



LOTTE, implementing proactive protective measures to overcome COVID-19

March 25, 2020

LOTTE Group is South Korea's 5th largest conglomerate with four key business domains in Food & Beverage, Retail, Chemicals, and Hotel & Services in over 36 countries.

LOTTE Group is currently employing various measures to not only protect its employees and customers, but to help curtail the spread of the COVID-19. In addition to strictly complying with Korea Centers for Disease Control & Prevention's (KCDC) guidelines, LOTTE Group and its affiliates have proactively implemented independent and stronger preventive measures in all of its business locations since the beginning of the pandemic.

These collective measures have allowed LOTTE employees to work in a safe environment while also providing customers a sense of relief when visiting LOTTE facilities. LOTTE is also spearheading efforts to support partners and community members affected by the virus.

Operating a group control tower to coordinate against the COVID-19

After the first confirmed case in Korea last January, LOTTE Group immediately began monitoring the situation by securing adequate sanitization equipment, distributing preventive guidelines, and directing employees with travel history to affected areas to work from home.

LOTTE group also utilized its sourcing capacities to provide free protective masks for its employees in order to prevent the virus from spreading within the group. As confirmed cases began to rise sharply in February, LOTTE Group deployed a task force (C-TFT) and opened live time communication with its fifty plus affiliates and twenty thousand business locations. Through this visibility, LOTTE was able to react timely and apply appropriate measures to mitigate further risks.

Thorough disinfection and preventative measures in business locations

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LOTTE currently operates several multifunction facilities such as department stores, shopping malls, amusement parks, hotels and etc.

To ensure customer's safety in these facilities, LOTTE has installed thermal cameras, sanitization products, and preventive guideline posters in all entry and exit points.

Main facilities are fully sterilized once a day while frequently contacted objects such as shopping carts and escalator handles are sterilized repeatedly.



< Entrance of the LOTTE World Tower, checking visitors with thermal cameras. >

In the case a confirmed patient is traced to have visited a LOTTE facility, LOTTE actively cooperates with KCDC to trace the patient's exact travel route within the facility and such facts are transparently released to the public as per KCDC's recommendation. In addition, the facility is thoroughly sterilized and employees who came in contact with the confirmed patient are immediately tested and placed in self-quarantine for two weeks.

Work guidelines for employees to curtail the spread of COVID-19

LOTTE has provided all of its employees with a 'COVID-19 Working Guideline' on February 25th. The guideline's objective is to ensure the health and wellness of employees and their family members while also preventing mass closure of workplaces. Flexible working hours, work from home, and discouraging large meetings and events are some of the main programs recommended in the guideline.

Work from home is implemented by taking into account the nature of the business. For some businesses, all employees work from home while other businesses divide employees into two or three groups and rotate personnel working from home. Employees who are pregnant or have prior medical history however are required to work from home. These actions not only help in preventing the spread of the virus within the company, but it also trains and familiarizes employees to work in different environments in case such measures are necessitated by the virus.

To minimize interpersonal contact for on-site employees, LOTTE affiliates are currently implementing flexible working hours so that employees can avoid using public transportation during

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rush hours. Workshops, classes, and gatherings have been banned while all meetings are recommended to be carried out through video conferencing.

Employees who come to work are checked every day for fevers or symptoms. During working hours, employees are required to wear protective masks and disinfect their hands with hand sanitizers from time to time to prevent the spread of the virus. In line with social distancing efforts, LOTTE has also limited the use of the staff cafeteria during the lunch hours.

Employees using the cafeteria are required to sit facing one direction or in zigzag to limit contact between each other while eating. Lunch boxes for employees are also prepared so that employees may eat separately at their own seats.



< Employees coming to work at LOTTE Hotel are checked for temperatures and protective masks. >



< Employees eating are encouraged to sit facing one direction. >

Due to these proactive measures within the workplace, only 3 among 230,000 LOTTE employees have contracted the virus as of March 25.

Supporting partners and the community

LOTTE is also carrying out various efforts to support partners and community members affected by the COVID-19. To help prevent the spread of the virus and support those already affected, LOTTE has donated around one million USD last February.

In particular, these contributions have prioritized helping children who were not receiving adequate welfare care due to the COVID-19. With many welfare facilities being closed down to prevent the

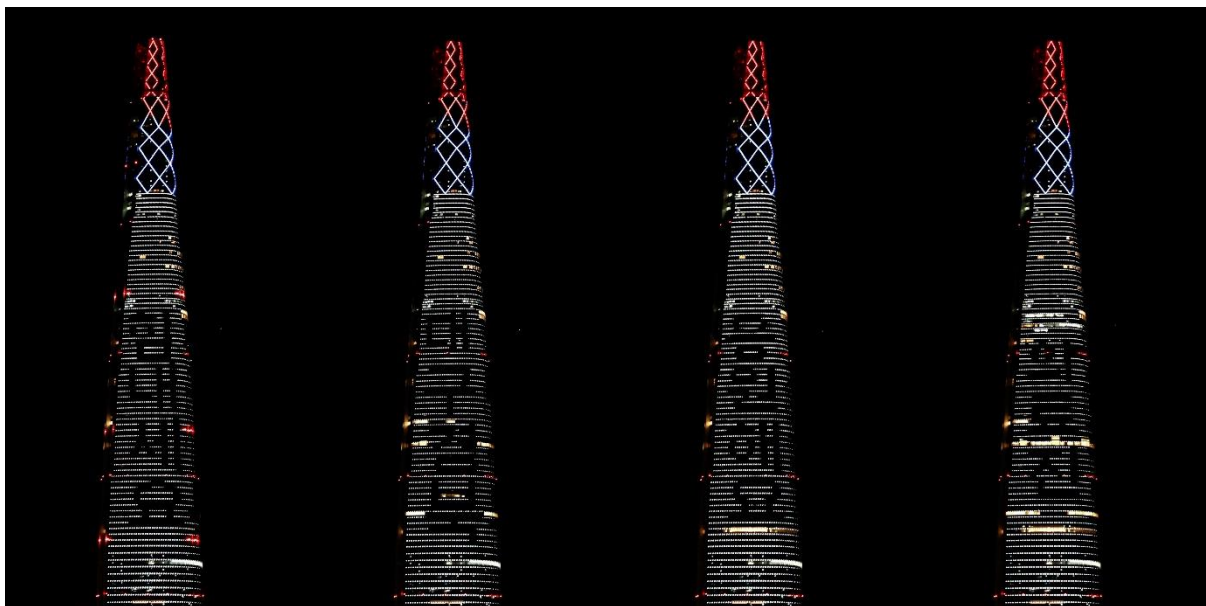


spread of the COVID-19, LOTTE has provided food supplies to affected children so that they will have enough food for a month. LOTTE has also supported lower income household, elder citizens and healthcare workers with sanitization products, daily necessities, and food.



< LOTTE and ChildFund Korea preparing Food Boxes for children facing difficulties due to the COVID-19 >

LOTTE group also utilized the world's 5th tallest building, LOTTE World Tower, to depict supportive messages to those affected by the pandemic. In the initial stages of the outbreak, supportive messages for Wuhan citizens were shown and these messages were followed by messages such as 'Cheer up Daegu Kyungbook', 'Let's get through this Korea', and 'Thank you Medical Staff'.



< Supportive messages being depicted on the LOTTE World Tower since February 25. >

LOTTE Asset Development, an affiliation operating shopping malls, has delayed rent dues for small and medium enterprises affected by the virus. LOTTE Homeshopping and LOTTE Himart are providing free sanitization services for partner facilities. LOTTE Duty Free has donated daily

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necessities while Seven Eleven is providing a portion of its revenues to healthcare workers to procure medical equipment.

LOTTE Group and its many business places are working in concert to help prevent the COVID-19 from spreading. While protecting employees, customers, and partners, LOTTE Group is actively cooperating with related parties and organizations to stop the virus from spreading and restoring damages in communities. LOTTE will continue to monitor the situation and do what it can for Korea to overcome this situation.