
Chilsung Beverage,
Chungju

Kloud,
Production line

3
LOTTE
Chilsung Beverage,
Anseong

Chilsung Cider,
Production line

LOTTE Confectionery

www.lotteconf.co.kr
Main business | Producing and selling candies,
biscuits and ice cream

Number of
Korean plants | 7 | Number of
overseas plants | 22
as of March 2020

The founding LOTTE enterprise, established in 1967, LOTTE Confectionery is the pioneering long-time leader in Korea’s food and confectionery industries. We operate seven state-of-the-art production facilities in Korea, including the flagship Yeongdeungpo facility, that produce and provide a range of foods, such as chewing gum, chocolates, biscuits, ice cream and health foods. We have secured industry leadership in most product categories while also producing No.1 brands in each category, including Xylitol gum, Pepero, Kkokkal Corn and World Cone. Our market-leading chewing gum and chocolates are produced from first-quality ingredients and advanced manufacturing technology, which has led to worldwide recognition. We are also building on our relationship with customers by creating an innovative Sweet Factory, an edutainment space that offers consumer experiences with sweets. Actively expanding overseas, we currently operate 22 facilities in eight countries, including Kazakhstan, Pakistan, Belgium, India, China, Russia, Singapore and Myanmar, which each provides delicious confectioneries to local customers. As Asia’s leading confectionery company, we are expanding international sales by sharpening the competitiveness of existing products and aggressively developing new ones.

LOTTE Chilsung Beverage

Beverage | company.lottechilsung.co.kr
Liquor | www.lotteli liquor.com
Main business | Producing and selling
beverages and liquor

Number of
Korean plants | 14 | Number of
overseas subsidiaries | 7
as of March 2020

LOTTE Chilsung Beverage is a comprehensive beverage company that has earned broad popularity since it was founded in 1950. The beverage division has seven plants and 1,000 retail networks across Korea. A number of brands have steadily grown the company, including Chilsung Cider, Let’s Be, Cantata, Milkis, ICIS 8.0, Trevi and Hot 6. Long established as a leading soda brand, Chilsung Cider maintains its top ranking with approximately KRW 410 billion in annual sales fueled by trendy marketing and product strategies. We are actively entering other markets and now operate four subsidiaries in China, the Philippines, Myanmar and Pakistan. We also export beverages to markets in Asia, Russia, the US and South America.

The liquor division produces and sells a variety of alcoholic beverages, including the rice-based Korean distilled liquor Cheoeumcheoreom soju; premium beer Kloud; fruit liquors, such as Soonhari Cheoeumcheoreom; Majuang, Korea’s oldest brand of wine; and Scotch Blue authentic whiskey. Our core product, Cheoeumcheoreom, sometimes called “the Korean vodka,” achieves high sales increases every year, while Kloud has led the beer market since its launch. We are enhancing the competitiveness of our seven production facilities with the completion of a second beer factory in 2017. Overseas, we operate three subsidiaries, in Japan, China and the US, and we export Cheoeumcheoreom, Kloud, Funwari, and Korean Ginseng Alcoholic Drink to more than 40 countries. LOTTE Chilsung Beverage is becoming a global leader by leveraging technical skills, product quality, marketing competitiveness and our established brand loyalty.

LOTTE Foods

www.lottefoods.co.kr

Main business | Producing and selling food and services

Number of Korean plants | 10 | Number of countries by exports | 20
as of March 2020

Founded in 1958, LOTTE Foods has spearheaded development of Korea’s food industry for more than six decades. By successfully merging LOTTE Ham, Pasteur and LOTTE Fresh Delica, we became a broadly diverse business. Currently, we produce and distribute a range of products, including cooking oils and fats, food ingredients, processed meats and dairy products, ice cream, frozen and ready-to-eat meals, convenience foods and coffee from 10 plants with state-of-the-art facilities. Our most popular brands are Uiseong Garlic Ham, enNature, Rose Farm, Kisstick, Pasteur’s Pasteurized Milk, With Mom, Grand Noble, Quebyeon, Daeji Bar, Goo Goo Cone, Papico, La Best and CheFood. We also have launched the Food Solution Center to provide premium catering services, including for corporate and academic events. We export powdered milk, food, oils, fats and ice cream to more than 20 countries, including China, the US, Russia and Vietnam. We foresee particular expansion in premium milk powder exports, which have been rising significantly every year. LOTTE Foods will continue to diversify as we become the leader in the Asian market.



FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

1
LOTTE
Foods,
Hoengseong

Pasteur’s
With Mom
Production line

2
LOTTERIA,
Vietnam

3
Angel-in-us
Coffee,
Vietnam

LOTTE GRS

www.lottegrs.com

Main business | Operating dining and franchise chains

Number of Korean stores | 2,121 | Number of overseas stores | 313
as of June 2020

LOTTE GRS launched Korea’s first fast food burger restaurant in 1979, and has led the nation’s franchise industry ever since. LOTTERIA has 1,337 restaurants, the most in Korea. The company also operates other dining franchise brands, including Angel-in-us Coffee; European restaurant Villa de Charlotte; casual dining TGI Fridays; and Krispy Kreme doughnut outlets. We are promoting our overseas business as we target the taste of global consumers with 313 LOTTERIA and Angel-in-us Coffee stores in Vietnam, Myanmar, Cambodia, Kazakhstan, Laos and Mongolia. LOTTE GRS is expanding into an Asian multi-brand dining franchiser with strong global competitiveness and a diversified brand portfolio.

LOTTE Asahi Liquor

www.asahibeerk.com

Main business | Wholesaling imported liquor

Begun as Hi Star in 2000, the company rebranded in 2004, changing its name to LOTTE Asahi Liquor. Today, we are a trusted liquor wholesaler that specializes in importing and retailing beer and Japanese liquors. Asahi beer, known for its sophisticated and clean taste, is gaining wide popularity in Korea’s imported beer market. Top-selling Japanese liquors, such as Hakutsuru, Kizakura, Kobe Shushinkan and more, also meet our customers’ diverse tastes. By introducing superior products and through aggressive marketing, we are growing as the leading liquor company in Korea.

LOTTE-Nestlé (Korea)

www.nescafe.co.kr

Main business | Producing and selling coffee

LOTTE-Nestlé (Korea) was established in 2014 as a joint venture of LOTTE and Nestlé, the world’s largest food company. We operate a large-scale production facility in Cheongju, Chungbuk, producing and selling famous Nescafé and other Nestlé beverages, including Nesquik and Nestea, as well as Purina pet food. Our exports to Nestlé Group subsidiaries in more than 30 countries increase every year. By maximizing the strengths of LOTTE and Nestlé, we will continue to provide superior products.

LOTTE Merchandising Service Center

www.lottelmsc.com

Main business | Providing food sales promotion services

Launched as Korea’s first sales promotion organization in 1983, the LOTTE Merchandising Service Center specializes in food promotion and supports the growth of LOTTE’s food businesses. We rely on systematic education to train professionals in product display, promotional services and retail data collection to work at stores around the country. Looking ahead, we will keep strengthening LOTTE food division’s competitive advantages by staying close to customer touch points.

RETAIL

Spearheading
change and
innovation in the
retail industry

The LOTTE retail division has led transformation in the industry since the 1970s. Our LOTTE Department Store, LOTTE Mart, LOTTE Super, LOTTE Hi-Mart, Korea Seven and LOHB's brands introduced original channels and stores while expanding online and mobile shopping options. We also developed omni-channel services, combining online and offline services. LOTTE Homeshopping and LOTTE e-commerce continue to innovate by strengthening competitiveness in channels and services, and LOTTE Asset Development leverages its extensive retail infrastructure and network in Korea and abroad to evolve into a global total service developer. Furthermore, FRL Korea has grown to top the domestic SPA fashion market with an enormous customer base, and LOTTE Members is emerging as a marketing platform company that delivers a more pleasant and convenient lifestyle for its customers through its tailor-made services offered by LOTTE and other wide-ranging partner companies.

Becoming
Asia's leading
global retailer

LOTTE's expanding retail division is mainly focused on Asia. The LOTTE Department Store business successfully entered markets in Russia, Vietnam and Indonesia, in that order. LOTTE Mart and LOTTE Homeshopping offer a range of products and services in Asian markets. By expanding mobile channels, transforming retail outlets and diversifying store formats, we are building a strong global foundation and moving forward as Asia's leading retailer.

LOTTE Department Store

store.lotteshopping.com

Main business | Operating department stores

Number of
Korean stores

51

as of March 2020

LOTTE Department Store is the undisputed retail leader in Korea, and has commanded development in the industry and shopping culture since it was established in 1979. We maintain our top position by quickly responding to change in the culture and purchasing patterns. Continuing in the long-standing success of our department store, Young Plaza and Avenuel, the latest trends and shopper expectations surface in our newer offerings, including shopping mall complexes, premium, urban and factory outlets as well as el CUBE, our young street fashion shop. We are bolstering smart mobile and omni-channel services to integrate online and offline services, such as Smart Pick, Smart Coupon Book and Smart Beacon. We operate 51 stores in Korea, and proactive advancement into the global market enabled us to build a store network that spans Russia, Vietnam, and Indonesia. We are fulfilling our slogan of “Lovely Life” by providing customers with happy and enriching experiences. We are fast becoming Asia’s best department store.



1



2

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

1

LOTTE
Shopping
Avenue,
Indonesia

2

LOTTE
Mart,
Vietnam

LOTTE Mart

www.lottemart.com

Main business | Operating hypermarket stores

Number of
Korean stores

125

Number of
overseas stores

64

as of March 2020

LOTTE Mart opened the doors of its first Gangbyeon branch in 1998, and has since grown dramatically to operate 189 stores at home and abroad. In Korea, we operate several retail channels, from hypermarkets to specialty stores, such as Toys R Us, Pet Garden and Babies R Us. We have developed more than 10,000 private brand products, such as Tongkeun, Sonkeun, Choice L and more, as well as fresh food offerings to sharpen competitiveness and quality. We also actively promote in-store innovations, such as our 2015 store renovations that introduced next-generation shops with specialty sections. We are focusing on retail conveniences by expanding online and mobile shopping malls that offer omni-channel services. Overseas, we operate 64 stores in Vietnam and Indonesia as we enhance our global status. LOTTE Mart also is pursuing new business by curating professional products for mobile channels that will expand services beyond hypermarkets.

LOTTE Super

www.lottesuper.co.kr

Main business | Operating supermarkets

Industry sales
ranking

No.1

Market
share

45%

based on four Super Supermarket (SSM) companies as of 2019

LOTTE Super is Korea’s No.1 supermarket chain and has led the industry since its first Jeonnon store opened in 2001. Evolving with the Korean consumer, we developed new concepts in supermarket formats by introducing value-added products and environments. We also offered an early mobile app for anytime, anywhere orders, and expanded LOTTE Fresh Center, a dedicated online nationwide center that delivers orders within three hours. Our One Meal Series debuted fresh individual servings for one- to two-person households, and LOTTE Market 999 pioneered small-scale flat-price retail stores to respond to consumer trends. Recently, we entered the gourmet food market by opening LOTTE Premium Food Market. From the friendly neighborhood supermarket to the premium high-quality market, LOTTE Super continues to lead the field.

LOTTE Hi-Mart

www.himart.co.kr	
Main business	Wholesaling and selling consumer electronics

Founded in 1999, LOTTE Hi-Mart is Korea's No.1 consumer electronics retailer with 469 stores, 13 distribution centers, an online dedicated distribution center and 11 service centers nationwide. We are diversifying our product lineup from electronics to household goods and advanced technology products as we rebrand into a home and lifestyle retailer. In keeping with the transformation, we also are expanding offerings of global consumer electronics and European and American branded merchandise. In anticipation, we continue to strengthen omni-channel services that integrate online shopping malls with online and offline services. And we are renovating existing stores to create more convenient one-stop shopping environments and experience zones for customers.

LOTTE Homeshopping

www.lotteimall.com	
Main business	Operating home shopping networks

Since its launch in 2007, LOTTE Homeshopping has offered top-notch imported and domestic products via TV, Internet, mobile and T-commerce channels. We are responding to the rapidly changing retail environment by: securing the competitive edge in products through exclusive brand development; strengthening competitiveness in mobile and T-commerce channels; and providing shopping services using digital technology. In line with the high-end focused and specialized home shopping market trend, we are enhancing our broadcast reach as we develop unique content that combines shopping, entertainment and programs that share information and trends. Looking forward, we plan to become a global media commerce company in Korea and abroad by upgrading virtual reality (VR) and augmented reality (AR) services and by collaborating with global content platforms.

Korea Seven

www.7-eleven.co.kr	
Main business	Operating convenience stores

Korea Seven has enjoyed remarkable growth since the 1989 opening of 7-Eleven, the first convenience store in Korea. In 2010, we expanded by merging with Buy the Way, and, as of March 2020, we operate more than 10,100 stores across the nation. In response to changing lifestyle and purchasing patterns, we are introducing 'Lunch Box Cafe', a convenience store complex, '7-Eleven Signature', our state-of-the-art smart convenience store brand, and 'Food Dream' as a premium convenience store model, leading the evolution of the convenience store business. We continue to launch differentiated PB offerings such as 'Seven café', the industry's first drip coffee brand, Mæil Milk-flavored soft cone ice cream, 'Soban' as our HMR brand, roasted sweet potatoes and fried chicken while expanding a variety of services that improve consumer convenience in their daily life, including Last Order, an app that allows customers to easily benefit from our closing time discounts, and food delivery services.

LOHB's

www.lohbs.co.kr	
Main business	Retailing health and beauty products

LOHB's (LOTTE's Health and Beauty) opened its first store in 2013, and has since experienced rapid growth with a differentiated product strategy, diversified store formats and effective marketing promotions. We sell an average of 10,000 categories of products, including health, beauty, lifestyle, foods and more. We operate 128 stores nationwide. We are strengthening our foundation as an industry leader by focusing on product and in-store competitiveness and by securing new growth engines, including our omni-shopping mall, LOHB's online mall, which launched in July 2017.

LOTTE e-commerce

www.lotteon.com	
Main business	Operating online shopping malls

Launched in 1996 as the first online shopping mall in Korea, LOTTE.com has steadily grown by offering shopping services that integrate LOTTE's robust retail infrastructure with smart e-commerce know-how. LOTTE.com attracts average daily traffic of 1 million visitors and provides differentiated experiences for users with advanced services such as: Smart Pick, online ordering with pick-up service at the shop; Style Recommendation, image product search; and Charlotte, an AI-powered shopping advisor. LOTTE e-commerce was launched anew as the LOTTE Shopping business division in August 2018, and has unveiled LOTTE Group's integrated online shopping platform, the "LOTTE ON" app, in 2020. Shoppers will then be able to use a single login to access all seven online shopping malls of LOTTE retail businesses, including LOTTE Department Store, LOTTE.com, LOTTE Mart, LOTTE Super, LOTTE Homeshopping, LOTTE Hi-Mart and LOHB's. The LOTTE ON app is expected to grow into the core of our O4O (Online for Offline) strategy, backed by 40 million LOTTE Members users, 11,000 offline stores and nearly 20 million product merchandising capabilities.

FRL Korea

www.uniqlo.kr	
Main business	Retailing UNIQLO apparel

FRL Korea was established in 2004 as a joint venture of LOTTE Shopping and international fashion retailer FAST RETAILING. We retail the global SPA brand UNIQLO clothing. We have become Korea's No.1 SPA brand with a nationwide network of UNIQLO stores, and are revered for offering affordable high-quality basic casualwear that customers of all ages can wear anytime, anywhere.

- 1
- LOTTE
Hi-Mart
- 2
- 7-Eleven
- 3
- LOTTE
Homeshopping

LOTTE Asset Development

www.lottedevelop.com	
Main business	Developing and managing commercial real estate

LOTTE Asset Development is a comprehensive developer that engages in real estate development, shopping center complex operations, real estate consulting, asset management and real estate financing. In Korea, we operate LOTTE Malls at Gimpo Airport, Suwon, Eunpyeong, World Mall and Suji as well as LOTTE FITIN fashion malls in Dongdaemoon and Sanbon while conducting a range of businesses including knowledge industry center and officetel unit sales and asset management. Overseas, we launched the Chengdu Complex in China and the LOTTE Center Hanoi in Vietnam. Currently, we are developing LOTTE Mall Hanoi and Eco Smart City Ho Chi Minh in Vietnam as well as a new project in Alam Sutra, Jakarta. Based on our outstanding capabilities at home and abroad, we plan to grow into a global asset developer and leader with consistent value creation.

LOTTE Members

www.lpoint.com	
www.lpay.com	
Main business	Providing integrated membership and easy payment services

LOTTE Members join hands with more than 180 partners across the LOTTE networks and with outside lifestyle businesses to provide wide-ranging membership benefits to 40 million L.POINT members. We provide partners and merchants with optimized analysis consulting services and marketing platforms, helping them to generate greater revenue and communicate seamlessly with their customers. In 2016, we acquired L.pay, LOTTE's key mobile payment system, to lead the Korean retail payment industry. In the overseas market, we are launching L.POINT, our advanced global membership business, in Indonesia and Vietnam to become the No.1 loyalty marketing platform in Asia.



TOURISM SERVICE

Creating an
innovative and
vibrant tourism
culture

LOTTE's superior tourism and service have led the Korean tourism industry for more than forty years. We have continuously provided worldwide travelers with joyful experiences and exceptional satisfaction. LOTTE Hotel, a global hotel chain, and LOTTE Duty Free, world-class duty free shops, are expanding in Korea, throughout Asia, and in Russia and the US. LOTTE tourism affiliates also are prized, including LOTTE World, which boasts 10 million visitors per year; LOTTE Resort, with high-end golf clubs and premier resort complexes in uniquely beautiful Jeju, Buyeo and Sokcho; and LOTTE JTB, a global travel agency. The 123-story LOTTE World Tower and LOTTE World Mall in Seoul, developed by LOTTE Property & Development, will become Korea's top landmark. We are growing into an international tourism company that is creating a new culture of travel experiences by increasing business overseas and maintaining our top market share in Korea.

Increasing
competitiveness
of worldwide
services

As the industry leader, LOTTE offers top-rated capabilities and services that deliver the greatest satisfaction and best experiences for both corporate and individual clients. LOTTE Cultureworks enhances customer pleasure and satisfaction by offering the latest facilities and differentiated services as we expand beyond Korea into other Asian markets. LOTTE's service division affiliates all work closely with one another, including LOTTE Rental, LOTTE International, LOTTE Global Logistics, LOTTE Data Communication, Daehong Communications, LOTTE Giants, Canon Korea Business Solutions and Korea Fujifilm. Our robust infrastructure, extensive networks, expert technology and deep talent are realizing our vision as a global company.



1

LOTTE Hotel

www.lottehotel.com

Main business | Operating hotels

Number of Korean chains	20	Number of overseas chains	12
as of June 2020			

Established in 1979, LOTTE Hotel has built on its original Korean presence to become a leading Asian hotel brand around the world, with a total of 10,000 rooms at 32 hotels in seven countries. In 2009, harnessing our 40 years of experience, we launched LOTTE City hotel, a new premium business brand, which led to a boom in business hotels in Korea. In 2016, we introduced the life-style hotel brand L7 to attract trend-conscious Millennial guests. In 2017, we debuted the premier hotel brand Signiel at the LOTTE World Tower in Jamsil, which has quickly become a representative landmark in Korea and we will open Signiel Busan as the second in the Signiel brand family in June 2020. These accomplishments add up to a comprehensive brand portfolio that allows us to satisfy travelers of varying tastes. We are also actively promoting business abroad. After launching in Moscow in 2010, we entered other new markets, including ones in Tashkent, Uzbekistan; Ho Chi Minh City, Vietnam in 2013, then Hanoi; and the US territory of Guam in 2014. We followed that with a New York launch in 2015; and entered Yangon, Myanmar; St. Petersburg, Russia; and Arai, Japan in 2017; then Samarra and Vladivostok, Russia in 2018. As we enter into 2020, we will soon open LOTTE Hotel Seattle as our third hotel in the US. This is a new addition to our global hotel and resort network that consists of 32 locations (12 overseas and 20 in Korea), positioning us as a true leading hotel brand in the Asian region. We are becoming a recognized global hospitality brand revered by people all around the world as one that offers differentiated amenities for guest convenience and services that exceed traveler expectations.



2



3

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

1

LOTTE
Hotel,
Jeju

2

LOTTE
Duty Free,
Indonesia

3

LOTTE
World
Adventure

LOTTE Duty Free

kr.lottedfs.com

Main business | Operating duty free shops

Number of Korean duty free shops	8	Number of overseas duty free shops	14
as of June 2020			

LOTTE Duty Free was established in 1980 with the main Myeong-dong store in Seoul, launching as Korea's first comprehensive duty free shop. We currently operate eight stores around the country, including the World Tower, Busan and Incheon Airport stores. We introduced boutique-style displays similar to department stores, which was an industry first. Also, we attracted the world's top three luxury brands, Louis Vuitton, Hermès and Chanel, into international duty free shops for the first time. In addition, we created the industry's first online and mobile duty free shops and now host four different language sites: Korean, Chinese, Japanese and English. Since 2004, we have promoted Hallyu model marketing, drawing worldwide tourists and earning foreign revenue, which has significantly helped develop Korean tourism. Proactively advancing into the overseas markets, we launched the stores in Jakarta, Indonesia in 2013, and at the Guam Airport in 2014. Since then, we have expanded our business into Japan, Thailand and Vietnam. We also became the sole Korean duty free shop business in Oceania, operating four branches in Australia and one in New Zealand. Furthermore, our duty free shop in Changi Airport located in Singapore, the hub of Asia, is set to open in June 2020 following the acquisition of a business license, which will expand our duty free shop network to include 22 locations in nine countries. Currently ranked the No.1 duty free shop in Asia and No.2 worldwide, LOTTE Duty Free expects to achieve worldwide top ranking by leveraging its proven capabilities.

LOTTE World

adventure.lotteworld.com

Main business | Operating recreational parks
and complexes

Total annual visitors	10,000,000
as of March 2020: Adventure, Water Park, Aquarium, Seoul Sky	

Building on nearly three decades of experience and expertise in operating LOTTE World Adventure, a huge theme park in downtown Seoul launched in 1989, LOTTE World opened LOTTE Water Park and LOTTE World Aquarium in 2014. It then went on to successfully unveil Seoul Sky in 2017, an observatory at LOTTE World Tower, to reach yet another milestone on the path to becoming Korea's leading total entertainment service provider. An all-weather complex, LOTTE World Adventure remains a key tourist attraction. It is easily accessible by public transportation and visited by nearly 6 million visitors from all around the world each year. LOTTE Water Park, the largest recreational water facility in Korea, LOTTE World Aquarium, which houses 650 species and more than 55,000 sea creatures, and Seoul Sky, which is Korea's tallest and the world's fourth highest observation deck, are also increasingly popular. LOTTE World Adventure, Aquarium and Seoul Sky are generating synergy for their proximity to one another, with all three located near Jamsil, Seoul, to attract many tourists and become a landmark in Korea. Going forward, LOTTE World plans to create LOTTE World Adventure Busan in the first half of 2021 and an aquarium in Hanoi, Vietnam in 2022, proactively expanding its business presence in Korea and abroad to realize our vision of becoming a global theme park brand beloved by customers worldwide.

LOTTE Resort

Resort		www.lotteresort.com
Golf		www.lotteskyhill.com
Main business Operating resort complexes		

As a multi-leisure company, LOTTE Resort operates resort complexes and golf courses around the nation, including Jeju, Gimhae, Buyeo and Sokcho. LOTTE Resort Jeju Art Villas located in Jeju, is a high-class resort that integrates the creative design philosophies of five international architects with the natural beauty of Jeju. Nearby situated is the 36-hole golf course LOTTE Skyhill CC Jeju recognized as one of Korea’s Top 10 Courses, further enhancing its value in combination with the LOTTE Resort Jeju Art Villas. LOTTE Skyhill CC Gimhae is a premium membership club with an 18-hole golf course with all-weather green grass. Offering 322 rooms, LOTTE Resort Buyeo is a premier resort complex with an indoor water park along with the nearby LOTTE Skyhill CC Buyeo, an 18-hole public golf course, shopping outlets and the Baekje Cultural Heritage Complex. LOTTE Resort Sokcho offers a unique experience, with 392 rooms amid the breathtaking landscape of the Seoraksan Mountains and the East Sea. LOTTE Resort plans to expand into Korea’s leading leisure company that offers an unparalleled experience for our customers and differentiated recreational complexes that showcase nature, culture and leisure activities.

LOTTE Cultureworks

www.lottecinema.co.kr		
Main business	Operating cinemas, concerts, music shows, and dramas, investing in and distributing movies	
Number of domestic cinemas	130	Number of overseas cinemas
as of March 2020		
	59	

Since 1999, LOTTE Cultureworks’ multiplex business, LOTTE Cinema, has fueled the development of the Korean film industry. We are currently expanding our business from operating cinemas and investing in and distributing movies to other cultural arenas, such as concerts, and dramas. Our 130 movie theaters across Korea satisfy customers with differentiated technologies and high-end facilities, including Super S, the world’s first LED screen cinema, and Superplex G, recognized by the Guinness World Records as the world’s largest screen. We have been actively developing overseas since 2008, opening 46 movie theaters in Vietnam and 12 in China. We continue to expand in the Asian market, launching our first movie theater in Indonesia. In addition, we distribute excellent films through LOTTE Entertainment, including more than 10 Korean films per year, such as the two-part series *Along with the Gods*, and Hollywood movies from Paramount Pictures. In 2018, we became a leading brand in the Korean film industry, earning top distribution market share with record-setting movie attendance in Korea of more than 10 million viewers for each of the *Along with the Gods* films. Furthermore, we fully launched our business as an investor and producer in the local Vietnamese film industry in 2019, and placed two films on the list of the top five box office all-time rankings in just one year, truly pioneering the Vietnamese movie industry.

LOTTE JTB

www.lottejtb.com	
Main business	Providing travel services in Korea and overseas

Launched in 2007, LOTTE JTB is LOTTE’s exclusive travel agency, providing quality services that leverage LOTTE’s infrastructure and the global network of world-famous Japanese travel bureau JTB. We operate 110 travel outlets in Korea, and are ranked No.1 in sales and No.2 in managing inbound traveler needs. We are growing into the country’s premier travel agency by creating value that goes beyond customer expectations and providing differentiated services for domestic and international travelers.

LOTTE P&D

www.lottepnd.com			
Main business		Developing and managing LOTTE World Tower and LOTTE World Mall	
LOTTE World Tower height	555m	LOTTE World Tower floors	123

LOTTE P&D is the business arm of LOTTE World Tower, a 555-meter tall and 123-story skyscraper, and LOTTE World Mall, the giant shopping complex, located in Jamsil, Seoul. Opened in 2014, LOTTE World Mall quickly became popular. Among other brands and shops, the complex hosts several LOTTE retail outlets, including the upscale Avenuel, as well as a multiplex cinema, aquarium and concert hall. Completed in 2017, LOTTE World Tower features a 500m-high observation deck atop the building, a 6-star hotel, luxury residences and chic office facilities. LOTTE World Tower and LOTTE World Mall, together with LOTTE World Adventure, are recognized global landmarks that have drawn more than 100 million visitors.

- 1
- LOTTE Resort, Sokcho
- 2
- LOTTE Skyhill CC, Jeju
- 3
- LOTTE Rental, Jeju Auto House

LOTTE Rental

www.lotterentacar.net	
Main business	Providing total rental services, including for vehicles and office and household needs
Ranking in Korea and Asian industry	No.1
Number of vehicles	220,000
as of March 2020	

LOTTE Rental is the only comprehensive rental services company in Korea with more than 30 years of experience. In 2015, we re-launched as a LOTTE affiliate. We provide complete rental services, including rental cars, auto leases and car sharing services; general rentals of office and IT equipment, green and home appliances, and industrial equipment. We also operate MYOMEE, the rental platform for lifestyle products. The LOTTE Rent-a-Car fleet totaled more than 220,000 vehicles, the largest in Korea. In addition, our sales network consists of more than 220 locations and run overseas branches in Vietnam and Thailand. LOTTE Rental plans to expand beyond Korea and Asia to become a global total rental services company.



LOTTE International

www.lotteintl.co.kr

Main business | Providing SCM solutions

Established in 1974, LOTTE International operates local subsidiaries and offices in the US, Vietnam, Australia and Russia, and leverages its exceptional global network and production bases to serve LOTTE's food and retail subsidiaries through the manufacturing and import/export of wide-ranging products. As a way to deliver differentiated services, we raise cattle on our own Australian ranch to produce high-quality trustworthy beef that we directly provide to LOTTE retail affiliates and other customers. We also grow soybeans, corn, and oats in Primorsky Krai, Russia to secure future food resources. Ceaselessly building on our overseas production bases, we aim to expand our SCM business and become a global partner that brings greater customer value.

LOTTE Global Logistics

www.lotteglolis.com

Main business | Providing Korean and international logistics and courier services

Launched as an integrated company in March 2019, LOTTE Global Logistics is the sole LOTTE Group logistics provider. Since 1996, we have expanded into a comprehensive logistics company by accumulating operational know-how on land, sea and in the air. Today, we operate 1,000 logistics networks in Korea and 200 logistics networks overseas. We also utilize superior IT services to provide wide-ranging customized logistics services, such as courier, land transportation, 3PL, harbor logistics and international logistics. We plan to further strengthen our capabilities as we grow into a global top-tier logistics company with sales of KRW 5 trillion by 2023.

LOTTE Data Communication

www.ldcc.co.kr

Main business | Providing comprehensive IT services

An ICT specialist, LOTTE Data Communication offers comprehensive IT platforms and solutions, including system design, development, building and consulting for a range of industries. Leading the rapidly changing trends of the Fourth Industrial Revolution, we promote projects based on core new technologies, such as AI, Big Data, IoT, Cloud Computing and Blockchain. We are growing by leading the business transition in post-digital trends across the industry. We also provide smart solutions for business value chains from production to distribution, and IT solutions that form the backbone of urban living, including finances and social infrastructures. We are delivering differentiated value in the rising field of Smart Cities at home and abroad. In addition to conducting global business mainly in Vietnam and Indonesia, we are also strengthening our global IT R&D capabilities with the creation of R&D centers in Vietnam and India. We are evolving as a world-class IT company with superior technology and a depth of experience.

Daehong Communications

www.daehong.com

Main business | Providing global integrated marketing solutions

Since launching in 1982, Daehong Communications has been leading the marketing communications field by creating numerous success stories. We provide integrated marketing solutions based on differentiated strategies, creative vision, systematic media analysis and digital expertise. We are actively moving into new arenas using O2O (online-to-offline) omni-channel, including a mobile coupon business. We will further strengthen our capabilities as a global provider of integrated marketing solutions as we explore new markets in China, Indonesia and Vietnam.

LOTTE Giants

www.giantsclub.com

Main business | Managing a professional sports team

Founded in 1982 as an original franchise of the Korea Baseball Organization league, LOTTE Giants is a professional baseball team based in Busan. We have a prestigious record, winning two KBO Championship titles in 1984 and 1992, and achieving second place in 1985, 1995 and 1999. We are always working to raise the level of club management and player performance as we continuously improve our facilities, services and the fan experience. We want to reward our fans for their unwavering love and support.

Canon Korea Business Solutions

www.canon-bs.co.kr

Main business | Providing office solutions

Since its inception in 1985, Canon Korea Business Solutions has built its strength and reputation as a specialized office solutions provider. From commercial high-speed printing systems to digital multifunction devices, inkjet and laser printers, scanners, projectors and calculators, we offer the industry's only full line of office equipment solutions as well as in-depth solutions for security and business efficiency. Moving beyond office equipment, we are expanding into industries of the future, including advanced medical devices, mini projectors, 3D printers, network cameras and industrial facilities.

1

LOTTE
Global Logistics,
Gimpo
Mart's Online
Logistics Center

2

LOTTE
Data
Communication,
Data Center

3

LOTTE
Giants,
Sajik Stadium

Korea Fujifilm

www.fujifilm.co.kr

Main business | Providing total imaging solutions, RF solutions, at-home beauty devices

Established in 1980, Korea Fujifilm has long led the Korean photography industry. We continue to grow by creating innovative and diverse imaging solutions for the digital era. Leveraging our know-how, we offer imaging solutions for the instant camera brand instax, personalized photo books, photo shooting and print services. We expanded our services to include LIPSS, which provides exclusive images of celebrities. We have launched app-based services, such as Grabbpic and Popic that simplify photo shooting and printing services to allow customers to enjoy personalized photos easily. We also have developed Chroma Key imaging studios, located at major Korean landmarks and theme parks, such as Seoul Sky Observatory at LOTTE World Tower, where visitors can create unique photos to commemorate their travels. We are expanding the number of new-concept photo studios as well. In March 2019, we launched our beauty brand L.linic and are promoting our at-home beauty device business, including LED masks. Korea Fujifilm continues to lead the industry by providing a range of innovative services for the changing lifestyles of customers.



CHEMICAL CONSTRUCTION

Becoming a
comprehensive
global chemical
company

Since the 1970s, LOTTE's chemical division has made steady progress while significantly contributing to the development of Korea's chemical industry through technology development, quality innovation, and production capacity improvements. With LOTTE Chemical playing a leading role, LOTTE Fine Chemical, LOTTE Chemical Titan, and other relevant subsidiaries, as well as such joint ventures as LC USA in the US and UZ-KOR in Uzbekistan, are all engaged in the manufacturing of products that add to the value of our daily life, from raw materials to high value-added specialty items. We have a global production and sales network of 32 locations in major countries across the globe including the US, China, Malaysia, Hungary, and Turkey, and our products serve more than 150 countries around the world. In so doing, we move beyond leading Korea's petrochemical industry and take a step closer to become one of the 'global Top 7 chemical businesses'. Pioneering Korea's chemical industry based on its history of challenge and innovation, LOTTE's chemical division is doing its utmost to open a new chapter as an unrivaled top player in the global chemical landscape.

Providing industrial
efficiencies and
daily conveniences

LOTTE's construction division, including LOTTE Engineering & Construction, has harnessed its unique technology, rich experience and extensive know-how to achieve numerous accomplishments in civil engineering and in the construction of plants, commercial buildings, housing and high-rise skyscrapers. Our success has come from both Korean and overseas construction sites and we are recognized as a full-service global construction company. LOTTE Aluminium produces and supplies a range of quality industrial materials and consumer goods, including packaging, and plays a leading role in the Korean market.

LOTTE Chemical

www.lottechem.com			
Main business	Producing petrochemicals, synthetic resins, and building & interior materials		
Global production and sales locations	32	Number of countries by exports	150
as of March 2020			

As Korea’s top-notch chemical company, LOTTE Chemical is operating global-scale production facilities in Korea’s three major chemical industrial complexes in Yeosu, Deasan, and Ulsan. Since our inception in 1976, we have achieved the vertical alignment of business ranging from raw materials to products through the sustained expansion of plants and business operations while maintaining solid profitability. The acquisition of LC Titan in 2010 has allowed us to broaden our market presence in Malaysia, Indonesia and across Southeast Asia, and the completion of a gas chemical complex in Uzbekistan in October 2015 helped to tap into the Central Asian region. In May 2019, we successfully completed an ethane cracking center (ECC) in the US, which made us the first Korean chemical business to construct this mega-size chemical complex to accommodate 152 football stadiums (nearly 1.02 million m²) in US territory. As the construction proceeded as planned without suffering any delays in construction periods or increases in costs based on our plant construction capabilities and mutual cooperation with domestic and overseas partners, this served to elevate our status as Korea’s leading chemical business across the globe. In January 2020, we merged with LOTTE Advanced Materials, known for its unrivaled status in the specialty materials sector, to fully cater to customer needs ranging from raw materials to finished products in order to further reinforce our competitive edge in the market. The resulting integration of R&D, purchasing and other support operations has also boosted our efficiency to a whole new level. Building on its established global competitiveness, LOTTE Chemical is fully committed to emerging as one of the ‘global Top 7 chemical businesses’ through the diversification of its raw materials, markets and business areas.



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2

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

1

LOTTE
Chemical,
USA

2

LOTTE
Fine Chemical,
Ulsan

LOTTE Fine Chemical

www.lottefinechem.com	
Main business	Producing fine chemicals
Market share of methylcellulose, ECH, TMAC and more in Korea	No.1
Number of countries by exports of functional specialty cellulose products	79
as of March 2020	

Originally established as Korea Fertilizer Industries in 1964, LOTTE Fine Chemical has contributed to the development of the Korean chemical industry. In the 1990s, we moved into the fine chemicals business, supplying such products as cellulose, chlorine and ammonia to Korean and overseas markets. In the 2000s, we expanded into eco-friendly products produced with advanced technology, and continue to grow as a high-value-added specialty chemicals producer. We are the only company in Korea to produce high-end cellulose-based products, which is our flagship business. Our epoxy resin raw material ECH and semiconductor developer TMAC have the largest market share in Korea. In addition, we export high-quality products to Asia, the Americas and Europe. In 2016, we re-launched as a LOTTE affiliate, anticipating an even greater future. Moving forward, we will create synergies with LOTTE’s chemical affiliates to become a global specialty chemicals company by expanding core products profitability, enhancing technological competitiveness, expanding international markets and discovering new growth engines.

LOTTE MCC

www.lottemcc.com	
Main business	Producing petrochemicals
MMA market share ranking in Korea	No.2
MMA production world ranking (including Mitsubishi)	No.1
as of March 2020	

LOTTE MCC was established in 2006 as a joint venture of LOTTE Chemical and Mitsubishi Chemical, the world’s No.1 MMA producer. We have five production facilities in Yeosu and Deasan, Korea’s key petrochemical complexes. We produce and supply high-value-added petrochemical products such as MMA, PMMA, MAA and HEMA. We are also the only company in Korea with the differentiated capability to produce HEMA/HISS specialty chemicals.

LOTTE BP Chemical

www.lottebp.com

Main business | Producing petrochemicals

Acetic acid and vinyl acetate market share in Korea

90%

Ranking in Asian production of acetyls

No.3

as of March 2020

Established in 1989 as a joint venture with BP in the UK, LOTTE BP Chemical joined LOTTE’s chemical division in 2016. We supply high-quality acetic acid, vinyl acetate, hydrogen and more to Korean and overseas markets. We have earned 90% Korean market share in acetic acid and vinyl acetate. By expanding the acetic acid plant in April 2019 and scheduling expansion of the vinyl acetate plant for August 2020, our production capacity will be the third largest in Asia, with an annual production capacity of 1.05 million tons. We are working closely with affiliates of LOTTE’s chemical division to become the best acetyls producer in Asia.



1



2



3

FOOD
RETAIL
TOURISM·SERVICE
CHEMICAL·CONSTRUCTION
R&D·SUPPORT·OTHERS

1
LOTTE
BP Chemical,
Ulsan

2
LOTTE E&C,
Wonju
LOTTE Castle
The First

3
LOTTE
Aluminium,
Ansan

LOTTE E&C

www.lottecon.co.kr

Main business | Operating general construction

Ranking of construction capability in Korea, as of 2019

No.8

Global ranking by ENR (Engineering News-Record), as of 2019

No.69

LOTTE E&C is a comprehensive construction company originally founded in 1959. For six decades, our technology and experience has demonstrated outstanding capabilities in civil engineering and in the construction of plants, commercial buildings and housing. Now, we are pursuing new business in constructing skyscrapers and leasing projects. In the high-rise building business, we successfully completed construction of several high-rise retail and complex facilities, including the landmark LOTTE World Tower. Such projects have deepened our experience and differentiated technologies at every stage, from planning through construction and operation. Early on, we actively developed overseas markets, which led to successful projects in the Middle East, Russia and Asia, including China. We are expanding our business throughout Southeast Asia, including Indonesia and Vietnam, to further enhance our global competitiveness.

LOTTE CM Division

www.lottecm.com

Main business | Providing construction project management

Founded in 1985, LOTTE CM Division is the first company in Korea to specialize in Construction Management. Utilizing proven technology and experience, we provide a wide range of services from pre-design stages to post-construction with the goal of realizing significant cost reductions and shortening construction time.

LOTTE Aluminium

www.lotteal.co.kr

www.lottelem.co.kr

Main business | Producing packaging materials, vending machines, boilers and more

Number of Korean plants

6

Number of overseas plants

1

as of March 2020

LOTTE Aluminium is a comprehensive packaging materials company that has led the Korean industry since 1966. With six facilities in Korea, we produce a range of products, such as aluminum foil, soft packaging materials, cans, PET bottles and corrugated cardboard boxes. We also have overseas production facilities in Indonesia. Since 1973, our EM business division has specialized in manufacturing and supplying vending machines, retail showcases and boilers while also expanding into auto parking facilities and retail store maintenance. Looking forward, we are growing into a global materials company as we build on our eco-friendly, high-quality products and leading customer satisfaction.

R&D・SUPPORT・OTHERS

LOTTE's R&D and Support divisions are strengthening skills and growth across LOTTE businesses by fostering research, talent and strategy development. In addition, we are actively engaged in scholarships and social welfare projects that contribute to local community development in Korea and overseas.



1



2

LOTTE Scholarship Foundation

www.lottefoundation.or.kr

Main business | Providing scholarship and education funding programs

Cumulative project contributions from 1983 to 2019 (unit: KRW 100 million)	1,446
Number of scholarship beneficiaries from 1983 to 2019 (unit: No. of persons)	47,813

Launched in 1983, LOTTE Scholarship Foundation funds and develops scholarships and education support projects in Korea and abroad to help talented individuals become future leaders. We provide scholarships to leading universities in Korea, Vietnam, Indonesia, Malaysia, Myanmar and Pakistan so students with passion and ability can devote themselves to studies without worrying about tuition. We also established a scholarship fund for descendants of Korean War veterans to express our gratitude to people in such countries as Thailand, Ethiopia and the Philippines. In addition, we promote projects that improve the educational environment of underserved populations, such as remodeling libraries at home and abroad. Recently, we launched the LOTTE Publishing Culture Awards to support excellent publishers that promote academic development and we support academic seminars that expand inter-Korean exchanges.

1

LOTTE
R&D Center

2

LOTTE
Concert Hall

FOOD
RETAIL
TOURISM・SERVICE
CHEMICAL・CONSTRUCTION
R&D・SUPPORT・OTHERS

LOTTE Welfare Foundation

www.lottefoundation.or.kr

Main business | Providing social welfare

LOTTE Welfare Foundation was established in 1994 to support international workers and has continuously expanded its social welfare services and contributions. We provide more practical support, including: medicine for international workers' medical treatment; devices to help the disabled; school supplies for children without parents who live with grandparents; and daily necessities to single parent families and the elderly who live alone.

LOTTE Samdong Welfare Foundation

www.lottesdfoundation.or.kr

Main business | Providing community social welfare

Established in 2009, LOTTE Samdong Welfare Foundation supports isolated neighbors, improves the rural cultural environment and nurtures local talent, especially in the Ulsan area. In an alliance with local volunteers, we offer personalized products to low-income families, the physically handicapped and elderly who live alone. We are building a better world with warm-hearted volunteer activities.

LOTTE Foundation for Arts

www.lotteconcerthall.com

www.lottemuseum.com

Main business | Hosting cultural and art events

LOTTE Foundation for Arts, launched in 2015, opened LOTTE Concert Hall in 2016, a classical music venue with the finest acoustic facilities designed in the vineyard style, the first of its kind in Korea. The hall hosts a variety of traditional and modern classical music performances to satisfy the taste of music lovers and the public. In 2018, we opened the LOTTE Museum, a contemporary visual arts museum, to introduce vibrant global contemporary arts and enrich lives.

LOTTE R&D Center

www.lotternd.com

Main business | Managing comprehensive food R&D and development, food safety management

LOTTE R&D Center is Korea's leading total food R&D institute with the latest research facilities and excellent food specialists. Our research and new product development has helped to develop the LOTTE food division since 1983. Recently, we have also been researching new growth arenas and product development. In addition, we are expanding the role of the food safety center to ensure safe products for consumers. We operate R&D centers in Bekasi, Indonesia, and in Ho Chi Minh City, Vietnam. In June 2017, we opened a new research center in the Magok R&D Industrial Complex in Seoul, which is five times larger than the former center. We will continue to strengthen our research capabilities while working closely with the LOTTE food division to expand our innovation laboratory and lead development in the global food industry.

LOTTE Academy

www.lotteacademy.co.kr

Main business | Managing talent development

LOTTE Academy focuses on fostering talent for LOTTE Group. Our training courses for employees are closely linked to LOTTE strategies in order to enhance competitiveness and sustain growth amid rapidly changing business environments and fierce competition. We also offer consulting services to LOTTE affiliates on innovation and human resources. Our advanced human resources development programs are cultivating core human capital and global leaders who will solidify LOTTE's foundation and growth as a world leader.

LOTTE Institute of Economy & Strategy

Main business | Researching business strategy

Established in 2002, LOTTE Institute of Economy & Strategy is a management strategy institute that supports LOTTE's high-level decision-making. We present strategic direction for LOTTE's flagship businesses and overseas operations. We also propose creative solutions to address key issues. In addition, we conduct in-depth research into Korean and international economies and markets that provide effective knowledge and insights about the rapidly changing business environment. Based on the Open Innovation management philosophy, we focus on supporting new business pilots.

LOTTE Capital

www.lottecap.com

Main business | Providing credit finance

Established in 1995, LOTTE Capital is a complete credit finance company, providing such financial services as loans, project financing, bill discounting and factoring finance for individual and corporate clients. We also provide leasing financing and installment loans for automobiles, leasing financing for industrial machinery and medical equipment. We are actively expanding overseas operations through subsidiaries in China and Indonesia to enhance our global competitiveness. We will continue to develop core competencies of LOTTE Capital to expand into a comprehensive global credit and finance company.

SOCIAL RESPONSIBILITY

SUPPORTING

We faithfully fulfill our responsibilities as a global corporate citizen by emphasizing the sustainable growth of society and the environment.

SHARING

We share compassionate and optimistic hope by helping to resolve social issues and preserve the planet while growing with our partners.

1.

SOCIAL
CONTRIBUTIONS

2.

ENVIRONMENTAL
MANAGEMENT

3.

WIN-WIN
GROWTH



There was not enough water to drink even though we had a lot of rain but now it is really good to drink clean water every day.

- Indonesia,
Support for rainwater
purifying program



Every day is fun because I study with my teachers and friends in the new library and play exciting games.

- Vietnam,
LOTTE School



I was able to learn various essentials for working in the retail and service field and this definitely helped me greatly in landing a job.

- Vietnam,
LOTTE-KOICA
Service Training Center

1. SOCIAL CONTRIBUTIONS

We are creating a happier world by leveraging LOTTE's skills and resources to participate in social initiatives that support our neighbors and change society.



EasyMom's Playground



Super Blue Marathon

• A world where women and mothers are comforted

LOTTE supports women and mothers by introducing the EasyMom brand, an integrated CSR-related brand for women and children. We provide heartfelt moments and validation for mothers through various activities, including: the EasyMom's Co-Parenting Sharing Centers to improve childcare environments at military sites, and EasyMom's Mom-to-Be Project to support baby products and maternal education for prospective mothers. In addition, we bring meaningful change to local communities through a range of projects that pursue the satisfaction of mothers through the happiness of children, including but not limited to EasyMom's Playground, a project designed to protect the rights of children to play, and EasyMom's Dream Attic which aims to improve the after-school care environment for children.

• Social campaign activities with customer participation

LOTTE supports social contribution campaigns that invite customers to participate in sharing love, preventing discrimination against the vulnerable and realizing a better world. We promote awareness for the needs of people with disabilities with the annual Super Blue Marathon, during which the physically challenged run alongside non-disabled people. Through our 37th Heart Campaign with the Salvation Army Red Kettle, we present red shawls to underprivileged children with donors. Our financial contributions are also used to pay for heating to share warmth with our neighbors. In addition, LOTTE Cultureworks encourages people to participate in social contributions by organizing Guest Visit events for the Happy Anding Star Chair Program, with all ticket profits from audiences donated.

• Volunteer services extend love to neighbors

LOTTE employees actively participate in shared management programs and conduct volunteer activities that focus on local communities of our business sites. LOTTE Mart's Charlotte Volunteer Corps supports programs for children with local community centers. LOTTE Hi-Mart's Happy 3rd-Generation Campaign provides emotional support and financial sponsorships for children without parents who live with grandparents. The Love House program, sponsored by LOTTE E&C, improves social welfare facilities and helps low-income households. LOTTE Confectionery's Doctor Xylitol Bus Is On the Way provides dental care to the disadvantaged. We share our hearts with our neighbors through our volunteer activities.

• The spirit of global sharing

LOTTE also sponsors international programs to resolve social issues and improve communities. In Vietnam, we provide education and career training to the disadvantaged at the LOTTE-KOICA Service Training Center. We also have established LOTTE Schools for children in underserved neighborhoods, remodeling classrooms and providing educational equipment to support learning in more pleasant environments. In addition, we provided facilities to collect and purify rainwater in marginalized residential areas of Vietnam and Indonesia where drinking water is scarce.

2. ENVIRONMENTAL MANAGEMENT

LOTTE pursues harmonious and sustainable growth, fulfilling our corporate social responsibilities through strategic environmental management and the participation of all of our affiliates.



LOTTE Chemical's reverse vending machine collecting used pet bottles



ICIS 8.0 ECO equipped with LOTTE Chilsung Beverage's eco-friendly packaging

- **Commitment to environmental management**

In 2020, LOTTE launched a Resource Circulation project at the group-wide level and defined three top priorities. This project aims to minimize our environmental impact across all the business domains and achieve the value of co-prosperity. Over the long haul, LOTTE will deploy its distinctive '5Re (Reduce, Replace, Redesign, Reuse, Recycle) model' across the board to promote resource circulation, and take the lead in disseminating consensus on and commitment to green initiatives among the general public.

- **Building a virtuous cycle of recycling plastics**

LOTTE intends to create a virtuous cycle for recycling PET plastic materials at the group level. This starts with LOTTE Chemical providing 'rPET' produced out of waste plastics as raw materials to food affiliates using these materials for packaging and manufacturing. Retail affiliates facilitate the consumption of products made of rPET at the customer contact points and undertake resource recovery programs. Once recovered, these resources are fed back to LOTTE Chemical as recycled rPET raw materials. Furthermore, LOTTE affiliates are committed to reducing the consumption of plastics and increasing their recycling: 7-Eleven launched ice cups without the brand logo; LOTTE GRS has adopted disposable drink cups with straw-less lids; LOTTE Chilsung Beverage unveiled 'ICIS 8.0 ECO' without applying any label on the PET bottle body.

- **Expanding the use of eco-friendly packaging**

LOTTE is committed to reducing the use of unnecessary disposables and expanding the application of eco-friendly packaging. Specifically, we are primarily focused on making improvements at our department stores and marts that are heavy consumers of disposable packaging materials. We have introduced gift sets that exclusively use 100% recyclable paper packaging, shock-absorbing packing materials made of bio-degradable materials instead of Styrofoam, and white Styrofoam and transparent trays that are relatively easier to recycle compared to colored Styrofoam and trays. We also modified the design of cooling bags used for gift sets to enable customers to reuse them as eco-bags.

- **Reducing food waste**

LOTTE implements a policy to minimize food waste generated across the industrial sectors within the group. To this end, we plan to develop manuals through the measurement of company-specific disposal of food waste and research on food waste mitigation plans in each of the production-processing-retail phases. LOTTE Mart has revised its off-grade item treatment policy to recycle fruit peels as animal feed and waste animal fats as soap or mixed feed materials, reducing the generation of food waste in so doing. Angel-in-us Coffee provides coffee grounds generated from its stores to tangerine orchards in Jeju to be used as fertilizer while using the island's agricultural and local specialty products as ingredient materials.

3. WIN-WIN GROWTH

LOTTE's win-win growth initiatives create shared value by investing in substantial supplier support systems to improve business infrastructure.



Conference hosted by LOTTE Department Store connecting small Korean companies with international retailers



LOTTE Accelerator Demo Day

- **Dedicated to win-win growth**

LOTTE believes win-win growth with partner companies fulfills our corporate social responsibility and drives our sustainable growth. In 2010, we drafted a plan for win-win growth in the LOTTE Group main policies, creating an organization dedicated to win-win growth goals. We were the first in the industry to publish a report on win-win growth. We also built the foundation to enhance win-win growth policies by introducing outside board directors to affiliates, applying more strict standards than commercial law and establishing a management committee to oversee transparent management.

- **Cooperation to create shared value**

Shared value creation with partner companies across a range of businesses is key to LOTTE's win-win growth strategy. Our retail affiliates are expanding our overseas sales channels along with partner companies. We hosted the Hallyu Products Fairs overseas to introduce small and medium-sized company products to international retail stores. We also operate the Global Market Development Team to help young entrepreneurs and small and medium-sized business partners develop export markets. In addition, we support their expanding sales channels, such as Dream Plaza, a store dedicated to SMEs at LOTTE Department Stores.

LOTTE established the LOTTE Accelerator incubator to support startup growth and job creation for young people. We are increasing a range of support, such as recruiting and nurturing startups and providing infrastructure. We also offer production facilities and training to selected young farmers to help create jobs for young people and expand the market for eco-friendly agricultural products.

- **Improving business infrastructure**

To bolster partner business infrastructure, LOTTE operates several financial support programs, such as the Shared Growth Fund and win-win direct funding for large, small and medium-sized companies. We recently expanded our Shared Growth Fund to KRW 965 billion to provide more benefits to our partners. We became Korea's first large business to make it mandatory for all group affiliates to operate the win-win payment system and make short-term cash payments for SME partners (except for some specific business categories). Furthermore, we are working to implement specific action plans, such as advancing holiday payment, to improve payment process and boost the cash flow of our partner businesses for realizing mutual benefits.

LOTTE continues to innovate as
we transform into the New LOTTE
that will surpass our history of
challenge and achievement.

We will leap forward through
efficient transparent management
and sustainable growth to become a
100-year-old company trusted and
loved by customers worldwide.

We hope to earn your unswerving
support as LOTTE takes on
the challenges that will enrich lives
and create happier tomorrows
for people around the globe.



