

# **LOTTEJTB ESG POLICY HANDBOOK**

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As a travel agency cooperating with diverse stakeholders in the tourism sector—including affiliates (travel agencies, hotels, transportation companies, restaurants, attractions, etc.), partners (sales agencies, local land operators, etc.), and consumers—LOTTE JTB understands its key role and influence in the sustainable development of the South Korean tourism industry.

We aim to maximize positive impacts through ESG management while minimizing negative impacts on the tourism industry by following and implementing sustainability practices, thereby exerting a positive influence on our customers and partners. To this end, LOTTE JTB operates the following ESG policy.

Our ESG policy is divided into 13 topics (Note: The document lists 14 sections). Each topic consists of a set of principles and corresponding practical actions. LOTTE JTB commits to carrying out the sustainability policies described below and strives to improve the level of sustainable management in the domestic tourism business through active promotion to customers and business partners.

**1. Sustainability Management and Legal Compliance** : We implement sustainability management through the following activities

- A. Designate a team responsible for sustainability activities and appoint dedicated staff.
- B. Contribute to improving ESG standards by sharing ESG policies with customers, partners, and suppliers.
- C. Establish a written LOTTE JTB ESG Policy to reduce the negative (social, cultural, economic, and environmental) impacts of company activities.
- D. Operate documented criteria and procedures for establishing ESG policy goals and evaluating them through implementation management; the company actively participates in external forums and ESG activities to enhance sustainable management levels.
- E. Established goals for sustainable action plans shall include clear actions/measures/timelines. Procedures for monitoring and evaluating these goals shall also be established.
- F. When proceeding with private contracts, include sustainability guidelines in the contract to identify the sustainability performance of major suppliers/partners.
- G. Disclose the ESG policy on the company website to transparently guarantee the company's sustainability and communicate with various stakeholders.
- H. The company is committed to ensuring that all employees are fully aware of the sustainability policy and do their best to implement and improve it.
- I. We promise to comply with national laws, regulations, and codes of practice.

**2. Internal Management** : We implement sustainable internal management through ESG policies including the following principles

- A. The company grants freedom of employment and contract termination without penalty if employees fulfill their duty of resignation notice (30 days prior notice).
- B. Employment contracts shall comply with labor conditions under national labor laws and include

job descriptions.

- C. The salaries of all employees must be specified in the annual salary and employment contract, and wages above the national minimum wage shall be paid.
- D. The company notifies standards for overtime work and complies with working hour regulations set in the Rules of Employment.
- E. Provide medical and liability insurance in accordance with domestic laws.
- F. Grant fixed paid annual leave and sick leave to employees.
- G. The company establishes health (medical check-ups) and safety (including training) policies that comply with national legal standards for employees.
- H. Equip first aid kits.
- I. Periodically train employees on roles, rights, and responsibilities regarding health and safety issues. Training shall include fire and natural disaster response.
- J. Prohibit the employment of minors by defining the hiring age standard as adults aged 18 or older.
- K. Establish reception procedures to collect employee grievances and expectations.
- L. Maintain reasonable and clear disciplinary procedures agreed upon by employees and establish procedures to communicate with employees regarding disciplinary actions.
- M. Conduct regular employee satisfaction surveys.

**3. Health, Safety, and Crisis Management** : We prioritize employee safety through policies including the following principles

- A. The company thoroughly complies with national legal standards, such as the Occupational Safety and Health Act, and international Best Practices regarding safety to provide a safe and hygienic working environment.
- B. The company conducts regular safety inspections to identify potential risk factors in advance and takes preventive measures to eliminate or minimize them.
- C. The company keeps AED Kits (Automated External Defibrillators) in designated locations and maintains a management system so that trained employees who have completed CPR and first aid training can use them immediately and effectively in emergencies.
- D. In the event of an accident or disaster during work, the company immediately conducts a thorough investigation to determine the cause and establishes and implements concrete corrective measures to prevent recurrence.
- E. Establish an emergency response manual for natural disasters (fire, earthquake, typhoon, etc.)

and emergencies, and share the manual within the company.

- F. Support regular health check-ups for disease prevention and health promotion of employees, and strive to operate programs for mental health management, such as job stress management.
- G. Establish response plans (such as remote work) and hygiene guidelines to prevent the spread of infectious diseases, and create a pleasant office environment through appropriate ventilation and cleanliness.

#### **4. Packaging Reduction and Recycling Activation**

- A. When packaging goods provided to customers, the company considers ways to reduce the use of packaging materials and prioritizes the use of packaging materials made of recyclable or biodegradable materials.
- B. Implement measures to reduce the use of plastic containers, such as plastic water bottles.
- C. Perform activities to separate and collect recyclable materials.
- D. Guide and encourage employees to reduce consumables through campaigns to reduce ink (toner cartridges) for printing and copying.
- E. Comply with national laws regarding wastewater treatment (compliance with national laws on reuse and safe discharge).
- F. Encourage employees to use public transportation or sustainable means of transportation.
- G. Plan travel products utilizing public transportation or sustainable means of transportation.
- H. Promote the reduction of transportation use through remote work and work-from-home policies. Remote work is implemented periodically, aiming to protect the environment beyond training for business continuity in emergencies.
- I. Actively implement environmental contribution activities, such as disseminating environmental messages to all employees.

**5. Partner Agencies :** We develop and implement policies to improve the sustainability of our business partners. The company's goal is to embody sustainable development for all partners within the business.

- A. The company manages the history of activities conducted for sustainability improvement targeting partners and shares global tourism standards for sustainable management with them.
- B. The company prioritizes selecting (transacting with) organizations that implement sustainable management.
- C. When collaborating with partners, encourage product planning utilizing public transportation, avoid paperwork, and strive to digitize guidance tasks previously done through printed materials.
- D. When selecting accommodations for regional city product operations, the company must

consider social policies to ensure decisions contribute to the interests of the local community and residents.

- E. Share the company's business direction with partners regarding the protection and preservation of assets and sites of historical, archaeological, cultural, and spiritual importance in the regions where travel products are planned.
- F. To raise partners' awareness of sustainable consumption, share the values of the company's ESG campaigns and conduct educational activities to improve partners' ESG levels. Manage ensuring that shared values are transferred to customers using the company's products.
- G. Include the 'Pledge of Ethical Management Practice' (see below) in contracts with partners to encourage stakeholders' sustainable practices. Post-contract, evaluate sustainable practices and include them in contract criteria for partner selection.
- H. Include key sustainability clauses in contracts with inbound/land partners.
- I. Include mandatory clauses in contracts allowing for early termination if the partner fails to take appropriate measures to prevent sexual exploitation of children within their supply chain.

**6. Accommodation Selection :** The company strives to ensure the supply of accommodation facilities, such as hotels, that provide sustainable services. When selecting accommodation providers, the following criteria must be considered

- A. The company prioritizes accommodations that comply with the following criteria and reflects these contents in contracts:
  - ① Prioritize accommodations that operate with ESG policies aiming to contribute to the environment and society.
  - ② Prioritize accommodations with energy-saving programs (water, electricity, etc.).
  - ③ Prioritize accommodations with waste management programs.
  - ④ Prioritize accommodations operating child protection policies.
  - ⑤ Prioritize accommodations providing health and safety training to employees.
  - ⑥ Prioritize accommodations that establish and operate sustainability goals and strategies.
  - ⑦ Prioritize accommodations that have obtained certification from international environmental organizations (e.g., GSTC / Travelife certification).
  - ⑧ Grant bonus points to accommodations actively operating the above clauses during selection, and include clauses in the contract allowing early termination if failure to take appropriate measures regarding the above ESG clauses is detected after the contract.
- B. The company cooperates with tourism facilities (accommodations, museums, restaurants, etc.) that include elements of local art, architecture, or cultural heritage, and respects the intellectual property rights of the local community.
- C. Include a clause in the contract to terminate cooperation with the accommodation facility if it is discovered that the contracted accommodation violates the ESG clauses mentioned above.

**7. Travel-Related Sustainable Management Activities :** The company recognizes animal and community welfare as important values and aims for tours that minimize environmental damage ("Small

Footprint Tours"). We strongly oppose harming wildlife and polluting the environment while protecting the authenticity of local communities and natural environments, doing our utmost for this cause.

- A. The list of environmentally or culturally sensitive travel provided at the destinations of travel products planned by us is as follows. The company does not promote or handle travel content related to the items listed below:
1. We do not use any tourism services dealing with Class 1 or 2 endangered wild animals. Our list of endangered species is as follows (Hunting, capturing, displaying, selling, etc.):
    - **Class 1 Endangered Wildlife:** Wolf, Asiatic Black Bear, Long-tailed Goral, Leopard, Tiger, Golden Bat, etc.
    - **Class 2 Endangered Wildlife:** Marten, Fur Seal, Leopard Cat, Red Fox, Fairy Pitta, Red-crowned Crane, Scaly-sided Merganser, etc.
    - **Marine Endangered Wildlife:** Gray Whale, Ringed Seal, Hawksbill Sea Turtle, etc.
    - We do not promote or make commercial use of souvenirs and archaeological artifacts involving endangered animal and plant species specified in the CITES treaty and IUCN Red List, in addition to the endangered species listed above.
  2. To ensure the safety of the company's employees and customers, we do not operate travel products in areas where safety is not guaranteed, referring to travel risk regions announced by the South Korean Ministry of Foreign Affairs (As of Nov. 2025).
    - **Travel Ban (Black Alert):** All regions of Afghanistan, Iraq, etc.
    - **Withdrawal Recommended (Red Alert):** All regions of Venezuela, Isla del Sol in Bolivia, etc.
    - **Travel Restraint (Yellow Alert):** All regions of Costa Rica, Belize, etc.
    - **Special Travel Advisory:** Parts of Cambodia, all regions of El Salvador, etc.
- B. We promote and guide customers on sustainable content, such as travel and activities supporting the local environment and biodiversity, including environmental protection projects or visits to protected areas.

**8. Tour Leaders, Local Agencies, and Guides** The company aims to hire and involve as many locals as possible for the operation of products planned by us. The company strives for a fair and safe working environment that supports and respects the local community.

**9. Travel Destinations** : To ensure the sustainable development of the regions where the company operates travel products, we maximize positive impacts and minimize negative ones.

- A. Actively promote activities such as purchasing cultural products or tourism services provided at travel destinations (traditional crafts, local food, etc.) or programs that involve and support the local travel community.
- B. When planning products for new regions, consider the sustainability aspects of the region. Actively utilize travel content containing environmental and sustainability messages within the region and exclude regions with content contrary to sustainability ideologies when planning products.
- C. When selecting travel destinations, include the availability of sustainable transportation means in the selection criteria.

- D. Notify the environmental impact of transportation options to reach the destination and provide alternatives if sustainable transportation can replace them. This activity is not limited to transportation; if services provided by the company can be replaced with sustainable content, customers are notified of sustainable options as alternatives.
- E. Provide information on destinations that include sustainability aspects. Manage to ensure that disclosed information reflects changes due to time, events, etc.

**10. Customer Communication and Information Protection** : The company implements activities to improve customer welfare through communication with stakeholders. We also thoroughly manage customer personal information obtained during the communication process.

- A. The company guarantees that customer privacy (personal information protection, etc.) is not infringed.
- B. Maintain regulations containing customer rights consistent with laws and practices, and do our best to improve customer welfare according to these regulations.
- C. The company's advertising messages comply with relevant standard laws and codes of conduct and do not promise more than what is notified.
- D. Disclose logos or other messages obtained through certification by international organizations, etc., by implementing sustainable management to promote sustainable services provided by the company so that consumers can recognize them.
- E. Actively share our commitment to sustainable management by posting reports on our sustainability activities and ESG policies on the website for potential customers.

**11. Customer Complaint Handling** : Based on the following principles, the company handles customer complaints quickly and fairly and continuously improves service quality.

- A. Establish and operate accessible complaint reception channels and procedures such as website, phone, and email so that customers can raise opinions and complaints at any time.
- B. Maintain a systematic response system that notifies(within 1 business day) customers of the receipt of all filed complaints and guides them through the processing within a set deadline(within 14 business day).
- C. Conduct fair and objective investigations to identify the cause of complaints and transparently explain the results and reasons to customers.
- D. Protect customer rights so that there is no disadvantage due to raising complaints, and safely manage related data and personal information in accordance with national laws and personal information protection regulations.
- E. Regularly analyze customer complaint cases to identify root causes and implement service

process improvements and corrective actions to prevent recurrence of the same problems.

- F. Comply with consumer dispute resolution criteria and relevant laws to provide reasonable and appropriate compensation and remedies if the company's fault is confirmed.
- G. Conduct regular training on customer response manuals and complaint handling procedures for customer contact departments and all employees to ensure professional response capabilities.

**12. Reduction of Disposables and Consumables** : To contribute to the environment, the company creates a sustainable work environment and implements activities for environmental protection and cost reduction.

- A. Actively manage to prevent the in-house use of paper cups, plastic straws, and disposable tableware. Periodically implement campaigns to gradually reduce unavoidable usage.
- B. Encourage the use of personal cups, tumblers, and multi-use tableware, and actively consider environmental contribution activities such as providing tumblers to employees.
- C. Adhere to the principle of using multi-use items during meetings and events, and implement awareness-raising activities so that external partners also comply during collaboration.
- D. Continuously implement awareness-raising campaigns to reduce unnecessary printed output and set double-sided printing as the default for printing.
- E. Record monthly usage (amount) of consumables by department and budget based on this.
- F. Implement regular environmental education and campaigns to reduce disposable consumables to raise awareness, and consider incentives for eco-friendly activities such as sharing best practices.

**13. Purchasing and Energy Saving** : The company realizes responsible consumption by considering ESG application in purchasing activities. We also manage to reduce energy consumption during the purchasing process.

- A. Manage consumables such as printer paper, post-its, and pens to be used to the minimum necessary, and prioritize purchasing reusable products.
- B. Prioritize purchasing products made of recyclable or biodegradable materials. Where possible, actively manage to purchase Fair Trade products, organic products, products with eco-friendly labeling such as low carbon footprint, and products from FSC-certified entities.
- C. When purchasing electrical appliances, consider energy consumption efficiency grades and manage to purchase products of Grade 2 or higher. Also, operate procedures designating a manager (the last person to leave) to turn off power during restricted usage hours. The



procedure includes specific details to ensure power to office equipment, lighting, etc., is turned off after work.

- D. Monitor energy resources (electricity, water) used by the company by managing monthly usage, and actively implement activities such as energy-saving campaigns to manage usage. Through this, notify employees of periods of high-power consumption to prevent unnecessary energy use.
- E. Implement awareness-raising activities such as relevant campaigns so that employees can set office PC power settings to power-saving mode.
- F. When purchasing lighting equipment, contribute to the environment by considering energy efficiency such as power consumption, and purchasing products that have waste reduction effects considering the lifespan of the device and do not contain hazardous substances like mercury. Currently, LED lighting meets these conditions, so manage to purchase LED products when buying related items.
- G. Consider eco-friendly certification when selecting suppliers.

**14. Waste Reduction** : Minimize waste generated from all company activities, realize resource circulation and environmental protection, and strive for social responsibility. Through this, the company enhances its fundamental goal: the ESG level.

- A. Reduce unnecessary consumption, printing, and packaging, and support work utilizing digital documents through the introduction of an electronic approval system.
- B. Avoid over-packaged products when purchasing products and materials, and prioritize purchasing reusable packaging materials.
- C. Establish a system to separate and discharge waste generated in the entire office space of the company and conduct employee training to ensure accurate separation. Waste separation is divided into paper, plastic, metal, glass, food waste, etc., to maximize recycling. Cooperate with waste collection companies to improve recycling rates.
- D. Collect hazardous waste such as batteries, electronic products, and chemicals separately and treat them safely. Donate electronic/office equipment that is replaced due to age but still usable to social welfare organizations, educational institutions, etc., creating social value. Donations are limited to products that meet safety standards and function normally, and donation details are recorded and reported to management.
- E. Comply with national laws regarding wastewater treatment (reuse and safe discharge).

## ESG Sustainable Management / Ethical Management Pledge of Practice

LOTTEJTB and your company are committed to trading in a fair and transparent manner in order to pursue mutual trust and development through fair transactions and to practice sustainable management related to environmental conservation and protection, the basis of the travel business, and pledge as follows.

1. We work together to comply with relevant laws and regulations in business relations and to create a clean and transparent trading climate.
2. All of our transactions are conducted faithfully based on due process and mutual trust, and commitments must be followed and accountability is not avoided.
3. We do not provide financial or non-monetary benefits, such as unfair money, entertainment, hospitality, and convenience in a business relationship, and do not engage in any form of fraud or corruption contrary to ethical norms.
4. When we recognize unethical acts such as unfair trade, fraud, or corruption in a business relationship, we shall immediately inform them of the act, and do not cause any disadvantages on the grounds of it.
5. We establish and implement sustainable management policies that protect/preserve human, material, and environmental resources related to travel businesses and transactions.
6. In providing travel services to customers, we guide and practice sustainable travel to prevent illegal distribution/transaction of wild animals and plants and cultural heritage, and to protect/preserve tourism resources such as natural environments and cultural heritage.
7. We make every effort to reduce carbon, save water resources and energy consumption, manage waste and circulate eco-friendly resources to preserve the global environment.
8. We put the safety of customers and employees first, and do our best to create a safe work environment for employees and provide safe travel services to customers.
9. We prevent exploitation activities such as illegal labor exploitation, sexual exploitation, and slave employment behavior, including child labor, prevent discrimination based on differences in nationality, ethnicity, race, gender, disability, religion, and social background, and actively report and cooperate with the relevant authorities when witnessing a scene of human rights violation. (However, if travel services are provided to customers, the safety of customers shall be the top priority, and then intervention and measures shall be taken after obtaining the customer's understanding.)
10. We do not encourage or provide illegal or abnormal animal travel services to our customers and do not do anything against the respect for life that poach, abuse and cause unnecessary pain to them. We also actively report and cooperate with authorities if we witness such illegal activities. (However, when providing travel services to customers, we must ensure their safety first and seek their understanding before intervening.)
11. We actively participate in exchange and cooperation activities with local communities, including the employment of local and vulnerable groups.
12. We confirm that if it is confirmed that the above practice has not been implemented, the transaction may not be suspended or renewed depending on the materiality of the case, whether or not the relevant partner takes corrective/improvement measures, and the extent to which the partner company takes corrective/improvement measures, and that in the event of tangible or intangible damage to the other party due to the partner's illegality, the partner company may be claimed for reasonable damages.

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**December 1st, 2025. LOTTEJTB Co.Ltd. (signature : \_\_\_\_\_) , \_\_\_\_\_ (signature : \_\_\_\_\_)**