



**CREATE A BETTER  
LIFE**

# ABOUT THIS REPORT

## Report Overview

LOTTE rental is publishing its fourth Sustainability Report to transparently communicate the economic, social, and environmental values and performance created through management activities with various stakeholders. We intend to use this report as a communication channel to share LOTTE rental's sustainable management activities, performance, and plans with stakeholders every year.

## Reporting Standards

This report was prepared in accordance with the GRI (Global Reporting Initiatives) Standards 2021, the sustainability reporting guidelines. Furthermore, indicators of Car rental & Leasing, TCFD (Task Force on Climate-related Financial Disclosures), and UN SDGs (United Nations Sustainable Development Goals) within the SASB Transportation Sector, which are global sustainability management standards and initiatives, were also reflected. The financial information in the report is prepared in accordance with Korean International Financial Reporting Standards (K-IFRS: the Korean International Finance Reporting Standards).

## Reporting Period and Scope

The reporting period for this report is from January 1, 2024 to December 31, 2024, with some key achievements including content from the first half of 2025. For quantitative performance, data from the past three years (January 2022 to December 2024) were used to show time series trends. The scope of reporting non-financial information includes the headquarters of LOTTE rental, a listed subsidiary, and all domestic business sites, and for some performances, includes data from major subsidiaries (LOTTE auto lease, LOTTE auto care, Greencar) and overseas business sites. The financial information is prepared based on Korean International Financial Reporting Standards (K-IFRS) consolidated financial statements, and some information that requires attention to the scope and boundaries of the report has been annotated separately for the convenience of readers.

## Report Assurance

In order to publish an objective and transparent report that stakeholders can trust, we applied financial information audited by Samjeong Accounting Corporation (2022 to 2024), and the contents of the report were verified by a third party by the Korea Management Certification Institute (KMR). The verification criteria applied KMR verification standards SRV1000 and AA1000AS\_Type2\_Moderate. Further details on verification can be found in the Third-Party Assurance Statement section located in the Appendix.

Report Issue Date    June 2025

Report Inquiry        LOTTE rental ESG External Cooperation Team  
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




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## CEO Message



**To our esteemed stakeholders,  
This is Jin-hwan Choi, CEO of LOTTE rental.**

We are very pleased to once again engage with our stakeholders through our fourth Sustainability Report.

2024 was a difficult year due to domestic and international political instability and the continued economic slowdown. Nevertheless, LOTTE rental ended our short-term performance decline due to a change in our business model, and **recorded good results last year with sales of KRW 2.7924 trillion, an operating profit of KRW 284.8 billion, and a net profit of KRW 102.7 billion.** I believe this is thanks to all stakeholders, including executives, employees, partners, customers, and shareholders, who have shown great interest in and worked hard for LOTTE rental.

In our first report published in 2022, LOTTE rental announced that we introduced the ESG management philosophy of **“decision-making that is beneficial to the environment and society”** and are actively putting it into practice.

First, as an industry leader, we have continued our efforts to protect the environment. Taking the lead in popularizing eco-friendly vehicles, **the proportion of eco-friendly vehicles among new vehicle purchases in 2024 increased by about 14% year-on-year to 44%.** With this, the proportion of eco-friendly vehicles based on total vehicle ownership has exceeded 30%. In addition, we are pioneers in popularizing electric forklifts in the industrial materials market. Vehicle maintenance continues to utilize safety-proven remanufactured parts. The preemptive measurement work of **greenhouse gas emissions Scope 3** is approaching 2025, and with three years' worth of data accumulated, we are joining the carbon neutral practice.

We have also worked hard to fulfill our corporate social responsibility through various activities. We will continue to practice human rights management in accordance with the 10 principles of human rights management. We conducted **the second human rights impact assessment** and received **a comprehensive achievement rate of 98.7%.** To create **a corporate culture that is good for working,** we have implemented summer vacation and half-day leave systems, and increased the early Friday leave system to twice a month. The childcare leave system has been reorganized and expanded now including both male and female employees with children attending elementary school aged 12 or younger. As a result of our efforts, we have been **re-certified as a family-friendly business.** In addition, by declaring a customer-centered management charter and establishing leadership, system, and performance management systems, we have also obtained **the Consumer-Centered Management (CCM) Certification** from the Fair Trade Commission. The Safety Management Office, which oversees the safety of all stakeholders, has established a mid- to long-term goal of reducing the annual Lost Time Incident Rate to 0.2 or less, and has completed **on-site safety inspections of all workplaces.** We are also committed to protecting customer information.

## CEO Message

We have established a transparent and proper governance structure and promoted management activities to enhance shareholder value. To ensure that board decisions are executed promptly, the CEO concurrently serves as chairman, and **a system of senior external directors has been introduced** to ensure transparency and balance. In addition, as part of our shareholder return policy, we have revised our articles of incorporation to allow for decisions on whether to invest after determining the dividend amount, thereby establishing **a dividend procedure that complies with international standards**. The company purchased and burned all of its own stock worth approximately 9.9 billion won, and **also announced a plan to increase corporate value** by participating in the government's value-up program. We aim to **return more than 40% of our annual consolidated net profit to shareholders** over the next three years by pursuing key indicators and implementation plans in terms of profitability, growth, and shareholder value. In addition, following the ISO 37001 Certification for the anti-corruption management system, we have also obtained **the ISO 37301 Certification for the compliance management system, thereby establishing a company-wide compliance management system that complies with international standards**.

LOTTE rental has established its corporate vision of becoming **the "absolute No. 1 Player in the Korean mobility industry"** as stated in last year's report, and is accelerating the implementation of its growth strategy.

We vow to strengthen our main business, and are **reorganizing our corporate and individual long-term and short-term car rentals based on profitability**, with these results becoming visible. Corporate long-term car rentals are leading this increase, and based on strengthened customer relationships, the extension and renewal rates of individual long-term car rental contracts have increased from 40% at the beginning of 2024 to 54% at the end of the year. The growth of the short-term car rental business targeting foreign customers visiting Korea is also a notable achievement.

We have **expanded our auto business scope to include used car rental and commercial vehicle leasing**. The used car rental business, which has entered full-scale growth since the fourth quarter of 2024, is expanding the range of customer choices with products verified through LOTTE rent-a-car's vehicle management capabilities, and is also contributing to environmental conservation by maximizing the vehicle's life time value. The commercial vehicle leasing business is also showing steady growth by realizing the vision of "Korea's No. 1 commercial vehicle leasing" through expansion of affiliated sales channels and development of specialized products.

We also worked **to improve costs by strengthening data and digital capabilities**. By strengthening underwriting and establishing accident prevention processes, including customer safe driving campaigns, we have continuously reduced accident costs while also significantly improving the productivity of our sales force.

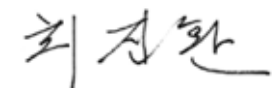
We are actively **expanding our overseas business, focusing on countries where we expect to have a strategic advantage**. One of these focuses is Vietnam, which launched a chauffeur-based car rental service last year and is leading the way in improving performance by expanding its auto rental business. In addition, we established a UAE overseas subsidiary to strengthen our used car export business and won the "50 Million Dollar Export Tower" award at the 61st Trade Day.

Lastly, we plan to lead the domestic **used car retail market** by launching T Car, **an online used car platform, as a new growth engine**. LOTTE rent-a-car, Korea's No. 1 rent-a-car brand, vows to create new value through synergy with existing businesses such as vehicle maintenance services, focusing on popular and reliable vehicles that are 3-4 years old, all directly managed by LOTTE rent-a-car itself.

In 2025, LOTTE rental will continue to practice the **new core values established by its executives and employees: "Customer-centered, Excellence-oriented, Challenge, One Team, and Fun."** We further **strive to become the "absolute No. 1 Player in the Korean mobility industry."** LOTTE rental will **create a better life for all stakeholders** through sustainable growth.

Therefore, we ask for your continued interest and support in this endeavor. Thank you.

CEO of LOTTE rental Co., Ltd  
Jin-hwan Choi




# About the Company Introduction to LOTTE rental

LOTTE rental is a leading comprehensive rental company in Korea, boasting over 40 years of rental industry expertise and Korea's No. 1 brand power since its establishment in 1986. We are accelerating the growth of our company by strengthening our mobility capabilities and expanding our business model "deeper, broader, and smarter" in our current business areas including long-term and short-term car rentals, car sharing, used cars, and industrial equipment, and by becoming the "absolute No. 1 player in the mobility industry."

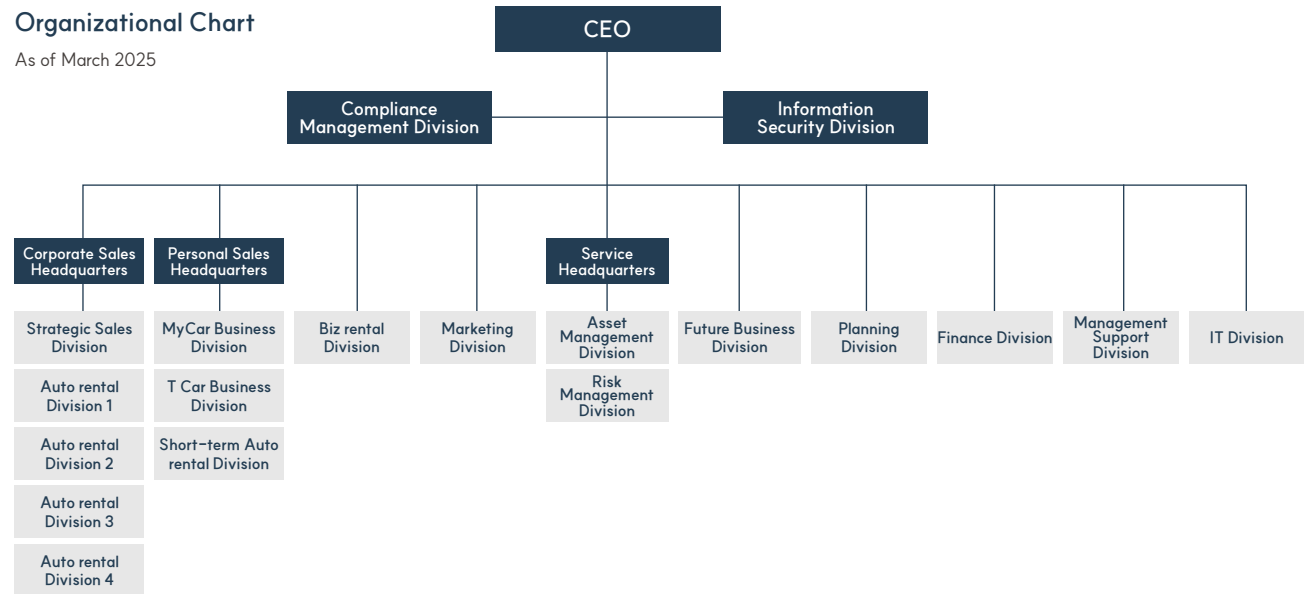
Founded in 1986 and incorporated into LOTTE Group in 2015, our organization currently consists of 3 headquarters, 19 divisions, 75 teams, and 103 branches and sales/reservation offices. Our subsidiaries include LOTTE auto lease, a leasing and installment specialist, LOTTE auto care, which provides vehicle maintenance services, and Greencar, which operates a car sharing service. We also have overseas subsidiary in Vietnam, Thailand, and the UAE.

## Company Status

Company Name	LOTTE rental Co., Ltd.
CEO	Jin-hwan Choi
Head Office Location	8th floor, Shinwon Vision Tower, 88 Jeonpa-ro, Dongan-gu, Anyang-si, Gyeonggi-do, Republic of Korea <b>Seoul Headquarters</b> 3rd, 6th, 10th, and 15th floors, KT Seolleung Tower East, 422 Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
Date of Establishment	May 1986 (incorporated into LOTTE Group in June 2015)
Field of Business	Comprehensive rental service of cars, office supplies, industrial equipment, etc.
No. of Employees	2,445 persons (as of 2024 merger)
Sales	KRW 2.7924 trillion (based on 2024 consolidated figures)
Website	www.lotterental.com 

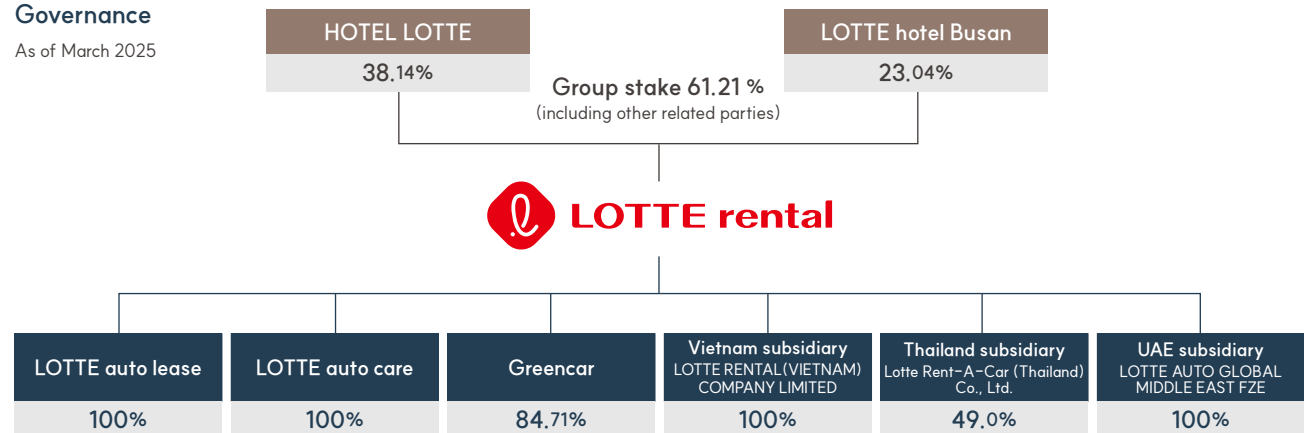
## Organizational Chart

As of March 2025



## Governance

As of March 2025

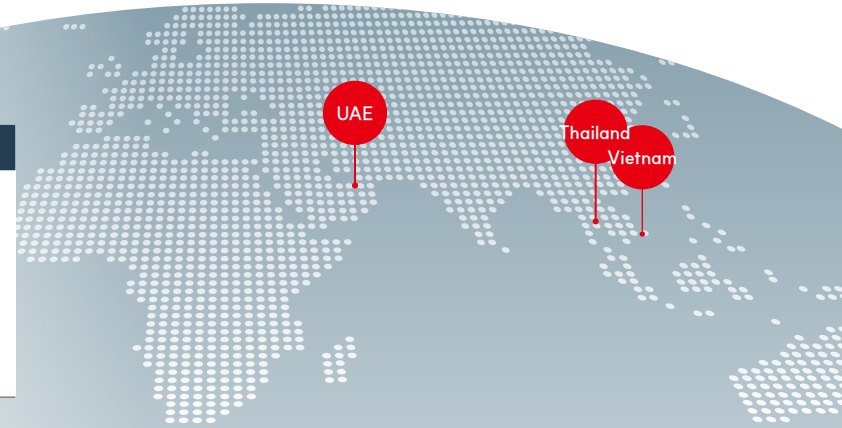




# About the Company Introduction to LOTTE rental

## Domestic Network As of March 2025

Place of Business	Asset · Trading Centers	Auction House	Major Subsidiaries
<p><b>2</b> Office in Seolleung and Anyang</p> <p><b>103</b> branches, sales offices, and reservation offices</p>	<p><b>11</b> asset centers</p> <p>Gyeongsan Auto/Dongtan/Anseong /Gyeongsan/Incheon/Bucheon/Gwanggyo /Yongin/Hwaseong/Icheon/Gongdo</p> <p><b>3</b> trading and export centers</p> <p>Gangseo/Bucheon/Incheon</p>	<p>LOTTE auto auction</p>	<p>LOTTE auto lease</p> <p>LOTTE auto care</p> <p>Greencar</p>



## Global Network

### Vietnam

<b>Company Name</b>	LOTTE RENTAL (VIETNAM) COMPANY LIMITED	
<b>Date of Establishment</b>	November 14, 2007	
<b>Head Office Location</b>	Ho Chi Minh City, Vietnam	
<b>No. of Employees</b>	Resident staff (4 persons), local recruitment (1,260 persons)	
<b>Sales</b>	KRW 57.1 billion	
<b>Number of Vehicles Owned</b>	1,354 units	
<b>Business Description</b>	<b>Auto services</b>	<p>Bus transportation business (B2B) Commuting/shuttle bus service - Bus long / short term rental (including travel agencies)</p> <p>Passenger vehicle rental business (B2B/B2C) - Long / short term rental car (with/without driver)</p>
	<b>General rental business</b>	<p>Measuring instruments - rental of measuring equipment for antenna and base station manufacturers</p> <p>OA/Home appliances - rental of office equipment and home appliances for businesses</p>

### Thailand

<b>Company Name</b>	Lotte rent-a-car (Thailand) Co., Ltd.	
<b>Date of Establishment</b>	March 14, 2016	
<b>Head Office Location</b>	Bangkok, Thailand	
<b>No. of Employees</b>	Resident staff (1 person), local recruitment (251 persons)	
<b>Sales</b>	KRW 36.3 billion	
<b>Number of Vehicles Owned</b>	752 units	
<b>Business Description</b>	<b>Auto services</b>	<p>Bus transportation business (B2B) Commuting/shuttle bus service - Bus long / short term rental (including travel agencies)</p> <p>Passenger vehicle rental business (B2B/B2C) - Long / short term rental car (with/without driver)</p>

### UAE

<b>Company Name</b>	LOTTE AUTO GLOBAL MIDDLE EAST FZE	
<b>Date of Establishment</b>	July 2, 2024	
<b>Head Office Location</b>	Dubai, United Arab Emirates	
<b>No. of Employees</b>	Resident staff (2 persons), local recruitment (3 persons)	
<b>Sales</b>	KRW 1.5 billion	
<b>Business Description</b>	<b>Auto services</b>	
		<p>Used car sales business - Export, local sales, and sales of used cars to the Middle East, Africa and Commonwealth of Independent States (CIS) region</p>

## About the Company LOTTE rental Vision System

In July 2024, LOTTE rental announced a new vision of becoming the "The Absolute No.1 Player in Korean Mobility industry" The most important keyword in LOTTE rental's vision and core values is "customer." With our mobility capabilities, we will provide the optimal mobility experience for our customers and create a better life for them, thereby solidifying our top position in the mobility business sector.

**Mission**

# Create a Better Life

**Vision**

# The Absolute **No. 1 Player** in Korean Mobility Industry

**Core Values**



Customer-centered



Excellence-oriented



Challenge



One Team



Fun

## Company History

- 2024. 12 Obtained Consumer-Centered Management (CCM) Certification
- 2024. 11 Started the used car B2C sales business
- 2024. 09 Car sharing Greencar rebranded as "LOTTE rent-a-car G car"
- 2024. 07 Established the UAE overseas subsidiary
- 2024. 06 Obtained MSCI ESG Rating "AAA"
- 2023. 11 Launched "My car save", a long-term used car rental service
- 2023. 08 Launched "Chabangjeong", a vehicle maintenance service
- 2021. 10 Launched "LOTTE rental Business", a comprehensive corporate rental solution
- 2021. 08 Listed LOTTE rental Co., Ltd. on KOSPI
  
- 2018. 03 Launched "Shin Cha Jang Direct", a non-face-to-face contract service
- 2016. 03 Established the Thai overseas subsidiary
- 2015. 12 Acquired JG Industries
- 2015. 06 Incorporated into LOTTE Group and changed company name to "LOTTE rental"
- 2014. 12 Became first in the rental car industry to exceed 1 trillion won in sales
- 2014. 05 Opened Jeju Auto House
- 2014. 03 Opened LOTTE auto auction
- 2013. 10 Acquired the car sharing service "Greencar"
- 2013. 03 Separated the vehicle maintenance business division and established LOTTE auto care
- 2012. 04 Launched the B2C long-term car rental business
- 2011. 12 Divided the car lease division and established LOTTE auto lease
  
- 2010. 06 Acquired and merged with Kumho rent-a-car
- 2007. 11 Established the Vietnam office
- 2005. 10 Established a split-off of KT rental
- 1989. 06 Commenced car rental services
- 1986. 05 Established the Korea Telecom Promotion Corporation (predecessor of KT rental)

### 2021 – Present

Absolute No.1 Player



### 2011 – 2020

Growth and Leap

### 1986 – 2010

Entering the rental Business



# About the Company Financial Highlights

## Financial Performance for 2024

	Separate	Consolidated
Total capital	<b>KRW 1.2394 trillion</b>	<b>KRW 1.4686 trillion</b>
Sales	<b>KRW 2.5171 trillion</b>	<b>KRW 2.7924 trillion</b>
Operating profit	<b>KRW 255.7 billion</b>	<b>KRW 284.8 billion</b>

## Economic Value Creation and Stakeholder Distribution Performance

		Consolidated
Shareholders and Investors	Dividend Payment	<b>KRW 43.6 billion</b>
Employees	Salary, retirement benefits, and welfare expenses	<b>KRW 186.3 billion</b>
Partner companies	Consumables, payment fees, depreciation expenses, advertising expenses	<b>KRW 1.1482 trillion</b>
Government	Corporate tax	<b>KRW 30.7 billion</b>
Local Communities	Donations	<b>KRW 1.7 billion</b>

## Corporate Credit Rating

Korea Credit Rating	<b>AA-</b> ↓
Korea Corporate Rating	<b>A+ STABLE</b>
Nice Credit Rating	<b>A+ STABLE</b>
Moody's	<b>Baa3</b>
Fitch	<b>BBB-</b>

## ESG Rating

MSCI	<b>AAA</b>
KCGS	<b>A</b> Environment A, Society A, Governance A

# Consolidated Sales of KRW 2.7924 trillion



### Auto rental



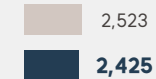
\*The auto rental and car sharing categories in the electric report were combined.



### Sales of Used Cars



### Biz rental



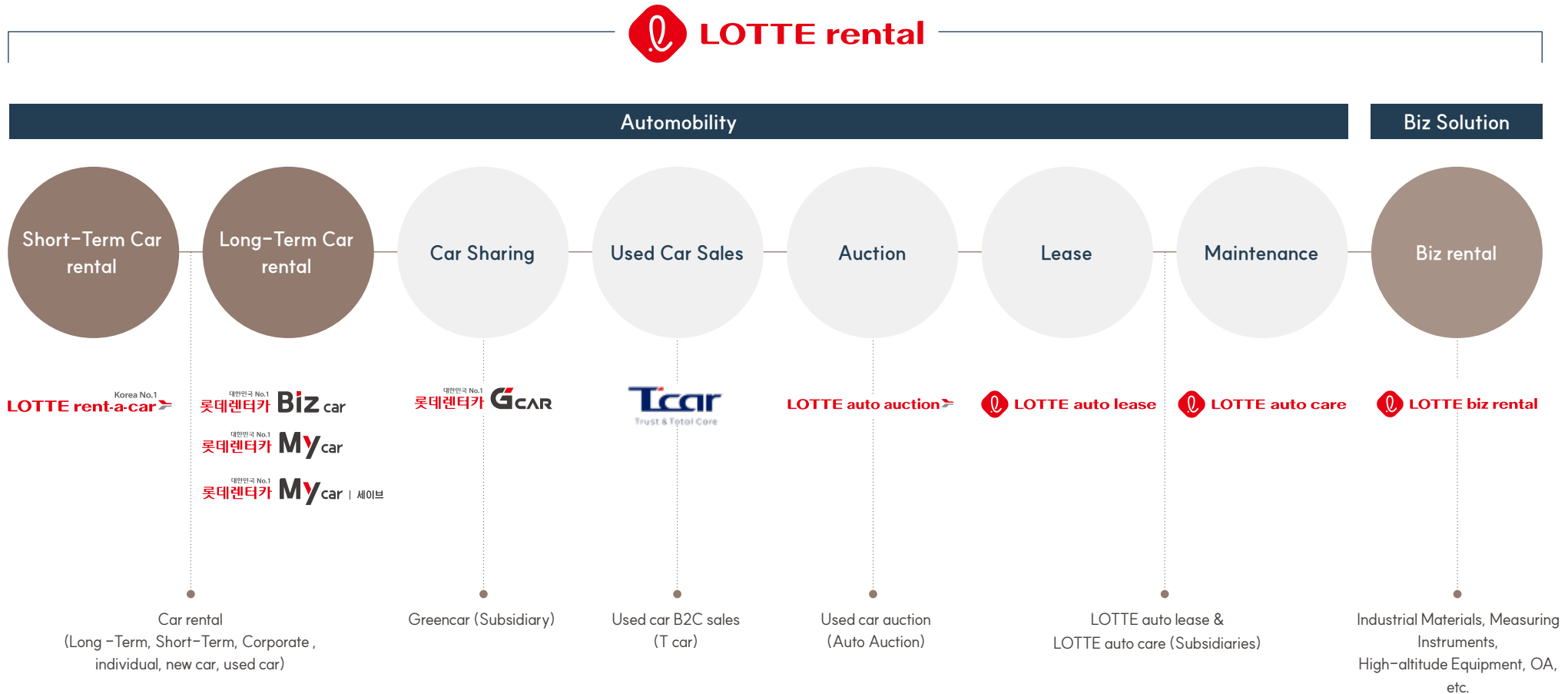
Unit: KRW 100 million

2023 ■  
2024 ■

# About the Company Business Portfolio

## Business Overview

LOTTE rental is the only comprehensive rental company in Korea, and we offer automobility services and business operators covering the entire car life, including LOTTE rent-a-car, the No. 1 in Korea, My car, Biz car, LOTTE auto auction, LOTTE auto lease, LOTTE auto care, and Greencar, a car sharing business. We provide business solution services that support a more efficient business environment and create value through use and sharing.



# About the Company Business Portfolio

**Automobility** LOTTE rent-a-car, Korea's No. 1 rent-a-car brand, is creating a better car life by providing various mobility services needed when buying, selling, and renting cars.

## Short-Term Car rental

LOTTE rent-a-car has approximately 60 branches nationwide, including Jeju Island, airports, and KTX stations, to provide car rental services through a multitude of sale offices. In addition to rental services such as hourly / daily rental, monthly rental (My car M), and insurance replacement, we launched a chauffeur car rental service called "My Chauffeur" in July 2024.

**Jeju Auto House** | Jeju is a major base that accounts for 50.6% of all short-term car rentals, and includes a variety of vehicles, a parking lot with 800 spaces, 3 car washes, a maintenance center, a self-service gas station, an outdoor cafe, and a customer convenience space, providing high-quality car rental services through self-check-in kiosks and a parking control system.

Jeju Auto House also actively participates in eco-friendly activities. The "Eco-friendly Donation Driving Campaign", which started in 2018, is estimated to have a total of 22,000 participants and a total of 310 million won by 2024. We also donated to projects to Promotion of mobility rights to mobility and support rehabilitation for children with disabilities. We are currently operating four eco-friendly EV shuttle buses to and from the airport, and will add two more in the first half of 2025, along with electric vehicles and charging infrastructure. There are also plans for further expansion. Additionally, we contribute to reducing carbon emissions by reducing Jeju Auto House's total electricity usage by about 5% (about 1 million won per month) with renewable energy produced by 285kW solar panels.

**Insurance Replacement** | Our insurance replacement service, which allows you to use your vehicle during the repair period due to an accident, has the largest nationwide network of 150 branches and over 2,700 dedicated insurance replacement vehicles, and provides customized customer services from replacement vehicle acceptance, vehicle return, and claim processing. We are also continuously striving to improve convenience and customer satisfaction through business agreements with non-life insurance companies, mutual aid associations, manufacturers, capital companies, etc.




## Long-Term Car rental

Long-Term rental Car, which rents out new cars and provides vehicle management and maintenance services, operates "Biz car" for corporate customers and "My car" for individual customers. It also operates "My car save", a used car long-term car rental service that allows users to use used cars returned after long-term rental at a reasonable cost for 1-2 years.

Biz car is further solidifying its position as "No. 1 in Korea" by increasing vehicle investment by more than 15% year-on-year through efforts to provide customized vehicles optimized for corporate customers, such as segmented, practical maintenance products, and vehicle wrapping services.

My car has strengthened its relationship with customers by launching My car Acquisition and My car Free Return products tailored to the diverse car rental needs of individual customers, and strengthening benefits for customers who extend or renew their contracts. As a result, the retention customer ratio increased from 36.9% in the fourth quarter of 2023 to 55.6% in the fourth quarter of 2024.

Launched in November 2023, the used car long-term rental service "My car save" has expanded the profit model of car rental assets to the used car sector and is growing rapidly to the point where it will introduce more than 1,000 used car rental vehicles per month by 2024, meeting the needs for economical vehicle use.

-  Biz car, a Long-Term Car rental service for corporate customers
-  My car, a Long-Term Car rental service for B2C customers
-  My car save, a Long-Term used car rental service

## Car Sharing

In September 2024, LOTTE rental changed the brand of our car sharing service "Greencar" to "LOTTE rent-a-car G car" and began expanding automobility synergy with LOTTE rent-a-car.

LOTTE rent-a-car G car, which operates about 7,000 car sharing vehicles in about 2,000 locations nationwide as of 2024, is strengthening its services to provide safer, cleaner vehicles more easily by fully utilizing the capabilities and advantages of rental cars and car sharing through collaboration with its parent company. It is also meeting the transportation needs of various customers as well as providing a safe and comfortable transportation experience.

Along with the rebranding, we launched the subscription service "G car Pass" that takes into account the customer's lifestyle, and are currently providing various services such as annual subscription, 100-hour subscription, and commuting subscription. These services are currently used by approximately 100,000 customers. In addition, we have introduced new, more convenient user-centered transportation services, such as G car One-Way, which allows you to return the car to a desired location without returning to the rental location, and G car Biz, a corporate car sharing service.

G car Number of Members/Number of Vehicles Owned/Number of Locations

Classification	2020	2021	2022	2023	2024
<b>Members</b> (1,000 persons)	3,300	3,900	4,500	4,900	5,300
<b>Cars Owned</b> (In units)	8,100	9,200	9,500	8,700	6,700
<b>Branches</b> (In units)	2,800	2,900	3,000	2,600	2,000

# About the Company Business Portfolio

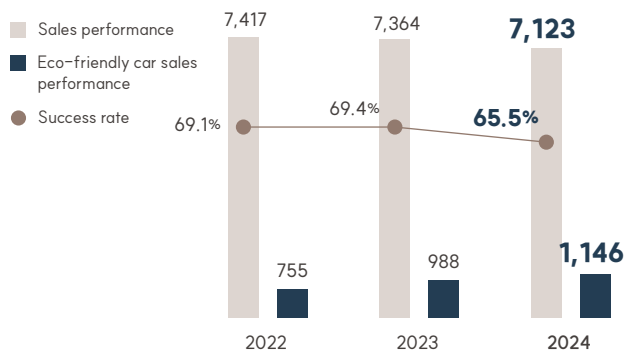
## Auction

LOTTE auto auction, a used car auction house operated by LOTTE rental, is a representative domestic auction house with approximately 54,000 vehicles up for auction annually and approximately 35,000 vehicles sold annually as of 2024. The number of member companies has increased by 6.6% year-on-year and by 298% compared to 2014 when the auction house opened, reaching approximately 1,280.

LOTTE rent-a-car sells vehicles that have been returned after 3-4 years of rental and used cars that it has purchased directly, not only through the LOTTE auto auction auction system, but also through transfer and export channels. Currently, we operate with 69% of our own vehicles, 22% distribution purchases, and 10% consignment sales.

The annual sales performance in 2024 was KRW 712.3 billion, an increase of 5.0% over the past five years, and the successful bid rate was 65.5%. We are also contributing to extending the automobile replacement cycle and reducing carbon emissions by expanding the sale of eco-friendly used cars. The sales performance of eco-friendly vehicles in 2024, including acquisition sales, was KRW 114.61 billion, up 16.0% year-on-year.

Used Car Sales Performance and Winning Bid Rate Unit: KRW 100 million



1) Eco-friendly cars: Includes hybrid vehicles, EVs, and hydrogen fuel-cell vehicles  
 2) Aggregation criteria: Performance of asset sales including acquisition-type sales based on eco-friendly vehicle standards

## Lease

LOTTE auto lease, a commercial vehicle finance subsidiary of LOTTE rental, has been leasing commercial vehicles including trucks, passenger cars, and special vehicles since its establishment in 2011. Maintenance auto leases and special-purpose leases are our main businesses. By simultaneously providing differentiated automobile financing and service benefits to customers, the company achieved a 12.3% increase in sales compared to the previous year, and is leading the commercial vehicle leasing market with an average annual increase of 9.3% in the number of commercial vehicle leased units over the past five years. In 2024, we will add special purpose vehicles with extended axles to the lease product lineup for efficient vehicle operation by cargo transport operators, and from 2025, we plan to further expand the share of the commercial vehicle lease market by strengthening product competitiveness centered on logistics and special purpose companies that use a lot of commercial vehicles for business purposes.

LOTTE auto lease is also actively participating in the K-EV100 (Korean Zero-Emission Vehicle Conversion) campaign to convert its vehicles to electric vehicles by 2030. In recognition of its achievements, such as business agreements with electric vehicle manufacturers and launch of electric vehicle-only products, it was selected as an excellent company in the K-EV100 cargo/passenger vehicle sector and received the Minister of Environment Award in March 2024.

Sales Performance by Year Unit: KRW 100 million

Classification	2022	2023	2024
Sales for the last 3 years	1,162	1,273	1,501

Electric Vehicle Ownership Unit: units

Classification	2022	2023	2024
EV	1,357	1,959	2,060

\*Based on leased assets excluding installment

## Maintenance

Since its establishment in 2013, LOTTE auto care, a subsidiary specialized in automobile and construction equipment maintenance of LOTTE rental, has been strengthening the competitiveness of LOTTE rent-a-car's maintenance services and providing differentiated Car Life after-sales services such as nationwide direct on-site maintenance services. In 2021, the company expanded its construction machinery business portfolio to include construction machinery management by acquiring and merging with JG Industries. In 2023, it strengthened its electric vehicle management capabilities by launching its own mobile electric vehicle charging service and electric vehicle battery diagnosis service. In 2024, LOTTE auto care focused on strengthening the quality of its core competency, home maintenance service, as well as LOTTE rental's car maintenance and practical maintenance services, and digitalized the entire maintenance process, including home maintenance. In addition, we are establishing a regional service system by training regional service care managers. As a specialized automobile maintenance company, we are also making efforts for sustainable management by establishing a job network for job seekers considering employment in the automobile maintenance field. In 2025, LOTTE auto care will enhance the value of LOTTE rent-a-car customers by strengthening the overwhelming service system to improve service satisfaction, reflecting vehicle management points from the customer's perspective in a timely manner, and continuously developing evolving mobility after-sales services to respond to future mobility.



# About the Company Business Portfolio

## Biz Solution

We support economical and efficient business operations for corporate and individual business customers through various rental products.

### Biz rental






LOTTE rental is Korea's only comprehensive rental company, providing not only rental cars, but also industrial equipment such as measuring instruments, aerial work equipment, and forklifts, as well as OA equipment such as PCs and multi-function printers to business sites.

After reorganizing inefficient businesses in 2023, we will continue to focus on our core business areas in 2024 to achieve sales growth and increased operating profit. In April 2024, we launched "LOTTE biz rental", a specialized industrial materials rental brand, and are expanding our market competitiveness based on our excellent asset portfolio and maintenance and integrated management service capabilities.

In response to the trend of strengthening industrial safety and enhancing technological change, we are expanding our business areas to large plant markets and defense markets, and are executing strategies to strengthen competitiveness and expand M/S in each business sector to become No. 1, with an aim to grow into an industrial materials rental company.



## Major Achievements and Plans Per Sector by Biz rental

Measuring Instruments	Elevated Work Platforms	Forklifts	OA	Robots
 <ul style="list-style-type: none"> <li>As the unrivaled No. 1 market share, we are expanding our capabilities beyond the existing telecommunications market to the defense markets and expanding our business into new industries such as research markets</li> <li>We are securing sustainable competitiveness by providing differentiated maintenance and integrated management solutions</li> </ul>	 <ul style="list-style-type: none"> <li>We are continuously expanding large plant market shares based on our excellent asset portfolio</li> <li>We are supporting worker work efficiency and safety through the operation of the latest equipment (less than 5 years old) and the development of customized specifications</li> </ul>	 <ul style="list-style-type: none"> <li>We are acquiring new customers with eco-friendly and safety-centered sales strategies in line with ESG management trends</li> <li>We are activating sales through sales &amp; rental Back business for excellent customers with changes to asset portfolios and maintenance efficiency needs</li> </ul>	 <ul style="list-style-type: none"> <li>We are expanding rental and distribution sales through strategic bidding and planned purchase targeting premium customers</li> <li>We are increasing customer satisfaction by providing ordering and asset management services through the OA manager system</li> </ul>	 <ul style="list-style-type: none"> <li>We are expanding our product lineup to include cleaning and guidance robots based on rental of serving robots</li> </ul>

## About the Company Sustainable Business Investment and Development

### Starting a Used Car B2C Retail Business:

#### The Launch of T Car

LOTTE rental has launched a B2C used car sales service as a new growth engine business. We have conceived a new business to create synergy with our main business of increasing inventory turnover by supplying used car sales to existing rental car business contract termination vehicles.

In addition to securing a stable volume through our main business, we are focusing on increasing customer trust through a three-stage quality improvement process, including strict vehicle inspection by our quality improvement team and vehicle quality upgrades through the commercialization process. We also provide differentiated services based on trust, such as a 7-day refund policy and a 6-month free warranty service.

Used car sales are more focused on online sales than offline sales. After a pilot operation in November 2024, we launched an online platform service in December, and approximately 1,000 used car products are provided at all times to support customers in making reasonable vehicle purchases. In addition, B2C will be launched along with the new brand "T car" in the first half of 2025, and we currently plan to fully expand our used car sales business.

### Strengthening the Used Car Export Business:

#### Establishing the UAE overseas subsidiary

LOTTE rental is strengthening its used car export business through the establishment of a subsidiary in Dubai, United Arab Emirates (UAE) in July 2024. Through overseas bases, we plan to increase the awareness of LOTTE rental's used car export specialized brand "LOTTE AUTO GLOBAL" and expand the scope of used car sales to the Middle East and North Africa (MENA) and Commonwealth of Independent States (CIS) regions.

LOTTE AUTO GLOBAL has recorded a high average annual growth rate (CAGR) of 62.8% over the past five years based on reliable vehicles directly operated or purchased by LOTTE rent-a-car. The number of exporting countries, which was only 10 in 2022, increased to 42 as of 2024, and the company is simultaneously achieving quantitative expansion and qualitative growth in the used car export business, such as winning the "50 Million Dollar Export Tower" award at the 61st Trade Day Awards Ceremony hosted by the Korea International Trade Association in December 2024.

### Expanding Business in Vietnam & Advancing into the Japanese Market

LOTTE rental, which is making efforts to expand into overseas markets beyond our position as No. 1 in Korea, is focusing not only on used car exports but also on overseas business of our main auto rental business. As part of this, we are providing convenience for tourists by launching a chauffeur car rental service for Koreans visiting Hanoi, Ho Chi Minh City, and Da Nang, Vietnam in March 2024. We have also completed business agreements with major automobile companies in Vietnam, such as Hyundai Motors, Toyota, and Mitsubishi, for long-term car rental business for individual customers, and are pursuing preemptive domination of the Vietnamese B2C car rental market.

In addition, we are currently promoting entry into the short-term car rental business by targeting major areas of Japan visited by many Korean tourists. We plan to provide a convenient overseas reservation channel by utilizing our platform and service expertise, and provide Korean language support for local vehicle pick-up / return and accident handling. Through this, we will resolve the inconvenience of using local rental cars and provide a differentiated experience, thereby opening up a new rental car market.





# ESG MANAGEMENT



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# 2024 ESG Highlights

## Environment

### E



Building Capacity as an Eco-friendly Business

Transition to EVs  
Now owning **18,341** units

Transition to electric forklifts  
**470** units  
(Accumulated from 2022 to 2024)

Eco-friendly car wash services  
**372,333<sup>†</sup>**  
in water savings  
(Cumulative from 2021-2024)



Expanding the Scope of Recycling & the Circular Economy

Use of refillable motor oil containers  
**215<sup>†</sup>** carbon reduction

Utilization of vehicle remanufactured parts  
**1.04** billion won in savings

Solar energy production  
**160,000** kWh

## Social

### S



Implementing Social Responsibility

Cumulative amount of the Eco-friendly Donation Driving Campaign  
KRW **310** million  
(2018 - 2024)

Sending of safe driving messages for customers  
**109** times

Completed safety inspections of all business sites  
Total of **125** times



Creating an Organizational Culture for Human Rights and Equality

Overall achievement rate of the human rights impact assessment  
**98.7%**

Direct communication through CEO on-site visits  
**25** times

Family-friendly company  
Obtained **3rd** recertification  
(December 2024 - December 2027)

## Governance

### G



Advancing ESG Governance

INTRODUCTION OF A SENIOR EXTERNAL DIRECTOR SYSTEM

5 TOTAL MEETINGS & SELECTION OF 15 AGENDA ITEMS BY THE ESG COMMITTEE  
(5 resolutions, 10 reports)

PUBLIC NOTICE OF PLAN TO INCREASE CORPORATE VALUE

MSCI ESG Evaluation  
AAA Rating Achieved



Korea Consumer Agency Evaluation and Fair Trade Commission Certification

Obtained Consumer-centered Management Certification



Anti-Corruption & Compliance Management System International Standard

Obtained ISO 37001 & 37301 Integrated Certification







# ESG Organization and System ESG Value System

LOTTE rental aims to be a "future mobility company that connects our lives" through mobility, even including dictionary definition of "mobility."

We remain true to the essence of the rental business, and strive to provide all mobility experiences as eco-friendly services, work in harmony with various stakeholders, and create positive social impact.

LOTTE rental will take the lead in creating a sustainable future by becoming a "platform that connects better mobility experiences."

<p>Vision</p>	<p>Future Mobility, Connecting Our Life</p>			
<p>ESG Vision</p>	<p>Access to Better Mobility Platform</p>			
<p>ESG Vision Impact</p>	<div style="text-align: center;"> <p>Customer Goal</p>  <p>Connect experiences with convenient mobility</p> </div>	<div style="text-align: center;"> <p>Environmental Goal</p>  <p>Promote a sustainable environment by transitioning to ZEVs</p> </div>	<div style="text-align: center;"> <p>Social Goal</p>  <p>Raise awareness of transition to a sustainable society</p> </div>	<div style="text-align: center;"> <p>Structural Goal</p>  <p>Lead the paradigm change for sustainable growth in mobility</p> </div>
<p>ESG Strategic Direction</p>	<p>Offering all mobility experiences through eco-friendly services</p>	<p>A partner that connects with better values</p>	<p>A leader who leaves social impacts</p>	
<p>Strategy Goal</p>	<p>Establish a climate change response system</p>	<p>Collaborate with stakeholders</p>	<p>Establish safety governance</p>	
<p></p>	<p>Establish a management system for carbon reduction</p>	<p>Creating a human rights and equality organizational culture</p>	<p>Invest in social values</p>	
<p></p>	<p>Expand businesses to a circular economy system</p>	<p>Establish a digital ESG system</p>	<p>Build more responsible supply chains</p>	

## ESG Organization and System ESG Operation Organizational System

LOTTE rental has established an ESG management system consisting of an ESG Committee, ESG Steering Committee, ESG External Cooperation Team, related departments, and subsidiary ESG parts to internalize sustainable management and strengthen execution capabilities from a company-wide integrated perspective.

LOTTE rental's ESG management is being promoted under the decision-making of the ESG Committee, and we are striving to achieve effective results in the areas of environment, society, and governance based on organic cooperation between the ESG External Cooperation Team, related departments, and subsidiaries.



## ESG Organization and System ESG Committee Operational Activities

In 2024, LOTTE rental held five ESG Committee meetings in total.

Through a total of 15 agenda items (5 for resolution and 10 for report), we made key decisions, set directions, and monitored ESG management.

Date	Meeting	Attendance	Classification	Agenda	Committee Results
March 21, 2024	1st ESG Committee	3/3	Report	No. 1 Report on the 2024 CEO ESG KPI Operation Plan	Reported
			Resolution	No. 2 Approval of the mid- to long-term goal of reducing LTIR (Lost Time Incident Rate)	Approved
				No. 3 Approval of the improvement of the employee training system	
			Report	No. 4 Report on social contribution activity plan	Reported
				No. 5 Report on the progress of publishing the Sustainability Report	
				No. 6 Report on the status of materiality assessment issues and stakeholder ESG demands	
April 29, 2024	2nd ESG Committee	3/3	Resolution	No. 1 Appointment of ESG Committee Chairperson	Approved
June 17, 2024	3rd ESG Committee	3/3	Resolution	No. 1 Approval of the publication of the 2023 Sustainability Report	Approved
			Report	No. 2 Reporting on Scope 3 and subsidiary environmental data measurement results	Reported
August 29, 2024	4th ESG Committee	3/3	Report	No. 1 Report on the progress of CEO ESG KPI implementation in 2024	Reported
				No. 2 Report on the results of quality and safety education and evaluation implementation	
				No. 3 Report on the results of implementation of LTIR (Lost Time Incident Rate) reduction	
				No. 4 Report on the progress of implementation of the advanced training system for executives and employees	
				No. 5 Report on the results of implementation of advanced human rights management	
December 10, 2024	5th ESG Committee	3/3	Resolution	No. 1 Appointment of ESG Committee Chairperson	Approved

# ESG Organization and System CEO ESG KPIs

As one of the factors of strengthening ESG management, LOTTE rental conducts annual group company As one of the factors for evaluating CEO performance, we establish and operate CEO ESG KPIs (Key Performance Indicators), and the final performance is reflected in CEO compensation.

Through consultation with the holding company, we determine the selection of indicators, evaluation criteria, and weights, and also reflect the indicators in the KPIs of the departments that will implement each indicator, thereby securing the driving force for achieving our goals.

Matters related to CEO ESG KPI operation are discussed and reported as agenda items of the ESG Committee along with materiality issues, and the results of the committee are reported to the Board of Directors. Going forward, we will actively review and establish short-term and long-term directions for ESG management strategies under the supervision of the decision-making body, monitor the process and results, and manage risks and opportunities.

## 2024 CEO ESG KPIs

Classification	Key Issues	KPI
<b>E</b> Environment	<b>Environmental Information and Carbon Neutrality</b>	Climate change governance
		Management of carbon emissions
		Intensity management
		Investment execution performance (based on actual execution cash amount)
		Measurement and disclosure of Scope 3 carbon emissions from commercial vehicle operations
		Expansion of carbon emissions measurement across all subsidiaries (Scope 1, 2)
<b>S</b> Social	<b>Occupational Safety and Health</b>	Lowering the Lost Time Incident Rate (LTIR)
	<b>Labor Management</b>	Advancement of human rights management
		Upgrading the employee education and training system
	<b>Product Safety and Quality</b>	Education and audits regarding quality and safety
	<b>Information Security</b>	Appropriateness of investment in information technology based on investment in IT technology
		Status of activities to improve security level
		Management of the status of introduction of essential security solutions
Disaster recovery system construction status management		
<b>G</b> Governance	<b>Anti-Corruption</b>	Minimizing information security issues and accidents – Point deduction
	<b>Corporate Governance</b>	Promotion of the ESG Committee of the BOD
	<b>ESG Disclosure</b>	Disclosure of ESG
	<b>Anti-Corruption</b>	Mitigation of controversies regarding corruption and business ethics



# ESG Organization and System ESG Core History

2021

2022

2023



2024

- Mar.** Declared participation in the Ministry of Environment-led Korean-style zero-emission vehicle conversion 100 (K-EV100) campaign
- Jul.** Managed ESG performance through the establishment of an ESG team and promoted advancement
- Sep.** Strengthened sustainable management through the establishment of an ESG committee within the Board of Directors
- Dec.** Joined the UN Global Compact (UNGC), the world's largest global initiative



- Mar.** Pledged to end corruption at the BIS\* Summit \*BIS: Business Integrity Society  
 LOTTE rental awarded the 2021 K-EV100 Zero-Emission Vehicle Conversion 100 Excellent Company (Passenger Vehicle Sector) by the Minister of Environment
- May.** First MSCI ESG evaluation, first AA rating among same industry and group companies
- Jun.** Completed and declared human rights management principles and human rights management based on the participation of all employees  
 Published the 1st Sustainability Report
- Jul.** Established the ESG Steering Committee, a C-Level ESG decision-making system directly under the CEO
- Sep.** Declared support for TCFD
- Dec.** Hosted by the Korea Chamber of Commerce and Industry and the Ministry of Trade, Industry and Energy Received the Minister of Trade, Industry and Energy Award at the 29th Corporate Innovation Awards



- May.** Retained AA rating in the MSCI ESG evaluation
- Jun.** Expanded and disclosed greenhouse gas measurement scope to Scope 3  
 Published the 2nd Sustainability Report
- Aug.** Obtained ISO 37001 (anti-corruption management system) certification

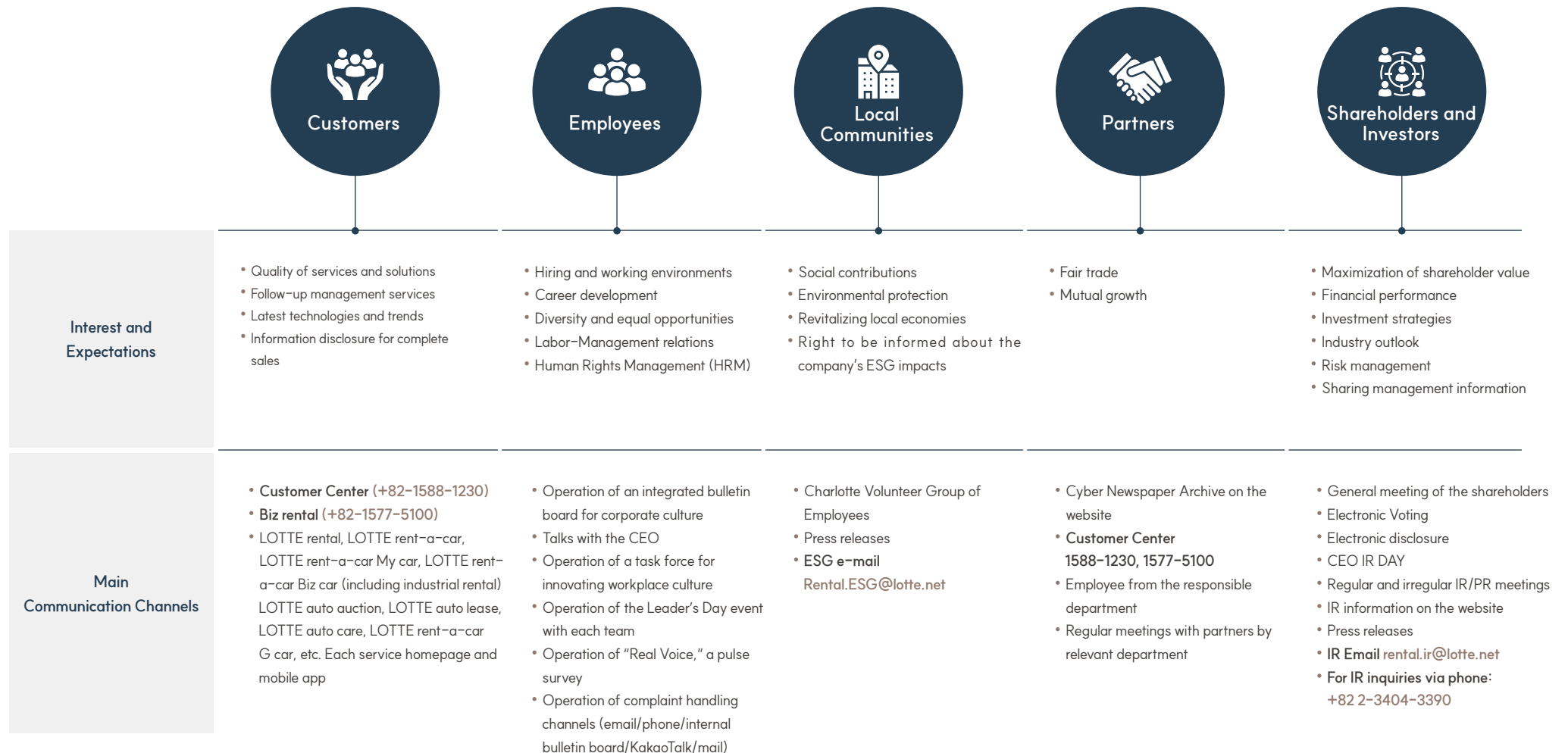
- Mar.** Subsidiary LOTTE auto lease selected as one of the 100 best companies for zero-emission vehicle conversion for K-EV100 in 2023 (commercial sector) and won the Minister of the Environment award
- Jun.** Published the 3rd Sustainability Report  
 Obtained MSCI ESG rating, top AAA rating
- Jul.** Obtained ISO 37301 Compliance Management System Certification (Strengthening the ethics and compliance management system through integrated ISO 37001 & 37301 certification)
- Nov.** Ranked 1st in the three major domestic external customer satisfaction surveys (KS-SQI, NCSI, KCSI)
- Dec.** Obtained Consumer-centered Management (CCM) Certification



# Stakeholder Communication

LOTTE rental communicates with stakeholders through various channels.

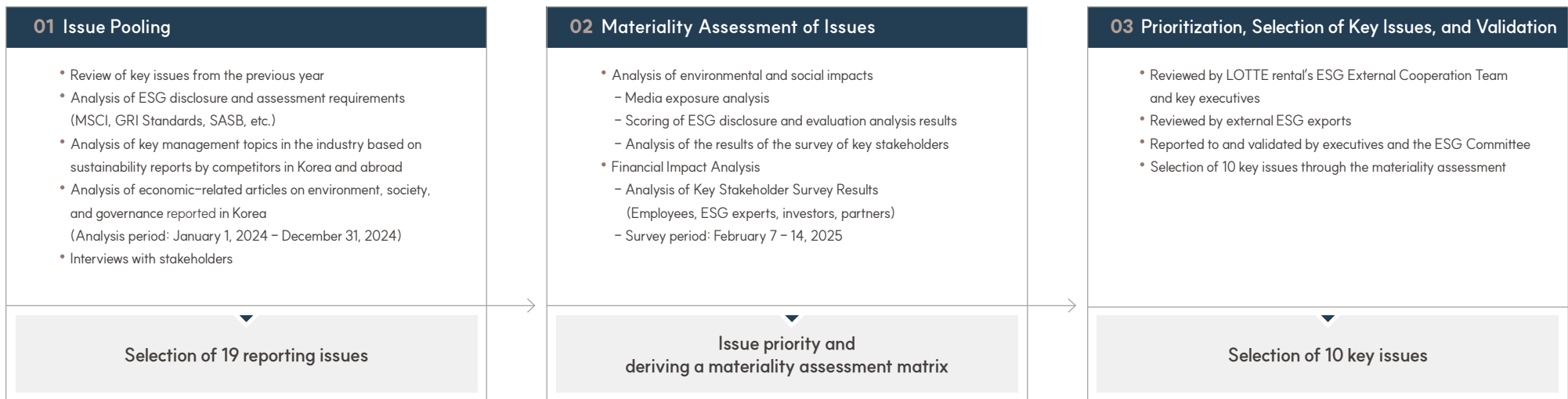
Our shareholders consist of employees, local communities, partner companies, shareholders, and investors, and we strive to form a consensus on sustainability management issues and build cooperative relationships with them.



# Materiality Assessment Double Materiality Assessment

## Assessment Process

LOTTE rental conducts materiality assessments to derive sustainability-related topics that require intensive management and disclosures. We conducted a materiality assessment by applying the concept of double materiality assessment announced by the GRI standards and the EU Corporate Sustainability Reporting Directive (CSRD), and selected important issues by considering environmental, social, and financial impacts.



### The Concept of Double Materiality Assessment

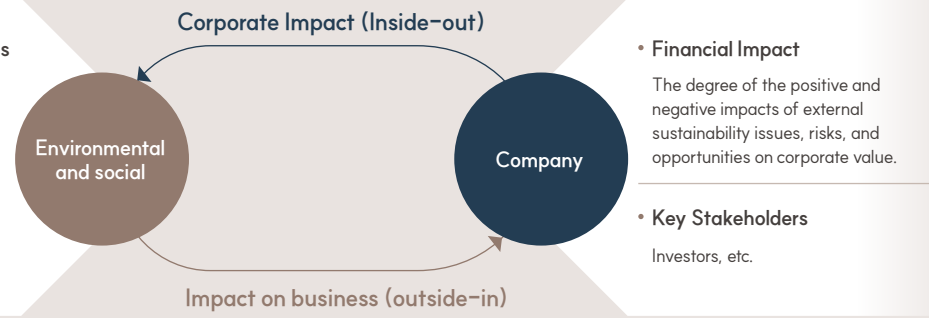
Double materiality is a concept announced by the EU Corporate Sustainability Reporting Directive (CSRD) that considers not only the external (environmental and social) impacts of a company's activities, but also the impacts of external sustainability-related environmental and social factors that affect a company's business activities.

#### • Environmental & Social Impacts

Refers to the extent of positive and negative impacts that a company's management activities can have on the environment and society.

#### • Key Stakeholders

Customers, local communities, etc.



#### • Financial Impact

The degree of the positive and negative impacts of external sustainability issues, risks, and opportunities on corporate value.

#### • Key Stakeholders

Investors, etc.

# Materiality Assessment Double Materiality Assessment

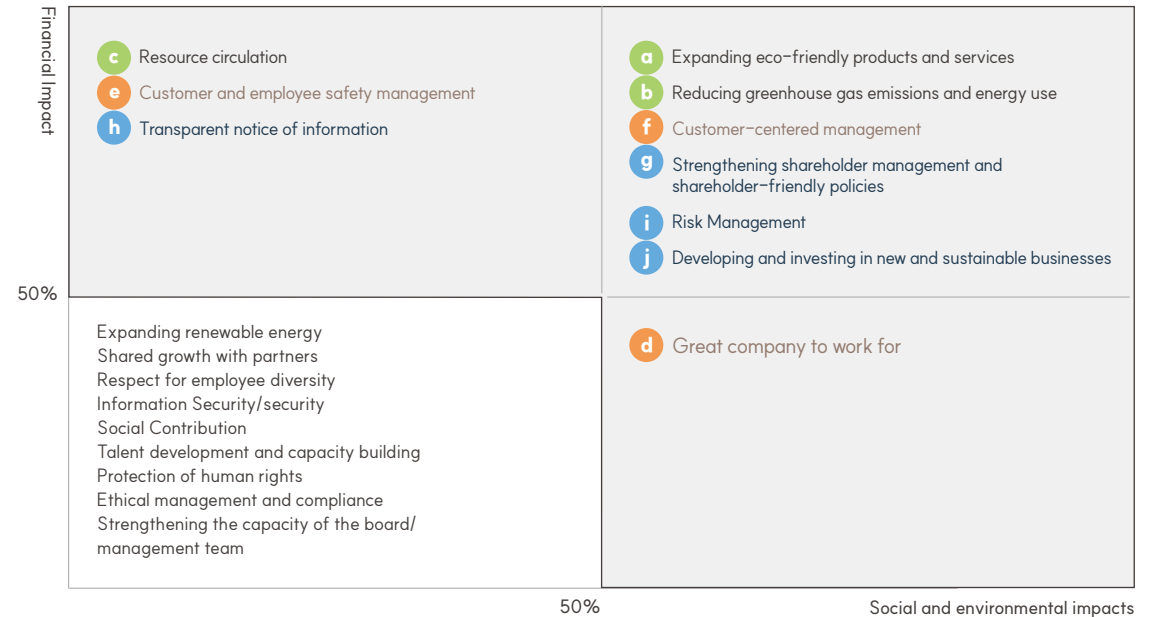
## Double Materiality Assessment Results

As a result of the materiality assessment, the top 10 issues, including expansion of eco-friendly products and services, customer-centered management, and transparent information disclosure, were selected as important issues. Material issues were selected as those that correspond to the top 50% of the financial, social, and environmental impact scores for each quantified issue. LOTTE rental aims to continuously manage these key issues and transparently disclose the plans, activities, and achievements related to ESG through reports.

5 new important issues were added in 2024. Resource circulation was influenced by changes in management policy, such as full-scale launch of used car rental business and expansion of eco-friendly parts. Customer and employee safety management was analyzed as having been influenced by the increased social interest in the Serious Disaster Punishment Act, and both the government's value-up policy and our shareholder-friendly response have led to the identification of important issues related to the governance structure.

This report details the efforts that LOTTE rental is making across the company, reflecting the importance of the topic.

## Materiality Assessment Matrix



## Key ESG Issues of 2024

Classification	Important Issues in 2024	Financial Impact	Social and Environmental Impacts	Selected in 2023	Selected in 2022	Page	Related GRIs
Environment	a Expanding eco-friendly products and services	High	High	○	○	29-32	302-2, 302-5
	b Reducing greenhouse gas emissions and energy use	High	High	○	○	29, 34, 35, 36, 88-89, 103	302- 3-5, 305- 1-7
	c Resource circulation (recycling of resources)	Mid	Mid	-	-	33, 34	301-1-3
Social	d Great corporate culture to work for	Mid	High	○	-	46, 47-49, 90-93	401-3, 404- 1-3, 405-1-2
	e Customer and employee safety management	Mid	Mid	-	-	50-52, 92	403- 1-2, 403- 4-9, 416- 1-2
	f Customer-centered management	Mid	High	○	-	53-54, 55, 56-57	418-1
Governance	g Strengthening shareholder management and shareholder-friendly policies	High	High	-	-	69-70	201-1
	h Transparent notice of information	Mid	Mid	○	-	70, 94	2- 1-22, 205- 1-3
	i Risk Management	Mid	Mid	-	○	84-85, 94	2-13, 2-25, 205-1-3, 206-1
	j Developing and investing in new and sustainable businesses	High	High	-	○	14	-

# Materiality Assessment Key Activities by Important Issues and Linkage with UN SDGs

Classification	Key Issue	Key Activities and Achievements of 2024	UN SDGs
<b>E</b> Environment	Expanding eco-friendly products and services	<ul style="list-style-type: none"> <li>Expanding the conversion to eco-friendly vehicles through long-term rental of electric vehicles and strengthening contract extension benefits within My car membership</li> <li>Expanding eco-friendly vehicles for Jeju Auto House, a key base for short-term rental cars</li> <li>Expanding the conversion to lithium electric forklifts to promote eco-friendly industrial materials rental</li> <li>Running a 500ml water-washable car wash cleaning service, Cling Wash, for LOTTE rent-a-car G car</li> </ul>	
	Reducing greenhouse gas emissions and energy use	<ul style="list-style-type: none"> <li>Measuring and disclosing GHG emissions by all business sites (Scopes 1 and 2) and leased assets (Scope 3).</li> <li>Renewing the 2040 Carbon Neutrality Roadmap (Version 2 Update)</li> <li>Producing and utilizing renewable energy through solar panels in business premises</li> </ul>	
	Resource circulation	<ul style="list-style-type: none"> <li>Utilizing proven remanufactured parts when servicing vehicles</li> <li>Reducing PET emissions through the operation of a fixed engine oil container refill system</li> </ul>	
<b>S</b> Social	Customer-centered management (improving customer satisfaction, development of products and services tailored to customers)	<ul style="list-style-type: none"> <li>Ranked 1st in the three major domestic external customer satisfaction surveys (KS-SQI, NCSI, KCSI)</li> <li>Obtaining of Consumer-centered Management (CCM) Certification</li> <li>Launching of MyCar free return/acquisition products and monthly rental MyCar M for individual customers, BizCar wrapping service for corporate customers</li> <li>Expanding services for foreign tourists through My Chauffeur, a service including articles, and various affiliate channels</li> </ul>	
	Great corporate culture to work for	<ul style="list-style-type: none"> <li>Operating systems such as reduced working hours during pregnancy, childcare leave during pregnancy, maternity leave, childcare leave, and infertility leave</li> <li>Offering flexible working hours, casual dress code, PC ON/OFF system, Happy Friday, early departure system for birthdays, etc.</li> </ul>	
	Customer and employee safety management	<ul style="list-style-type: none"> <li>Completing of on-site safety inspections and improvement measures for all workplaces</li> <li>Establishing a mid- to long-term goal of LTIR (Lost Time Incident Rate) of 0.2 or less for 5 years and achieving LTIR '0' by 2024</li> <li>Providing accident-free incentives through constant safety text message delivery to customers and operating a safe driving management program</li> </ul>	
<b>G</b> Governance	Transparent notice of information	<ul style="list-style-type: none"> <li>Announcing of the industry's first value-up (corporate value enhancement plan) and implementing a 2024 CEO IR DAY</li> <li>Publishing of sustainability reports and responding to the environmental information disclosure system</li> </ul>	
	Strengthening shareholder management and shareholder-friendly policies	<ul style="list-style-type: none"> <li>Introducing a 'Pre-dividend, post-dividend record date designation' dividend procedure that allows investment decisions to be made after dividends are confirmed</li> <li>Disclosure of shareholder return policy of 40% or more of annual consolidated net profit for the next three years</li> <li>Acquisition of treasury stock worth 10 billion won by 2024 and completion of cancellation within the year</li> </ul>	
	Risk management	<ul style="list-style-type: none"> <li>Establishing and operating a risk management committee</li> <li>Carrying out activities to identify, evaluate, control and improve risks in all business areas of the company based on the ISO 37301 compliance management system</li> </ul>	
	Developing and investing in new and sustainable businesses	<ul style="list-style-type: none"> <li>Launching of T Car, a B2C used car sales service</li> <li>Strengthening the used car export business by establishing a subsidiary in Dubai, United Arab Emirates (UAE)</li> <li>Launching of a Vietnam car rental service including article and promotion of B2C long-term car rental market</li> <li>Promoting of a short-term car rental business targeting major areas of Japan</li> </ul>	

# ENVIRONMENT



27 Environmental Management

35 Climate Change



# Environmental Management Environmental Management System

LOTTE rental Environmental Management Charter 

## Environmental Management Core Values and Strategies

Under the company mission of "Create a better life," LOTTE rental recognizes that eco-friendly management is a key element in creating a better life for customers and prioritizes it in our management activities. As a leading mobility company that connects our lives, we are faithfully implementing detailed implementation measures such as expanding eco-friendly vehicles, creating a resource circulation ecosystem using vehicle parts, and achieving carbon neutrality by 2040 by considering a sustainable environment in all mobility experiences. In addition, to facilitate environmental management across the company, we established a charter on environmental management policies to determine values and make decisions based on eco-friendliness when conducting management and business activities. The charter is followed and practiced by all employees on all occasions.



## LOTTE rental Environmental Management Charter

We aim to work toward the sustainable development of humanity and contribute to building prosperous lives.

Accordingly, we recognize environmental values as a core element of management activities and practice environmental management while engaging in management activities and business. We establish an environmental management charter as a standard for proper behavior and value judgment that all executives and employees must adhere to. This charter includes the Constitution of the Republic of Korea, the Framework Act on Environmental Policy, and the Framework Act on Carbon Neutrality and Green Growth for Response to the Climate Crisis. It is based on domestic laws and international laws such as the UN Framework Convention on Climate Change and the Convention on Biological Diversity. We are set on diligently following and putting this Charter into practice.

- 1 We shall help citizens exercise their right to live in a healthy and clean environment and strive for environmental conservation in the process of conducting management and business activities.
- 2 We shall comply with the Constitution of the Republic of Korea and domestic and global environmental laws, as well as develop and implement internal environmental standards that are stricter than legally required, for the preemptive prevention of environmental degradation.
- 3 We shall establish and practice an environmental management system by formulating goals, executing plans, and establishing related organizations to realize management that preserves and efficiently utilizes resources and energy to minimize greenhouse gas emissions and environmental degradation and fulfills social and ethical responsibilities.
- 4 We shall strive to use materials that ensure only minimal environmental degradation. In addition, these materials are to improve processes, and fundamentally reduce contaminant emissions by saving resources, promoting recycling, and minimizing the harm caused by the use and disposal of our products to the environment.
- 5 Recognizing that the climate crisis is a problem shared by humanity, we shall actively join the efforts of the government and global society to stop the increase in the average global temperature and strive to build a carbon-neutral society.
- 6 Recognizing the importance of biological diversity, we shall strive to use the components of it with methods and at a pace that does not reduce it, but rather, decrease our negative impacts on it, in all courses of our business activities.
- 7 We shall strive to enhance information accessibility for our stakeholders through regular and transparent disclosures of performance regarding environmental management, including information about greenhouse gas emissions, greenhouse gas reduction, and sustainable development.
- 8 We shall strive to enhance our cooperative relationships and achieve mutual growth with partner companies by establishing policies that allow them to adopt and promote environmental management systems, including providing them with information about environmental management systems and their performance.

We pledge to do our best to establish and spread environmental management as described above.

CEO of LOTTE rental Co., Ltd.

# Environmental Management System



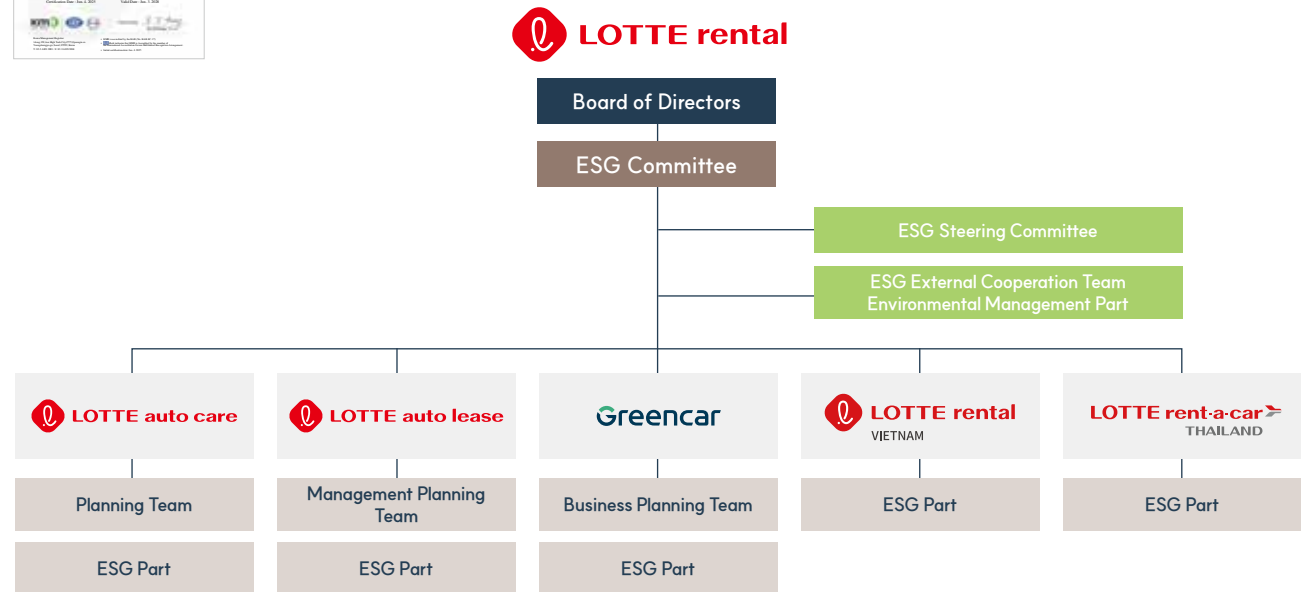
## Structure and Roles of the Environmental Management Organization

LOTTE rental is implementing ESG management in earnest and is establishing and operating an ESG organization and environmental management system. In the Environmental Management Division of the ESG External Cooperation Team, we perform environmental management practices and the role of a control tower, and we communicate and manage ESG issues not only with LOTTE rental but also with subsidiaries and overseas subsidiaries, thereby leading the implementation of environmental management across the company. Important environmental issues and matters arising during this process are reported to the ESG Committee, and the Committee reviews, approves, and monitors the agenda. In this way, we are realizing solid and transparent environmental management activities through a management system that connects the ESG Committee within the Board of Directors, the highest decision-making body, the ESG Steering Committee, the Committee reviews, approves, and monitors the agenda. In this way, we are realizing solid and transparent environmental management activities through a management system that connects the ESG Committee within the Board of Directors, the highest decision-making body, the ESG Steering Committee, the ESG-related management-level decision-making council, and the ESG External Cooperation Team Environmental Management Department.



## Obtained ISO14001 (Environmental Management System) Certification

In order to establish a more advanced environmental management system, LOTTE rental obtained ISO14001 certification for its Seolleung headquarters business site in June 2025. Going forward, we will manage our environmental responsibilities in a more systematic manner by complying with the ISO14001 certification standards, and we will further strengthen our environmental management governance by raising environmental awareness among our members and implementing continuous environmental improvement activities.



# Environmental Management Practice Activities

## Joining the K-EV100 Campaign and Switching to Zero-emission Vehicles

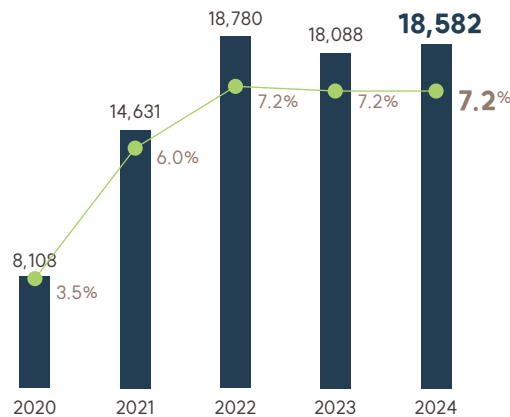
Since February 2021, LOTTE rental has been participating in the Korean style zero-emission vehicle conversion project K-EV100 and has established and is implementing a mid- to long-term roadmap to convert 100% of the company's owned and leased vehicles to zero-emission vehicles by 2030. However, as customer demand decreased due to the burden of initial purchase costs of electric vehicles, reduction in subsidies, and fire issues, the cumulative conversion rate as of 2024 was 7.2%, falling short of the 8.8% target for the mid- to long-term roadmap (16%). Accordingly, LOTTE rental is giving priority to converting business vehicles that we can directly operate to zero-emission vehicles, and is striving to convert to zero-emission vehicles by providing customers with benefits such as customized zero-emission vehicle services and incentives.

\*ZEVs (Zero-Emission Vehicles): EVs and hydrogen fuel-cell vehicles.

\*Eco-friendly cars: Including electric vehicles, hydrogen fuel cell vehicles, and hybrid vehicles

## Status of LOTTE rental Zero-Emission Vehicles

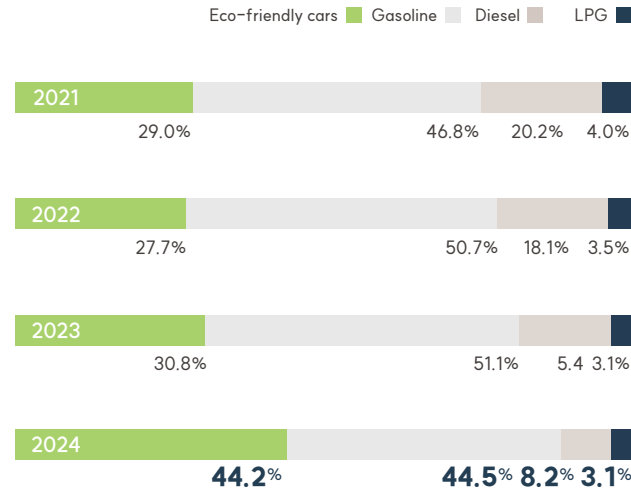
Number of zero-emission vehicles in possession ■ Zero-emission vehicle ratio ●



## Status of Eco-friendly Car Purchases

Despite the decline in consumption due to the plateauing domestic economy and the electric vehicle chasm phenomenon, the number of eco-friendly vehicles purchased by LOTTE rental has grown rapidly. The proportion of eco-friendly vehicles among new vehicle purchases in 2024 was approximately 44%, an increase of 14% from the previous year. Specifically, the number of hybrid vehicle purchases increased by 86% compared to the previous year, and the number of electric and hydrogen vehicles increased by 14%. The number of purchases also increased by 62%. As a result, as of December 2024, the proportion of eco-friendly vehicles in LOTTE rental's entire vehicle portfolio exceeded 30%. As most new cars released after 2025 are expected to be eco-friendly, LOTTE rental's eco-friendly car purchase and ownership ratio is expected to increase.

## Vehicle Purchase Rate by Type



## LOTTE auto care's Plans to Convert Business Vehicles to Eco-friendly Vehicles

LOTTE auto care, a maintenance specialist subsidiary of LOTTE rental, operates a total of 323 vehicles, including 221 Starex and Staria vehicles, for nationwide on-site maintenance and 102 vehicles for (Car) Manager and headquarters business use for customer service and vehicle pickup. By 2023, 98% of the vehicles used by (car) managers and headquarters will be converted to electric vehicles, and by 2024, a plan has been established to sequentially convert 221 vehicles used for on-site maintenance nationwide to hybrid vehicles. Starting with the conversion of 34 units in 2024, we plan to convert 100% of all 221 units by 2028, contributing to the practice of environmental management.



LOTTE auto care Visit Maintenance Vehicles (HEV)



LOTTE auto care (Car) Manager and Business Vehicles (EV)

# Environmental Management Practice Activities

## Expanding the Conversion to Electric Forklifts

In line with the eco-friendly changes in the industrial equipment market, LOTTE rental is taking the lead in converting existing diesel forklifts to electric forklifts to reduce carbon emissions generated during construction and logistics operations and to increase work efficiency and safety. By 2024, 470 lithium-electric forklifts will be introduced, and the number is expected to increase to approximately 600 by 2025. Considering that the average carbon reduction compared to diesel forklifts is approximately 17 tons<sup>1)</sup> (based on diesel consumption of 8,000 liters), it is expected to reduce carbon emissions by approximately 10,200 tons per year. Through the spread of electric forklifts, we are greatly improving work efficiency and productivity in industrial sites, ensuring worker safety, and practicing sustainable management that protects the environment and fulfills social responsibility.

### Carbon Reduction Due to the Introduction of Electric Forklifts

Classification	Unit	2022	2023	2024
Cumulative introduction of forklifts	Units	120	350	<b>470</b>
Annual carbon reduction	tCO <sub>2</sub> eq	2,040	5,950	<b>7,990</b>

\*There was an error in the data aggregation for the previous year, so it has been corrected.

Electric forklift delivery and safety tips



Sharing basic maintenance and battery care tips



Equipment usage and safety training



1) Source: Lee Yu-beom, "Construction equipment also speeds up 'eco-friendly transition' with carbon neutrality," August 4, 2023, Financial News



## LOTTE auto lease's "K-EV100" Receives Environment Minister's Award

LOTTE auto lease was recognized for its outstanding zero-emission vehicle conversion performance in the K-EV100 commercial vehicle sector in 2023, and was selected as an excellent company in the commercial sector at "EV Trend Korea" held in March 2024, receiving the Minister of Environment Award.

LOTTE auto lease has been taking the lead in promoting eco-friendly vehicles in Korea by participating in the K-EV100 campaign since 2021. When using eco-friendly commercial vehicle-only products as operating leases, we provide vehicle management conveniences such as on-site maintenance, regular vehicle inspections, and tire and consumable replacement. We also operate a dedicated subscription product, "BizPass", to reduce electric vehicle (EV) charging costs. In May 2024, we will increase the number of BizPass partners through a business agreement with EVSIS and strive to revitalize the domestic electric cargo and passenger vehicle markets. We will continue to lead the domestic commercial vehicle leasing market by strengthening eco-friendly products and services that meet customer needs.



## Environmental Management Practice Activities

### Electric Vehicles and Charging Infrastructure

Jeju Auto House, LOTTE rental's short-term car rental hub, operates a total of 273 eco-friendly vehicles, including 177 electric vehicles and 96 hybrid vehicles. This is an increase of 61 units compared to the previous year, and accounts for 10% of the total number of vehicles owned by Jeju Auto House. In addition, 4 out of the 6 shuttle buses that travel to and from Jeju Airport are electric vehicles, and 2 more will be replaced with electric vehicles by 2025, thereby achieving 100% electric vehicle operation rate. Along with this, additional EV chargers are also planned to support electric and hybrid vehicle operations for smooth shuttle bus operation.

#### Jeju Auto House Electric Vehicle Chargers

Classification	Power Output	Cars Operated
Fast-charging	100kW	4 units
	50kW	3 units
Slow-charging	7kW	7 units
For EV buses only	230kW	1 unit
<b>Total</b>		<b>15 units</b>

#### EV Chargers at LOTTE rental

Location	Total	Location	Total
Gayang Logistics Center	2	Seogye Office	3
Gimhae Airport Office	1	Anseong Auction House	5
Daejeon Office	2	Aenseong Delivery Center	10
Dongdaegu Office	6	Jeju Business Group	16
Mokpo Branch	1	Uiwang Office Building	2
Busan Office	2	Gangneung Office Building	2
<b>Total</b>			<b>52</b>

### Strengthening Benefits for Electric Vehicle Users

In an effort to expand zero-emission vehicles, we have strengthened benefits for customers using electric vehicles. Through the My car membership, we provide permanent discounts on electric vehicle charging at GS Caltex, SK ElecLink, EVSIS, etc., and provide car wash discount coupons that can be used at GS Caltex four times a year, thus offering differentiated benefits for the convenience of electric vehicle users. In addition, when extending an electric vehicle contract, we are increasing the satisfaction of electric vehicle users by providing benefits such as annual replacement of essential consumables, vehicle function and tire inspection, vehicle disinfection, scratch removal, and battery condition analysis.

### Environmental Management Education

LOTTE rental participates in various external training programs and seminars to strengthen the environmental management capabilities of our employees and to understand trends. In 2025, we plan to engage in broader and more in-depth educational courses on key environmental issues such as climate change, bio-diversity, and carbon footprint.

Training Name	Educational Target	Number of Trainees	Training Date and Time	Educational Purpose
Growth strategy for eco-friendly technology, Green patent utilization plan	ESG External Cooperation Team Environmental Management Part	2	2024.05.22	Developing strategies for the growth of eco-friendly technologies and ways to utilize green patents to apply them to the field
Domestic and international sustainability disclosure, Trends and corporate response measures	ESG External Cooperation Team Environmental Management Part	1	2024.06.19	Developing corporate response measures by understanding domestic and international sustainability disclosure trends
EU Carbon Neutral Industry Act and the ripple effects of the introduction of the Core Raw Materials Act	ESG External Cooperation Team Environmental Management Part	3	2024.07.17	Understanding the impact of the introduction of the EU Carbon Neutrality Law and the Key Raw Materials Law on our company
From plastic production to disposal: International environmental regulation trends and responses	ESG External Cooperation Team Environmental Management Part	2	2024.09.25	Understanding international environmental regulation trends and establishing response measures
Responding to corporate biodiversity issues and ways to improve your response abilities	ESG External Cooperation Team Environmental Management Part	4	2024.10.16	Improving the ability to identify and respond to biodiversity issues
A means of responding to overseas carbon regulations, Life Cycle Assessment (LCA)	ESG External Cooperation Team Environmental Management Part	1	2024.12.18	Understanding the impact of greenhouse gas life cycle assessment on our company

# Environmental Management Practice Activities



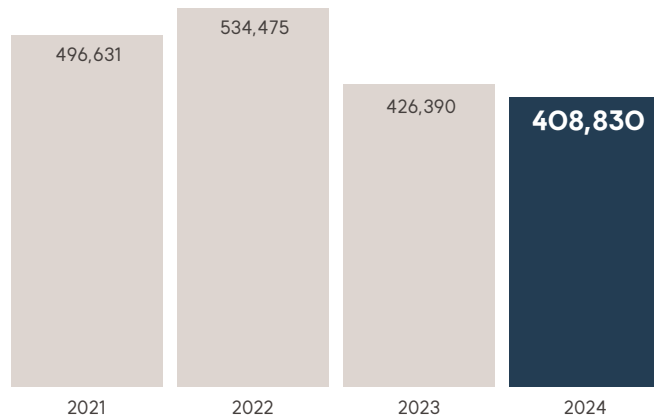
## Saving Water Resources Through Eco-friendly Car Wash Services

Greencar provides a "Cling Wash" service that allows customers to wash their cars at a time and place of their choice through a simple reservation using a mobile app. "Cling Wash" is an eco-friendly car wash service that uses special detergents to clean cars with minimal water. Compared to the average of 200L of water used for a regular machine car wash and 100L for a hand car wash, a Cling Wash cleaning uses only 500ml of water. It is possible to wash your car cleanly with just water, which greatly contributes to reducing water resource usage. Vehicles used in car sharing services are also managed through Cling Wash, and the cumulative number of car wash cling usage cases from March 2021 to the end of 2024 is approximately 1.87 million, which is a figure that saves approximately 370,000 tons of water compared to general mechanical car washes.

Cumulative Number of Cling Wash Uses

# 1,866,326 cases

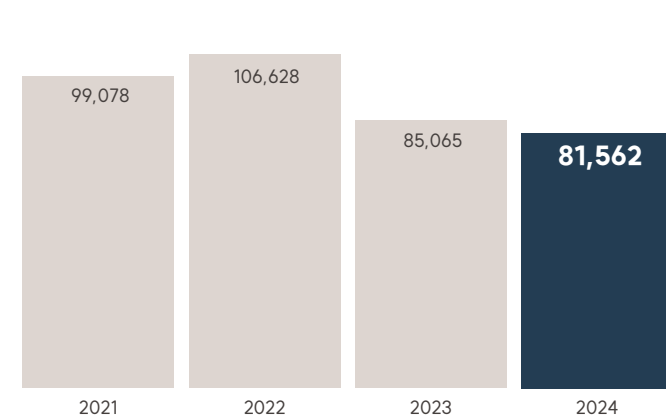
Number of Cling Wash Car Washes Unit: car washes



Total Water Resource Savings

# 372,333 tons

Cling Wash Water Resource Savings Unit: tons



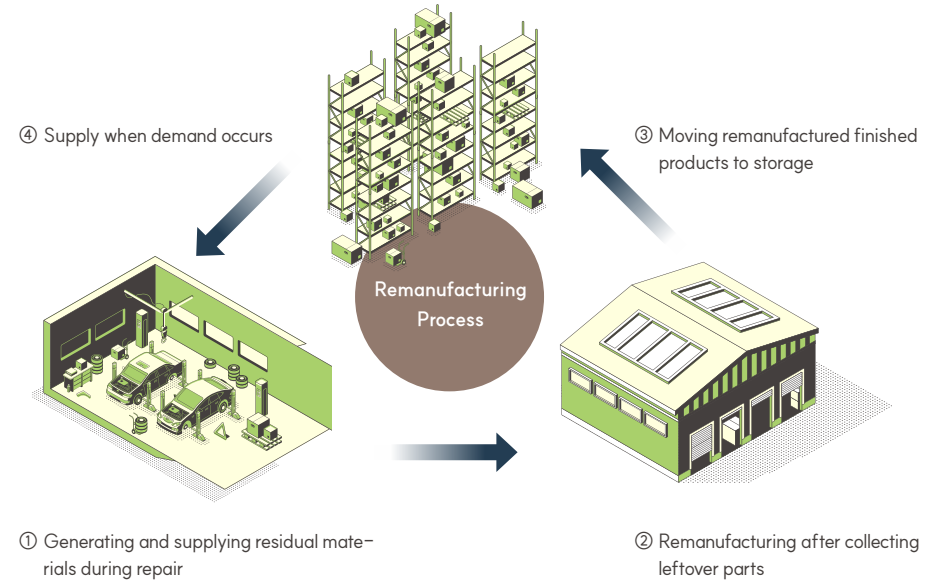
# Environmental Management Practice Activities

## Resource Circulation Through Utilization of Remanufactured Parts

LOTTE auto care established a resource circulation system in cooperation with remanufactured parts suppliers in March 2024 to provide maintenance and repair services and remanufactured parts for use in businesses. The resource circulation system is an accident repair system for LOTTE rent-a-car vehicles, and is a process in which reusable parts are selected during the breakdown repair process, safely reprocessed by a parts supplier who has obtained remanufacturing quality certification, and then managed to supply the parts for necessary repairs.

LOTTE rent-a-car directly operates the on-site maintenance of its vehicles, but other accident maintenance, breakdown maintenance, and legal inspections are carried out through maintenance partners. Approximately 170 types of domestically produced/imported remanufactured parts, including headlamps, are provided to direct sales and maintenance partners through the resource circulation system, and maintenance partners can quickly receive supplies by checking the inventory of remanufactured parts based on the vehicle identification number.

In 2024, approximately 1.8% of the total parts amount was purchased as remanufactured parts, which not only reduced costs but also contributed to our environmental management by reducing carbon emissions through resource circulation.



Introduction of a System for Utilizing Remanufactured (Regenerated) Parts	
1	Automated detection of available replacement parts for AOS (Automobile Repair Cost On-Line Service)
2	Replacement parts cooperative maintenance vendor delivery
3	Check of maintenance details after repairs are completed

**1 Headlamp Remanufacturing**

Direct remanufacturing of headlamps



**2 Manufacturing of Front Bumper Quality Certified Products**

Direct manufacturing of CN7 FL front bumper quality certified parts



Use of quality certified products



Remanufactured parts in storage

# Environmental Management Practice Activities

## Plastic Emission Reduction Activities

In order to reduce the amount of plastic maintenance supplies that are essential during vehicle maintenance, LOTTE auto care installed a fixed-type refillable engine oil container at its Jeju Maintenance Center in 2022. With the expansion and relocation of the Jeju Maintenance Center in 2024, the fixed container usage was expanded to 26,729L of engine oil, equivalent to approximately 69% of the total annual usage of 38,858L, and the carbon emission reduction effect through this increased by 16.6% compared to the previous year, recording a total of 183 tons<sup>1)</sup>.

LOTTE auto care office workers are also trying to reduce plastic waste through their daily lives. It provided tumblers to workers at the Auto Care headquarters located in Munrae-dong, Seoul, and installed tumbler washers on each floor for active use. In addition, an environmental fee was applied to those who did not use tumblers at the in-house cafe Mo'ca, and it was found that the tumbler usage rate increased by approximately 40% after starting this practice. This reduced carbon emissions by approximately 5 tons<sup>2)</sup>.

LOTTE auto care plans to introduce engine oil refilling methods to new major bases in the future and expand the voluntary use of tumblers by employees to contribute to achieving carbon neutrality.



Refillable motor oil containers

1) Carbon emissions of a 1kg plastic container (assuming 1kg per 1L of engine oil) from raw material collection and processing, to packaging material production, transportation, and disposal: 6.865 kg tCO<sub>2</sub>-eq

2) 45.2g tCO<sub>2</sub>-eq of carbon emissions per paper cup used, based on 3 paper cups used per day by 140 employees at Auto Care Headquarters

\*Based on 1 year of business days (250 days)



Environmental Protection Participation Activity Leaflets



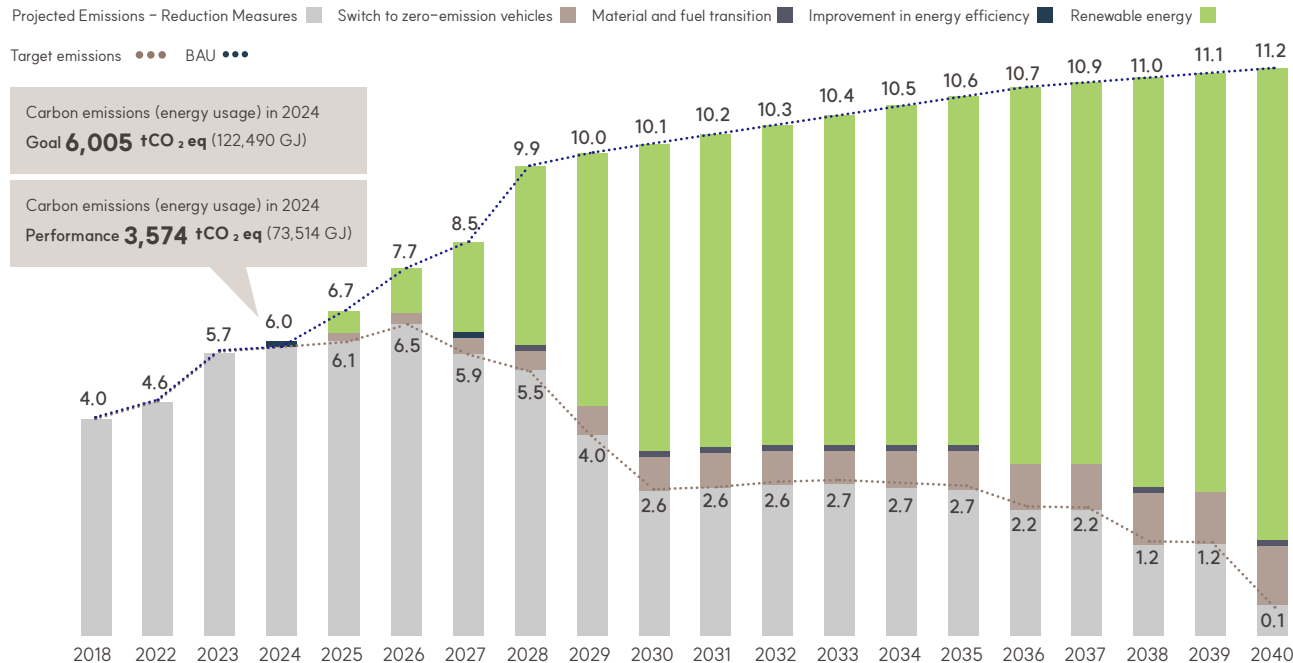
# Climate Change Response to Climate Change

## Carbon Neutrality Roadmap Implementation

LOTTE rental established a roadmap with the goal of achieving carbon neutrality by 2040 and received approval through the ESG Committee in 2022. In accordance with the recommendations of the global initiative, the carbon neutrality roadmap was revised and updated to reflect changes in the market and management situation, and was reported to the first ESG Committee in 2024.

The roadmap was set with 2018 as the base year, with the goal of reducing net emissions by 35% by 2030 compared to 2018 and reaching net zero by 2040. The main data used in the BAU estimation is closely related to the growth rate of LOTTE rental's business, and since most of the carbon emissions are due to electricity use due to the nature of the business, the use of renewable energy was established as a key strategy for reducing carbon emissions. Carbon emissions from LOTTE rental's nationwide business sites in 2024 are expected to amount to 3,574 tons, a reduction of 2,431 tons compared to the roadmap target and approximately 646 tons compared to the previous year. Analysis shows that the expansion of solar panel installations and voluntary energy-saving activities by employees had an impact, but the biggest factor was the decline in the rental car industry growth rate and LOTTE rental's efforts to improve energy usage measurement. LOTTE rental will update our roadmap every two to three years to respond to changes in internal and external factors and will achieve our carbon neutrality goal through close cooperation with relevant departments.

## LOTTE rental's Carbon Neutrality Roadmap



## Participation in Climate Change Initiatives and Consultative Bodies

### Eco-friendly promotion group activities

In order to implement the detailed plan of the carbon neutrality roadmap, LOTTE Group has established an "Eco-Friendly Promotion Group" consultative body and is operating it with five divisions: renewable energy, energy efficiency, resource circulation, zero-emission vehicles, and environmental inspection. LOTTE rental will continue to operate the zero-emission vehicle conversion division in 2024 and will pursue a sequential conversion of our own and our group's business rental vehicles to eco-friendly vehicles with the goal of converting 100% of business vehicles to eco-friendly vehicles by 2030.

### Declared support for TCFD

LOTTE rental joined the Korean TCFD Alliance in June 2022 and declared our support for TCFD in September of the same year. We are monitoring TCFD recommendations and disclosure guidelines for future reporting and climate change-related risk and opportunity information. We will communicate transparently with stakeholders by continuously monitoring trends and securing reliable data.

### Participation in the Korea Business Council for Sustainable Development

LOTTE rental has been participating in the "Industry Climate Crisis Adaptation Council", a public-private community operated by the Korea Energy Agency, Korea Environmental Research Institute, and National Climate Crisis Adaptation Center since 2022. By being incorporated into the logistics industry, we have sought implementation plans through industry-specific key tasks and adaptation policy suggestions, and have shared information with the government and private companies. We aim to use the knowledge gained through this to respond more effectively to climate risks.

# Climate Change Greenhouse Gas Emissions Management

## Scope 1, 2 Emissions Measurement and Reduction Activities

More than 80% of LOTTE rental's Scope 1 and 2 carbon emissions come from electricity used in our nationwide business sites and asset centers, while the remainder comes from the use of business vehicles, city gas, and kerosene.

The ESG External Cooperation Team measures and discloses Scope 1 and 2 emissions from the headquarters and all domestic business sites, and shares the monthly emissions status with employees through the internal bulletin board. For workplaces with large fluctuations in energy usage compared to the previous year, we are focusing on analyzing the causes and establishing improvement measures. Each workplace is also actively promoting voluntary energy-saving activities such as installing solar panels, replacing light bulbs with LED, and switching to electric vehicles.

By the end of 2023, we will have improved our internal data management system to record actual billed energy usage at each business location, reducing the margin of error in measuring carbon emissions. We will continue to make various efforts to improve data accuracy and reduce energy usage.

LOTTE rental GHG Emissions (Scopes 1 and 2) Unit: tCO<sub>2</sub>eq

Greenhouse Gas (GHG)	2022	2023	2024
<b>Total Emissions (Scope 1+2)</b>	4,598	4,220	<b>3,574</b>
Direct Emissions (Scope 1) <sup>1)</sup>	471	369	<b>513</b>
Indirect Emissions (Scope 2) <sup>2)</sup>	4,126	3,851	<b>3,061</b>
<b>Unit Emissions (Scope 1+2)<sup>3)</sup></b>	1.8	1.7	<b>1.4</b>

\*Data has been corrected due to changes in the distinction between direct and indirect energy.

1) Use of business vehicles, kerosene, city gas, etc.

2) Use of electricity, steam, etc.

3) tCO<sub>2</sub>eq ÷ Sales (billion won)

## Measurement of Scope 3 Emissions

LOTTE rental has been measuring and disclosing its Scope 3 greenhouse gas emissions every year since 2022. Due to the nature of the business, we are calculating the absolute proportion of Category 13 (rental assets), and we plan to expand the category in the future.

In 2024, LOTTE rental's short-term and long-term customers' rental vehicle operation will generate a total of 761,000 tons of greenhouse gas emissions (energy consumption: 11,116TJ). The reduction effect through conversion to zero-emission vehicles was identified as approximately 42,000 tons (403 TJ). The greenhouse gas emissions per unit by fuel type, reflecting the average driving distance, were highest for diesel and LPG, followed by gasoline, electric, and hydrogen vehicles. LOTTE rental will continue to lead the way in the distribution of eco-friendly vehicles and strive to reduce greenhouse gas emissions throughout the value chain.

### Scope 3 Emissions by Year

Unit: tCO<sub>2</sub>eq

Greenhouse Gas (GHG)	2022	2023	2024
<b>Category 13 (Downstream rental properties)</b>	667,182	781,325	<b>760,945</b>

### Installation Status of Solar Panels

Location	Panel Output	Electricity production in 2024	Installation Date	Investment amount	Carbon emissions reduction
Jeju Auto House	180 kW	68,741 kWh	January 2022	KRW 600 million	31.6 tons
Jeju Auto House	105 kW	2,909 kWh	December 2023	KRW 695 million	1.3 tons
Asan Parking Lot	76 kW	88,837 kWh	October 2023	KRW 146 million	40.8 tons

## Solar Power Facilities and Energy Savings

In 2022, LOTTE rental installed 180kW of solar panels at Jeju Auto House, and in 2023, an additional 105kW was added while building a parking control system. Through this, Jeju Auto House will produce approximately 70,000 kWh of electricity annually in 2024, equivalent to approximately 33 tons (688GJ), thus reducing carbon emissions. Asan Circuit will install 76kW solar panels in October 2023, producing and using approximately 89,000kWh of electricity in 2024, equivalent to approximately 41 tons (853GJ) of reduced carbon emissions per year. We will continue to contribute to environmental conservation by reviewing and implementing solar panel installations, focusing on parking lots and private buildings.



Solar panels at Jeju Auto House

Solar panels at Asan Parking Lot

# SOCIAL



38	Human Rights Management
41	Employees
50	Health and Safety
53	Customer Satisfaction
58	Shared Growth with Partners
61	Social Contribution
66	Information Security

# Human Rights Management Establishing a Human Rights Management System

## Human Rights Management Policies

LOTTE rental declares our human rights management principles and strives to put them into practice to protect the human rights of various members of society and achieve sustainable growth for the company. Our human rights management principles comply with international human rights guidelines such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. These principles aim for the respect and protection of the human rights of employees and internal and external stakeholders such as partners, shareholders, customers, and communities related to LOTTE rental's business activities.



## Human Rights Management Principles

- Principle 1** Respect for human rights of employees
- Principle 2** Respect for diversity and non-discrimination
- Principle 3** Wages and benefits
- Principle 4** Prohibition of forced and child labor
- Principle 5** Compliance with working hours and work-life balance
- Principle 6** Guaranteeing freedom of association and collective bargaining
- Principle 7** Health and safety
- Principle 8** Responsible supply chain operations
- Principle 9** Protecting customer rights and information
- Principle 10** Operating and inspecting the grievance handling process

CEO of LOTTE rental Co., Ltd.

LOTTE rental Human Rights Management Principles

## Mid- to Long-Term Plans

- Promotion Goal** Stabilizing the system and establishing human rights management
  - Establishing procedures for redressing human rights violations
  - Systematizing human rights education
  - Expanding human rights management of partners
  - Regularizing human rights education

2024
- Promotion Goal** Spreading a culture of respect for human rights
  - Advancement of human rights management norms
  - Systemization of human rights performance management
  - Enhancement of the effectiveness of relief procedures
  - Dissemination of human rights management to all stakeholders

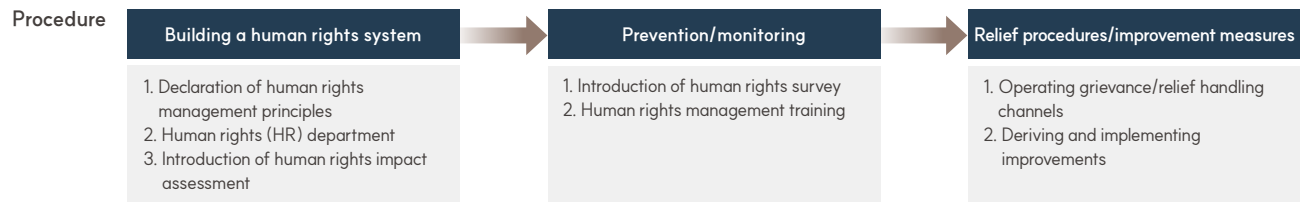
2025 - 2026
- Promotion Goal** Leading human rights management
  - Advancement of human rights management system
  - Community and partner human rights management Creating an ecosystem
  - Spreading best practices in human rights management

2027-

# Human Rights Management Human Rights Promotion and Management

## Human Rights Risk Management Process

LOTTE rental has established a human rights management process to identify and prevent human rights risks in advance. We further report to the ESG Committee and treat this process as a priority for human rights management.



## Human Rights Relief Process

LOTTE rental operates various channels such as mail, telephone, e-mail, and KakaoTalk to prevent negative risks to human rights management and take prompt action when issues are raised. We guarantee full anonymity and prioritize the protection of whistleblowers, striving to quickly provide relief measures to victims and find solutions for the reported issues.

Receipt of report	(Personal) Consultation request, third party report (recognition)										
Consultation	Identifying facts and requirements through consultation with applicant → Deciding on an initial solution based on requirements										
	Personal issues and general complaints					Workplace bullying complaints					
Investigation	Disease issues	Family issues	Money concerns	Environmental improvements	Other questions	Request for separation from the instigator	If the parties agree to measures such as apologies, etc. by the instigator	If a solution is requested through a company-wide investigation			
	↓	↓	↓	↓	↓	No investigation	Brief investigation followed by a report on the results	Formal investigation by			
Confirmation and measures	① Listening to complaints		② (If necessary) Psychological counseling guidance/connecting to guidance		③ Company system information: Welfare, vacation, leave, etc.		Delivering opinions and requests to the responsible department	Answering to and giving information on inquiries	Post-separation measures after Consultation Report is approved by the appropriate authority	Communicating the victim's demands to the instigator and reaching an agreement → In case of breakdown of agreement, confirming the victim's intent by requesting a formal investigation after re-consulting with the victim	Disciplinary action against the instigator (HR Committee)
	Whether the agreement is implemented, follow-up measures for victims, reporting on counseling results, etc.										
Monitoring	Whether the agreement is implemented, follow-up measures for victims, reporting on counseling results, etc.										

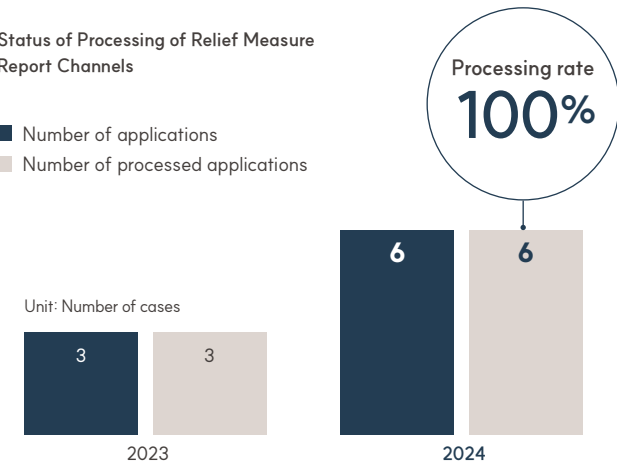
## Human Rights Relief Reporting Channel

LOTTE rental takes various relief measures to protect our employees and internal and external stakeholders from the risk of human rights violations, including mail, phone calls, e-mail, and KakaoTalk. Complaints received through the relief channel are resolved quickly, taking into account the nature of the complaint and ensuring anonymity.

- Email/Phone**
  - Email: [solution.rental@lotte.net](mailto:solution.rental@lotte.net)
  - Phone
    - Management Support Team Complaints Officer (Male) +82-2-3404-9933
    - HR Innovation Team Complaints Officer (Female) +82-2-3404-9922
    - Human Resources Development Team Complaints Officer (Female) +82-2-3404-9927
    - \*Completion of training course for complaint consultants
- KakaoTalk**
  - KakaoTalk ▶ Search for "LOTTE rental Complaint Consultations" ▶ Add as a friend
- Mail**
  - 8th floor, KT Tower, 422 Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
  - In front of the person in charge of " Complaint Consultations"

## Status of Processing of Relief Measure Report Channels

- Number of applications
- Number of processed applications



# Human Rights Management Human Rights Management Promotion and Management

## Human Rights Impact Assessment

LOTTE rental has been conducting human rights impact assessments every year since 2022 to assess our level of human rights management and identify the impact on the human rights of internal and external stakeholders, including employees, partners, customers, women and children, and local communities. In 2024, the overall achievement rate was 98.7%, up 2.0% from the previous year. We also implemented one improvement task in the human rights management system and relief procedures.

### Scope and Target of Human Rights Evaluation



### 2024 Human Rights Evaluation Results

No.	Item	Evaluation Results			Score		
		Yes	Needs supplementation	No	Points	Score	Achievement Rate
1	Human rights management system and relief procedures	54	1	0	110	109	99.1%
2	Prohibition of child labor and forced labor	17	0	0	34	34	100.0%
3	Guarantee of freedom of unity and association	26	0	0	52	52	100.0%
4	Humane treatment	40	0	0	80	80	100.0%
5	Responsible supply chain management	8	5	0	21	21	80.8%
6	Occupational safety and health	22	0	0	44	44	100.0%
7	Guaranteeing environmental rights	22	0	0	44	44	100.0%
8	Protection of human rights of local residents	8	0	0	16	16	100.0%
9	Protection of customer (consumer) human rights	20	0	0	40	40	100.0%
<b>Total</b>		<b>217</b>	<b>6</b>	<b>0</b>	<b>446</b>	<b>440</b>	<b>98.7%</b>

## Human Rights Management Training

LOTTE rental conducts various human rights training programs to improve employees' human rights awareness and disseminate a culture of respect for human rights. We conduct in-house training programs at least once a year with content centered on protecting human rights, such as training to improve awareness of the disabled, training to prevent bullying in the workplace, and training to prevent sexual harassment. In addition, we have separately organized and conducted lectures by lecturers commissioned by the Human Rights Committee to help employees gain a deeper understanding of human rights. LOTTE rental reviews major human rights issues in society every year and strives to provide appropriate training to employees.

### 2024 Human Rights Management Training Results

Classification	Education	Total Participants	Number of Participants	Completion Rate
First half of the year (Jan. - Jun.)	Personal Information Security training	1,242 persons	1,242 persons	<b>100%</b>
	Anti-corruption laws			
	Industrial safety and health education			
Human rights protection education	1,322 persons	1,322 persons		
Training to improve awareness of disabilities in the workplace				
Industrial safety and health education				
Workplace sexual harassment prevention training				
Second half of the year (Jul. - Dec.)	Workplace bullying prevention			

# Employees Talent Development and Management

## Promotion System

LOTTE rental guarantees employees the freedom to express their opinions on topics such as corporate culture, work-life balance, and talent development through internal communication channels such as Help Cloud, Open Chatting, CEO meetings, and complaint consultation systems.

The opinions received will be discussed without delay and delivered to each department in charge. The responsible department will conduct an internal review, taking into account additional opinions from employees, the company's social responsibility and role, laws and government policies, etc. Afterwards, the system is quickly established/improved through CEO reporting and labor-management consultation.

Like this, LOTTE rental seeks to develop internal systems such as corporate culture, work-life balance, and talent development and management based on the ideas of each and every employee, and to fulfill its social responsibility through a better organizational culture.

## Talent Recruitment Policies

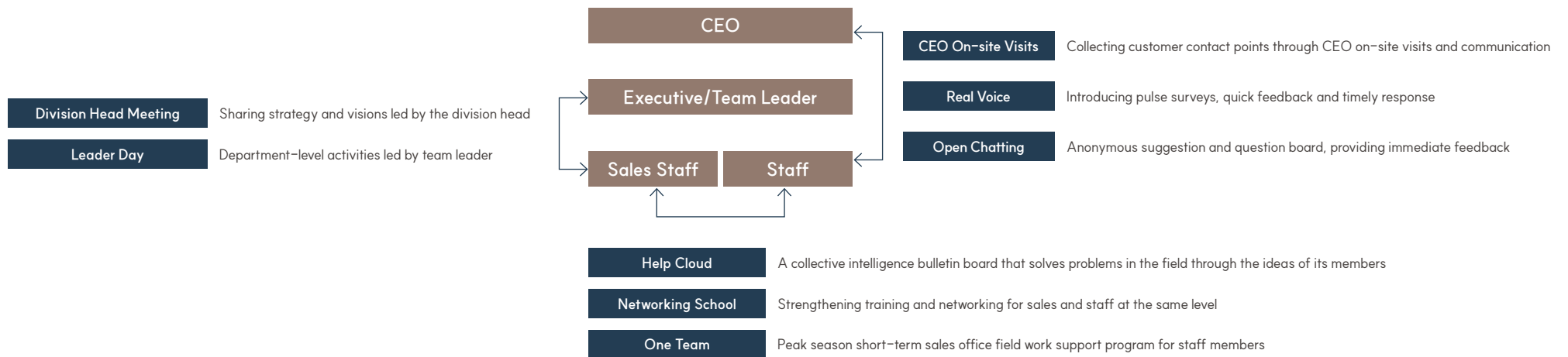
LOTTE rental is implementing a recruitment system that focuses on fairness, transparency, and diversity to secure a wide range of professional talent.

First, in order to ensure fair and transparent recruitment, we utilize open recruitment for all recruitments, and all announcements are publicly posted on our website. We also value procedural fairness during the recruitment process. When conducting interviews, we exclude relatives or persons with social interests from the interview panel, and ensure fair evaluation by forming a panel of at least two interviewers.

We also operate a policy of hiring foreign talent to ensure linguistic and cultural diversity. In order to satisfy overseas customers, we recruit foreign language experts and implement a global internship system for foreign students to strengthen our overseas export and overseas marketing expertise.

In addition, we strive to meet social expectations for the company by implementing a preferential hiring policy for the disabled and those with national merit in all recruitment.

### Talent Development and Corporate Culture Promotion System



# Employees Talent Development and Management

## Respect for Diversity

### Ensuring cultural diversity through hiring foreigners

LOTTE rental has expanded our scope of human resources by recruiting foreign language proficient individuals (foreigners) and operating an in-ternship program for foreign students in 2024. We are hiring foreigners at our Seoul Station and Jeju Auto House locations to reduce linguistic and cultural biases and promote inclusiveness, both internally and externally. In 2025, we will continue to provide internship opportunities to international students residing in Korea through the Foreign Internship Program, and we will continue to secure talent based on ability, transcending race, nationality, and religion.

### Foreign Internship and Foreign Worker Training Programs



### Advancing gender equality through hiring female talent and improving systems

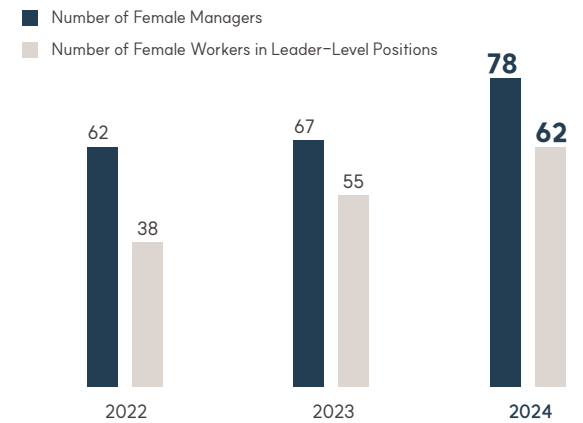
LOTTE rental is expanding the recruitment of expert female talent by completely limiting gender criteria for certain positions. Through various family-friendly systems and female talent development systems, we support employees to ensure that their expertise and careers are not interrupted due to reasons other than work, regardless of gender. As a result of our support for a robust work-life balance, the number of female managers increased to 78 and the number of female directors increased to 62 by the end of 2024, an increase of 11 and 7, respectively, compared to the previous year.

### Exceeding the mandatory employment rate by expanding employment of disabled persons

Despite the difficulties in hiring disabled persons due to the nature of the car rental business, we have exceeded the mandatory hiring target for disabled persons in the second half of 2024 by expanding the size of the in-house café (Mo:Ca) and preferentially hiring disabled persons for general jobs. Moving forward, we plan to strengthen our corporate social responsibility by expanding the social participation of the underprivileged and exploring jobs where persons with disabilities can demonstrate their expertise.

Status of Female Managers at LOTTE rental

Unit: Persons



\*Female manager: Standard for M rank (responsible) or higher

\*Female Workers in Leader-Level Positions: Standards for such as division head, team leader, part leader, and sales manager

2024 LOTTE rental Employment Status for the Disabled

As of the end of December 2024

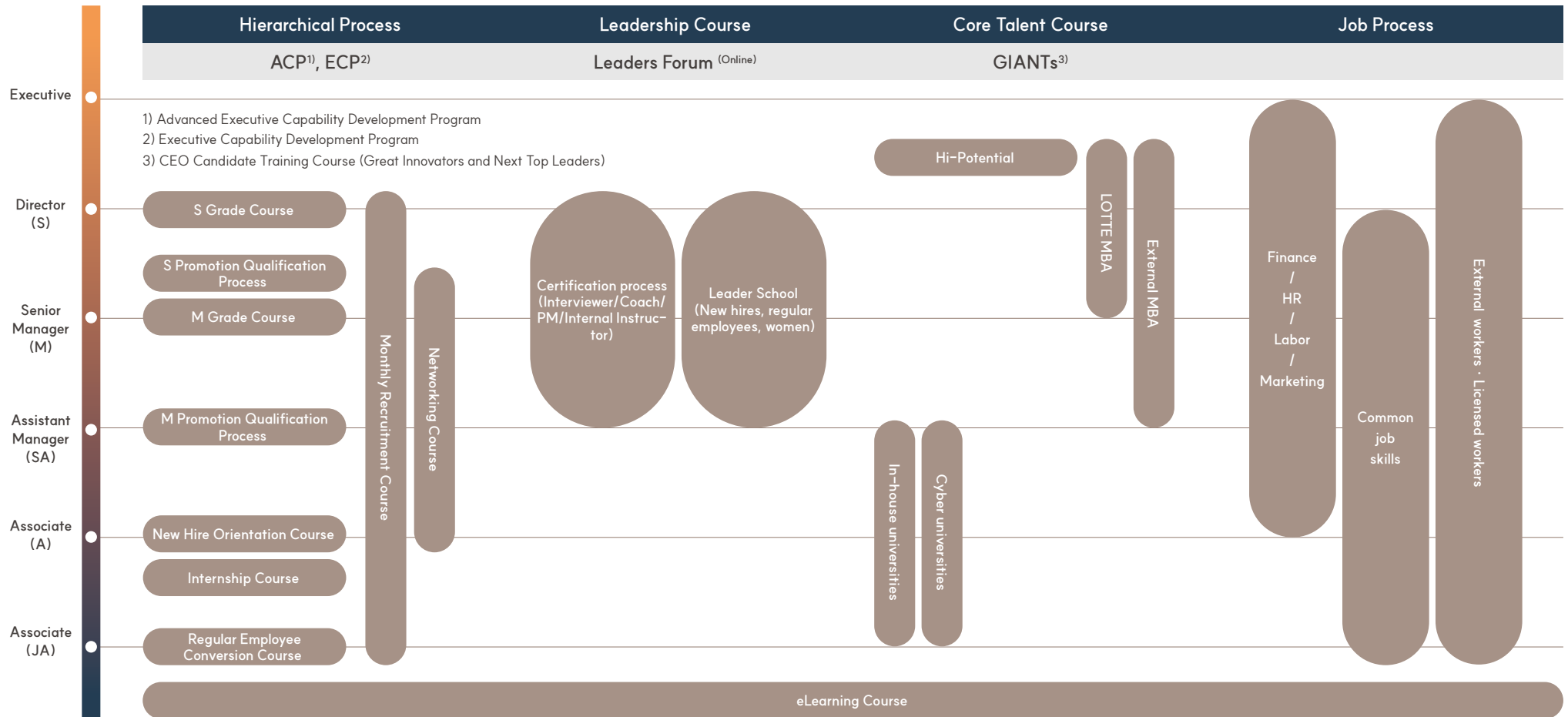
Classification	2023	2024
Number of full-time employees	1,217	1,290
Mandatory employment (3.1%)	37	39
Number of disabled workers (including severe double)	37	41
Shortfall in personnel	0	0
Mandatory employment achievement rate	100%	105.1%



# Employees Talent Development and Management

## Employee Training System

LOTTE rental has established a comprehensive learning system to strengthen core competencies and expertise by rank, job, and position, and provides systematic growth opportunities to all employees. In this system, employees can voluntarily maximize their abilities and improve their expertise. Through this, the company secures excellent talent and pursues continuous growth.



# Employees Talent Development and Management

## Talent Fostering Program

LOTTE rental is innovating our way of thinking to keep pace with a rapidly changing business environment and operating a systematic education program to strengthen leadership capabilities. We support our employees to develop the capacity to lead change and innovation through customized leadership development courses by position and rank, and focus on improving consistent behavior and decision-making ability through continuous core value internalization education. In order to strengthen the expertise of members due to rapid work changes, we provide skill-based courses segmented by job type. Through practical education that can be applied to the field while learning, we are fostering talents who can demonstrate self-leadership in their respective work areas.

### Regular Employee Leader School





- Developing integrated leadership to create competitive advantage
- 135 employees in positions across the company completed the course with a final satisfaction of 4.60/5

Classification	Contents
Timeline	March 12th (Tues) – 13th (Weds)
Module	Contents
Integrated Leadership	Achieving vision and goals Strengthening strategic thinking
Management Trends	Explore the latest trends Setting strategic direction



### Common Job Skills Course

- Improving work performance and increasing organizational efficiency through skill-based competency improvement
- A total of 198 persons completed the course, with an average satisfaction of 4.72/5

MS Outlook/Word	How to Use AI	Intermediate Excel	Accident-Involved & Used Cars
			

### Women's Talent Leader School




- Developing the continuous leadership of women leaders
- 58 female leaders completed the course with a satisfaction of 4.75/5

Classification	Contents
Timeline	September 10th (Tues)
Module	Contents
Women's Leadership	Strategies for career path design Leveraging women's leadership strengths
Effective Communication Skills	Communication of an outstanding leader Conflict management and resolution strategies



### Support for External Training

- Promoting professional development and capacity building of employees through support for external training costs
- A total of 64 persons applied, 25 persons obtained qualifications, and the application cost was KRW18.3 million

External MBA	Cyber Universities	External Jobs/Certifications
		

# Employees Talent Development and Management

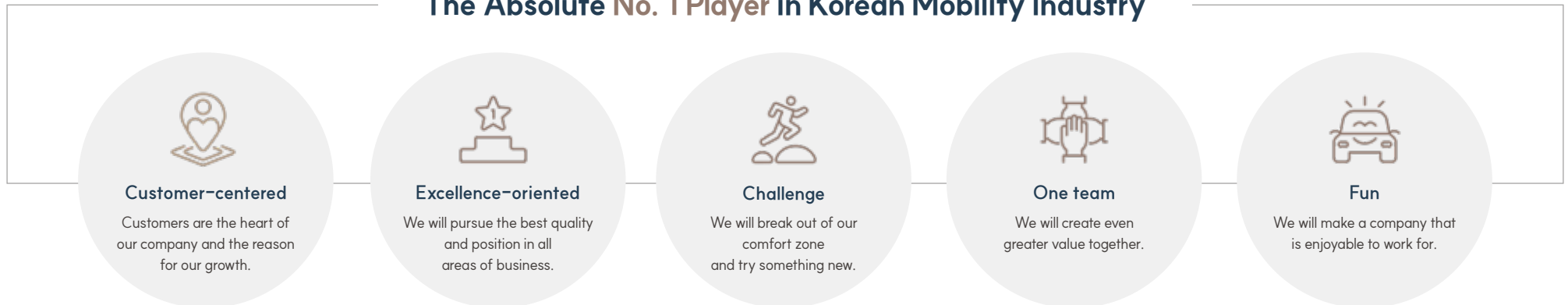
## Conducting a Workshop to Reestablish Core Values

- Developing a practice-oriented vision, core values, and working methods for change led by the entire team
- A total of 814 persons, including executives, management, and CEOs, entered the program

Classification	Spreading One Message		Conducting Regular Employee Workshops				
Purpose	Spreading awareness of crisis and sharing the company's vision		Establishing the same values, providing clear standards for decision-making and action to achieve the vision and move in a consistent direction				
Course Name	Producing Teaching Materials and Videos	Sector Workshop	Directors' Workshop	Executive Interviews	Employee Representative Workshop	SME Workshop	Final Workshop
Participants and persons	Number of views	14 departments	Team leader, Branch manager	CEO, General manager	1 person per department	Directors and staff representatives	CEO, Board members, Employee Representative
	1,456 times	500 Persons	135 Persons	3 Persons	138 Persons	24 Persons	14 Persons
Educational Photos							

## LOTTE rental New Vision & Core Values for 2024

# The Absolute No. 1 Player in Korean Mobility Industry



# Employees Work-Life Balance

## Flexible Work Schedule, Summer Vacation & A Half-day Leave System

LOTTE rental is implementing a flexible work system so that employees can work according to their childcare and self-development situations, thereby increasing job satisfaction and work efficiency. In 2024, we introduced a summer vacation and half-day leave (2 hours) system to create a flexible work environment that allows for a balance between work and rest. We will continue to work to create a great workplace that can improve work efficiency and enhance the quality of life of our employees.

## Happy Friday, Happy BirthDAY & Happy Work

LOTTE rental operates programs such as a 2-hour early departure program on two Fridays a month (Happy Friday), a 3-hour early departure program on birthdays (Happy BirthDAY), and a work-from-home program (Happy Work) for working moms/dads who need to temporarily take care of their children, all to help employees take care of their personal lives and find a balance between work and life.



Happy Friday

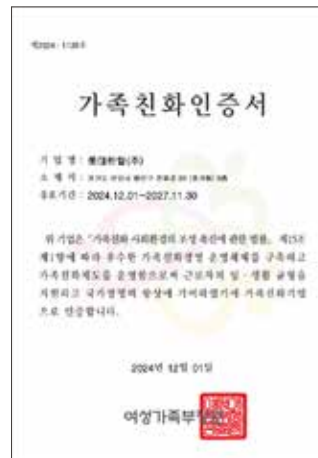


Happy Work

## Family-Friendly Business Certification

LOTTE rental was recognized as a model company for our family-friendly system and was the first company to receive family-friendly company certification in 2016. Since then, we have continued to improve/establish related systems, and have been recognized by the Ministry of Gender Equality and Family for our exemplary operation of childbirth and childrearing support, flexible work hours, and workplace culture. We have been re-certified three times in a row since our initial certification.

### Re-Certified as a Family-Friendly Business



Family-friendly company certificate

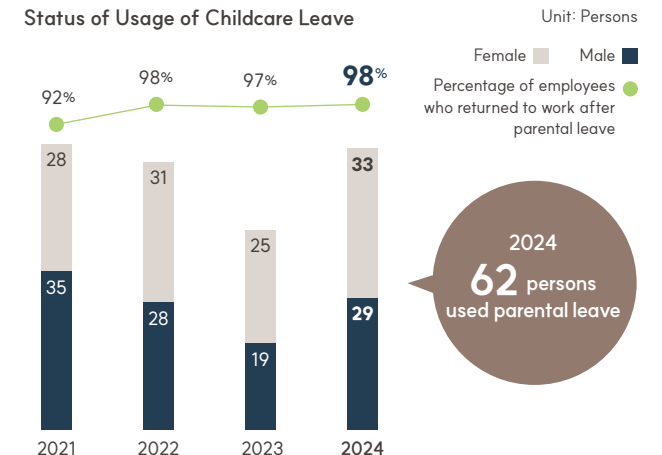
## Leave System For Childcare and Childrearing

LOTTE rental is expanding our operation of various leave systems in addition to statutory leave to ensure work-life balance for our employees. Female employees can take advantage of various leave systems for each period, from pregnancy to childrearing. Male employees are also guaranteed various leave systems.

We operate a reduced working hours system that allows female employees who are expecting to give birth to work 2 hours less per day, as well as a childcare leave system during pregnancy. Female employees who have given birth can use up to one year of additional childcare leave in addition to the statutory childcare leave. We also provide male employees with the opportunity to take up to one year of parental leave.

The existing childcare school leave for school admission has been re-named to childcare leave, and its target has been expanded from female employees with children entering elementary school to all male and female employees with children attending elementary school or under the age of 12. This encourages a culture of mutual care, where both parents can participate in childcare while reducing their work burden.

### Status of Usage of Childcare Leave





# Employees Great Corporate Culture to Work For

## Organizational Culture

### Hosting of "Delicious Chats" with CEO on-site visits

LOTTE rental held the CEO on-site meeting "Delicious Chats" a total of 25 times during 2024. Through this, executives and employees had the opportunity to directly communicate with the CEO, resolve their questions about the company, and gain a deeper understanding of the mid-to long-term vision, future growth strategy, and internal issues.

In addition, employees were able to receive quick feedback in response to their questions and agenda items, which increased their satisfaction with their work life. Through this opportunity, executives and employees directly proposed about 250 requests to the CEO, which led to improved work efficiency and welfare.

We will continue to hold "Delicious Chats" twice a month starting in March 2025.

### Implementation of "Leader Day", a leader-led communication project

We are implementing "Leader Day" to promote communication between superiors and subordinates within departments and improve corporate culture in each department. Leader Day is an in-house program where team leaders plan activities and participate with team members to strengthen communication within the department. In 2024, a total of 2,061 employees from 218 departments participated.

In 2025, we will continue to hold a Leader Day once every half year, following the one held in 2024, and will further strengthen teamwork and communication among members through various activities such as creative activities, art and performance viewing, wellness, and sports. Through this, we can promote a "One Team" culture to contribute to the achievement of the company's vision and goals.

### Short-term field support program, "One Team"

LOTTE rental provided manpower support to short-term car rental sites to foster a sense of unity among employees. During the peak rental car sales season from June to August, a total of 250 staff job applicants were assigned to 24 sales offices in the metropolitan area for 12 weeks to perform tasks such as washing returned vehicles and refueling vehicles.

In particular, in 2024, One Team was carried out not only in inland areas but also at the Jeju Auto House site. A total of 26 persons supported tasks such as customer service, vehicle inspection, and car washing at Jeju Auto House. In this process, questions and concerns between field sales and head office staff are resolved and shared. This provided an opportunity to form a closer sense of unity.



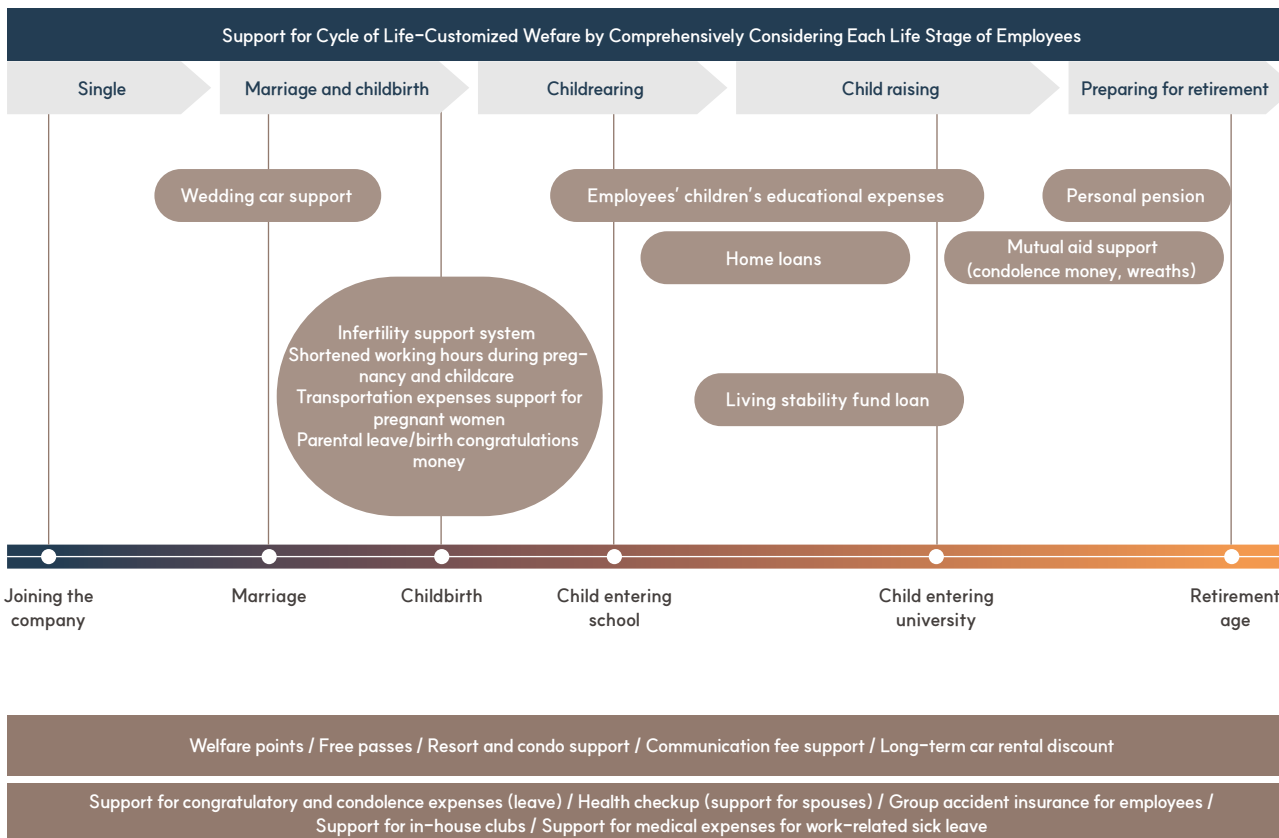
# Employees Great Corporate Culture to Work For

## Welfare

### Personalized benefits by cycle of life

LOTTE rental provides welfare benefits appropriate for each stage of life from the time of employment until retirement. We support customized welfare such as wedding car support, housing loans, living stability loans, infertility support system, children's education fund system, personal pension, and mutual aid support by considering a cycle of life that starts from being single, to marriage, childbirth, childrearing, raising children, and preparing for retirement.

### Current Status of Welfare



## Labor-Management Relations and Holding of a Labor-Management Council

LOTTE rental has consistently maintained a cooperative relationship and achieved wage and collective bargaining agreements without disputes through a mutually cooperative labor-management culture. We regularly hold KPI briefing sessions between the labor union and the planning department to share management performance and the company's future vision. We have also immediately shared irregular matters such as company issues, quarterly/semi-annual performance, and personnel appointments with the labor union. Active communication through labor-management field meetings with field staff, labor-management workshops with union executives and delegates, and regular national delegate conventions, in particular, have led to the achievement of 15 consecutive years of dispute-free collective bargaining as of 2024. In addition, we hold a Labor-Management Council once every quarter to improve the working environment and welfare of the labor union and executives and employees. Worker representatives and employer representatives attend and decide on major agenda items, and the status of agenda item processing is confirmed at the next Labor-Management Council meeting. LOTTE rental's Labor-Management Council plays a major role in maintaining mutually cooperative labor relations and promoting the company's development.

## Employee Stock Ownership and Support

LOTTE rental is implementing an employee stock ownership system to promote labor-management cooperation and foster a sense of ownership among all employees. Our company's stocks were allocated when the company went public (IPO) in August 2021, and as of the end of 2024, our company's stock balance was 1,025,826 shares, equivalent to a 2.8% stake.

In addition, we have extended financial support for the increased interest rate in 2024 to reduce the financial burden on our union members due to the interest rate hike.

## Employees Promoting a Good Corporate Culture

### Improving the Working Environment

LOTTE rental continues to improve our working environment to create a company where employees can work well. In 2024, we carried out environmental improvements centered on our Jeju Auto House and Seolleung Office Building. Jeju Auto House has created a more efficient work environment by renovating its external parking lot and plaza and remodeling its maintenance center. In addition, the Seolleung Office Building has newly created an in-house café, Mo:Ca, and a conference room space, providing employees with a comfortable resting space and a collaborative work environment.

In 2025, we plan to focus on improving the environment of the Seogye Office Building and Gyeongju Sales Office. The Seogye Office Building will be remodeled to increase employee convenience and work efficiency, and the Gyeongju Sales Office will be renovated to simultaneously improve customer satisfaction and work environment.



#### Improvement of Employee Working Environment (In Progress)

- Remodeling to improve Seogye office bathroom environment (March 2024)
- Gayang Building customer waiting room remodeling (April 2024)
- Jeju Auto House exterior landscaping/lighting, bathroom remodeling (June 2024)
- Anseong Delivery Center supplies workshop installation (June 2024)
- Construction of Mo:Ca, an in-house cafe and conference room at the Seolleung Office Building (August 2024)
- Anseong Cycle Park smoking area and air conditioning installation (August 2024)
- Electric vehicle charger installation at Uiwang office building (September 2024)
- Jeju Auto House maintenance center remodeling (October 2024)
- Sokcho Sales Office garage repair work (November 2024)

#### Regularization of the Process of Collecting Opinions from the Field to Improve the Working Environment of Employees

- Listening to on-site opinions on improving the working environment through Help Cloud (February 2025)
- Collecting and implementing on-site listening opinions
- Seogye Building renovation, rooftop lounge remodeling (March 2025)

### Employee Evaluation

LOTTE rental conducts employee evaluations focusing on performance and competency improvement. At the beginning of the year, we conduct performance evaluations based on performance goals set by individuals, and competency evaluations centered on job duties twice a year (in the first half of the year and annually). For competency evaluation, we set 1 to 3 competencies that fit each position from a variety of competency pools, avoiding uniform evaluations centered on superiors and focusing on developing the competencies of each employee.

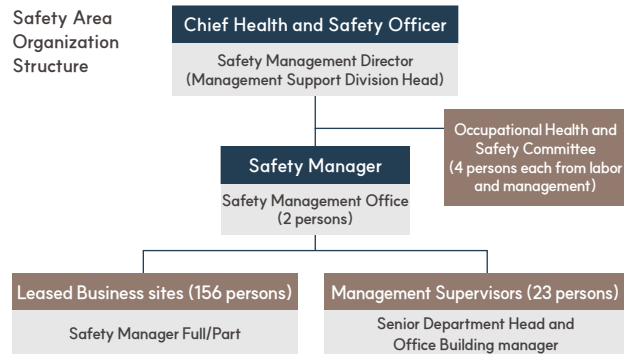
In addition, we operate an objection process that allows employees to verify the rationale and fairness of performance evaluations before the evaluation is finalized. Through interviews with superior organization leaders, employees can explain their own performance, and the HR department closely monitors this to ensure that department heads and organization leaders can conduct careful and fair evaluations.

In addition to the evaluation system, we also conduct mid-term interviews with department heads and provide periodic feedback. Through this, we coordinate the perspectives of the evaluator and the evaluatee, and support more practical performance and capacity improvement.

# Health and Safety Management

## Implementation System

LOTTE rental operates a Safety Management Office, a dedicated safety organization directly under the CEO, to proactively respond to social demands for safety, such as the enforcement of the Serious Accidents Punishment Act.



<b>Chief Health and Safety Officer</b>	<ul style="list-style-type: none"> <li>Overall safety management tasks</li> </ul>
<b>Management Supervisor</b>	<ul style="list-style-type: none"> <li>Identifying/improving risk factors at the workplace and disseminating safety information to subordinate departments (regularly)</li> <li>Completing mandatory legal education (once a year)</li> </ul>
<b>Safety Manager</b>	<ul style="list-style-type: none"> <li>Guidance/management in the field of health and safety based on the Occupational Safety and Health Act (frequently)</li> <li>Holding and attending the Industrial Health and Safety Committee (once per quarter)</li> <li>Safety training, inspection, product support, management plan establishment (regular/quarterly)</li> </ul>
<b>Occupational Health and Safety Committee</b>	<ul style="list-style-type: none"> <li>Conducting quarterly regular meetings and reviewing related contents (once a quarter)               <ul style="list-style-type: none"> <li>Contents of review: Business site safety inspection results, purchase of worker safety consumables, etc. (review of and decision on matters related to health and safety needed)</li> </ul> </li> </ul>
<b>Safety Officer (Leased business sites)</b>	<ul style="list-style-type: none"> <li>Frequent monitoring of risk factors and reporting of accidents (frequently)</li> <li>Safety inspection and inspection result history management per business location (once a month)</li> <li>Conducting risk assessments and sharing assessment results (once a year)</li> </ul>

## Health and Safety Policies

LOTTE rental has established safety management regulations and health and safety management policies to effectively establish a "voluntary health and safety management system," which is followed and implemented by all employees (including contractors and dispatch workers) at all business sites. In order to operate the autonomous health and safety management system more effectively, a safety manager is designated for each workplace and autonomous health and safety activities are implemented. Based on these activities, all members of our company are making efforts to meet the safety, health, and environmental needs of all stakeholders, including suppliers, partners, customers, and local communities.

### Health and Safety Policies

LOTTE rental recognizes the health and safety of our employees, customers, and local communities as a top priority, and establishes health and safety management policies to create a safe and comfortable environment. We continuously put these policies into practice to prevent accidents and fulfill our social responsibilities.

1. We prioritize "a safe working environment for employees" and "a comfortable usage environment for customers" as our top management goals.
2. We set health and safety goals, establish detailed plans, and work diligently to achieve them.
3. We foster a mature safety culture that complies with occupational health and safety laws and autonomously improves risk factors.
4. We provide sufficient education, training, and material resources on improving risk factors and personnel.
5. We maintain a health and safety cooperation system at all times and fulfill social responsibility through continuous communication.

CEO of LOTTE rental Co., Ltd.

## Mid- to Long-Term Plans

- 2025**

### Establishing a health and safety culture and raising awareness

  - Risk assessment with expanded member participation
  - Promoting autonomous health and safety awareness
  - Goal
    - Maintain LTIR below 0.2
    - Maintain 0 major disasters
- 2026**

### Incorporating health and safety culture into daily life

  - Expanding accessibility to health and safety education
  - Expanding health and safety communication channels
  - Goal
    - Maintain LTIR below 0.2
    - Maintain 0 major disasters
- 2027**

### Establishment of an autonomous health and safety management system

  - Internalization of health and safety culture
  - Establishment of a field-led autonomous health and safety management system
  - Goal
    - Maintain LTIR below 0.2
    - Maintain 0 major disasters



# Health and Safety Health and Safety Management

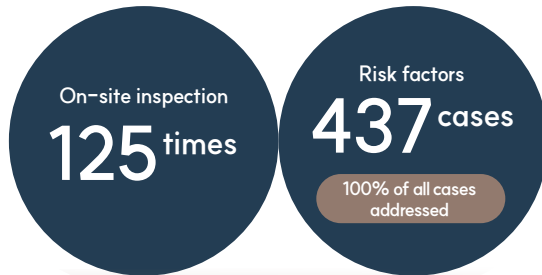
## Health and Safety Activities

### Employee safety

LOTTE rental establishes an accident prevention plan for all business sites nationwide and continuously conducts safety inspections. In 2024, we conducted safety inspections of all workplaces, and through a total of 125 on-site inspections, discovered 437 risk factors and took corrective action.

In 2024, we expanded the scope of inspection to include hygiene and safety management for employees and customers by checking the expiration date. Through these efforts, we succeeded in achieving ZERO major accidents and industrial accidents for the second consecutive year following last year. All executives and staff, including the Safety Management Office, are working hard to achieve the same goal in 2025.

### 2024 Risk Factor Improvement Measures Performance



LTIR **ZERO**  
for 2 Consecutive Years

### Intuitive inspection of high-risk workplaces

We conducted an intensive inspection of the construction site of LOTTE rental's new Gangneung Office Building. In order to prevent safety accidents for construction partners in high-risk areas such as construction sites, we conducted on-site inspections and technical guidance and improved 15 risk factors. Through thorough safety inspections led by the management department and cooperation with relevant departments, the Gangneung Office Building was successfully completed without any industrial accidents or major disasters.

### Strengthening electric vehicle fire response capabilities

The scope of distribution of existing electric vehicle fire response supplies has been expanded to all businesses that operate electric vehicles and chargers, and response supplies have been distributed to a total of 30 locations. In addition, in order to enable a quick initial response in the event of an emergency, we have established fire extinguishers specifically for electric vehicles and fire response standards, notified the entire company of these, and made it mandatory to be aware of safety rules.



# Health and Safety Health and Safety Management

## Health and Safety Education

### Emergency response training and fire extinguisher usage training

LOTTE rental conducts emergency response training once a quarter under the supervision of a designated safety manager within our own building. We provide training in emergency situations that may occur on site, such as fire evacuation training and how to use fire extinguishers, and our goal is to respond immediately in the event of a similar situation. Through this, we have strengthened our fire response capabilities, and with a total of 165 persons from 93 locations completing the training, we are striving to ensure the safety of not only our employees, but also our customers and the local community.

### LOTTE auto care field staff CPR training

In November 2024, LOTTE auto care conducted cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) training for our field staff staff to enhance their emergency response capabilities. The training was conducted over a total of five days and was intended to contribute to building a social safety net by protecting the lives of employees and customers and creating a safe working environment.



Training on how to use a fire extinguisher



CPR training

## Customer Safety Activities

### Sending messages to establish a safe driving culture

LOTTE rental is sending out messages on safe driving rules to establish a safe driving culture among customers. Starting in July 2023, we conducted intensive communication with new long-term rental car customers and high-risk customers, and in July 2024, began operating an automated weather warning system to respond to climate change (heavy rain, heavy snow, etc.) due to global warming. When the Korea Meteorological Administration issues a heavy rain advisory or heavy snow advisory, we will be providing information on safe driving precautions.

### LOTTE rent-a-car Customer Safe Driving Message Details

Classification	Contents	Times
Weather reports	When a heavy rain advisory is issued, safe driving guidance on rainy roads	45
	When a heavy snow warning is issued, guidance on safe driving on snowy roads	12
Safe driving information	Safe driving rules, safe driving guidance during the Lunar New Year/Chuseok holidays Seasonal vehicle maintenance tips	25
Long-term new/accident high-risk customers	Guidance on precautions for each driving situation	15
Providing quarterly accident-free driving benefits	Quarterly accident-free driving benefits for new customers (Gas vouchers)	12

### LOTTE rent-a-car G car Safe Driving Message Details

Classification	Contents
Weather deterioration	Sent when a heat wave/heavy rain/typhoon/cold wave/heavy snow special warning is issued Sent when fog/ice warnings and safety driving precautions are issued
Holidays/Year-end	Safe driving guide information
Season characteristics	Notice on safe driving according to winter/summer/between seasons
Late night hours	Safety driving tips for late-night rentals between 6PM and 6AM
Daytime	Safety driving guidance for customers renting as of 2PM
When renting a car	Upon completion of the car rental, a link to the safe driving video is provided in the reservation notification message

### Operating a safe driving management program

LOTTE rental's accident processing costs are decreasing every year thanks to our safe driving campaign. In particular, the accident rate of customers in the first year of their long-term personal car rental contracts decreased by 6.5% in just one year since the accident prevention campaign for new customers began, and accident-related costs such as insurance premiums and vehicle repair costs in the second quarter of 2024 were reduced to 9.5% of total sales, contributing to the reduction of social costs and the daily safety of customers.



### Providing a guide to preventing heat-related illnesses in preparation for heat waves

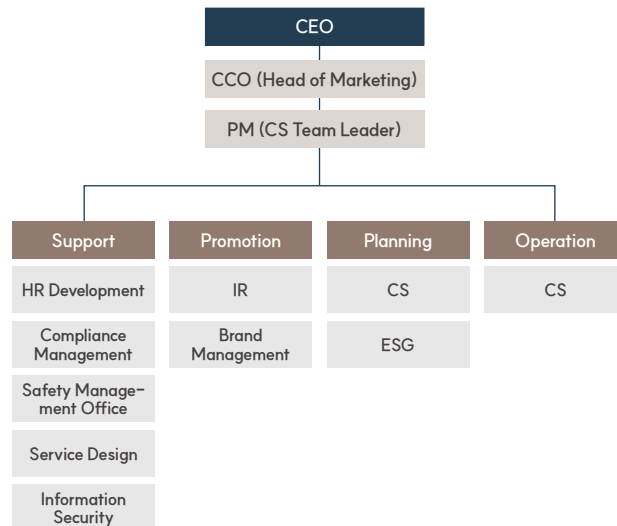
In order to respond to rapid climate changes such as heat waves, we are strengthening our heat-related illness prevention policy to ensure the safety and health of field workers and the continuity of work. To do so, we have established a safety management system that provides guidance on how to respond to each heat wave stage according to the on-site situation. To prevent heat-related illness, we recommend drinking plenty of fluids, getting adequate rest, providing drinks with salt and glucose, and wearing clothing appropriate for the season. We are also implementing effective health measures, such as providing sufficient rest periods of no more than every two hours when working in extreme heat conditions.

# Customer Satisfaction Customer-Centered Management

## Promotion System and Management Policies

In March 2024, LOTTE rental launched the Consumer-Centered Management (CCM) Committee, comprised of various departments, to systematically promote CCM. We have appointed the head of the marketing division, who is in charge of customer policy, marketing strategy, brand management, and customer relationship management, as Chief Customer Officer (CCO), and have given him the authority and responsibility for CCM. The CCO presides over the CCM Committee, has the authority to approve related budgets and public relations, and is responsible for major customer complaints. The CCM Committee, overseen by the CCO, is subdivided into support, promotion, planning, and operation departments, which work closely together based on the expertise of each department. Through this systematic approach, we strive to establish consumer-centric management as our corporate culture.

CCM Committee



### LOTTE rental Customer-Centered Management Charter

LOTTE rental will practice customer-centered management based on the belief that the most important value is the "customer."

**First, we will listen to the voice of customers, the basis of all management activities, and respond quickly.**

Second, we will always try to see things from the customer's point of view so that the rights of customers can be better realized and protected.

**Third, we will constantly innovate for the convenience of customers and do our best to provide quality services.**

**Fourth, we will safely manage customers' personal information and comply with personal Information Security laws.**

**Fifth, we will continue to strive to create a better life for our customers' through customer-centered management.**

CEO of LOTTE rental Co., Ltd.

Classification	Roles and Responsibilities
CS Team	Establishment and management of CCM operational cooperation system
HR Development Team	Operation of employee training system and capacity development
Compliance Management Team	Anti-corruption management system and compliance management
Safety Management Office	Workplace safety inspection and customer safety campaigns
Service Design Team	All customer service related to maintenance
Information Security Team	Managing corporate information security and privacy issues
IR Team	CCM external media and public relations management
Brand Management Team	Support for CCM promotional content production
ESG External Cooperation Team	Support for establishing ESG strategies and sustainability reports

## Mid- to Long-Term Plans

- 2025

### Discovering and managing CCM indicators

  - Review of CCM Certification reviewer opinions for improvement
  - Selecting CCM indicators (Consultation with relevant departments)
  - Regular reporting through the CCM Committee
  - Reflection of CCM indicator KPI (Marketing department and related departments)

-2025
  
- 2026

### CCM advancement

  - Discovering advancement goals for CCM (AI Contact Center, research system advancement)
  - Checking the effectiveness of existing CCM indicator management
  - Analyzing CCM indicator results and discovering areas of improvement
  - CCM mentoring activities hosted by the Consumer Agency
  - Reviewing and planning internal and external CCM public relations activities

-2026
  
- 2027

### Preparing for CCM recertification

  - CCM Indicator Management Performance 2024 - 2027 Analysis (including CCM-related KPIs by department)
  - Conducting CCM training and testing for all employees
  - Checking the usage rate of CCM business cards and signatures of employees
  - Continuing CCM mentoring activities
  - Enhancing CCM promotional activities
  - Configuring CCM Certification TFT and preparing for audit

-2027

## Customer Satisfaction Customer-Centered Management

### Consumer-Centered Management Certification

After introducing CCM in March 2024, LOTTE rental successfully obtained Consumer-Centered Management (CCM) Certification, hosted by the Fair Trade Commission and operated by the Korea Consumer Agency, as a result of the joint efforts of all executives and employees. We have received positive evaluations in various aspects, including selection of core values centered on customers, activities to prevent customer safety accidents, practice of high-level ethical management, provision of necessary information to consumers through various channels, CEO's firm will to practice CCM, and active collection of VOC (Voice of Customer).



Consumer-Centered Management Company Certification

### Service Improvement Cases

Areas for Improvement		Details	Improvements
Maintenance	Streamlining the scrapping process	Implementation of computerization of residual value, reduction of payment lines, reduction of confirmation procedures	Scrap lead time reduced by 1.9 days
	Simplifying the reissue process in case of damage/ destruction of license plates	Re-establishing the process for each reissue case (channel integration) and preemptively responding to reissue by issuing documents in advance	Re-delivery lead time reduced by 2.3 days
	Operating used car One Shot-One Care	Enhanced vehicle care within 1 month of purchase of used car, immediate support for replacement vehicles, maintenance, consumables, etc.	Increased satisfaction with used car quality
	Strengthening human resources capacity of foreign maintenance service personnel	Additional hiring of English consultants for foreigners (2 persons), Operating 24 hours a day, 365 days a year (weekdays/weekends/nights)	Increased satisfaction with foreign maintenance services
	Advancing EV battery diagnostics	High-voltage battery diagnosis (for electric vehicles), possible to diagnose battery status, usage period, warranty period, etc.	Increased service satisfaction for electric vehicle customers
Quality	Service to provide a replacement vehicle for products without maintenance	Notice of the final line of the payment draft (cooperation document) for the provision of a replacement vehicle for a new car that has not been registered for long-term maintenance	Enhanced customer retention
	Establishing a vehicle quality response process and developing computers	Establishing a vehicle replacement manual based on consumer dispute resolution criteria, establishing vehicle defect assessment criteria by department	Reduced VOC complaints related to vehicle defects
Logistics	Introducing a new car vinyl removal service	Introducing a new car vinyl removal service for B2C customers	Increased customer convenience when purchasing a vehicle
	Introducing new car carrier delivery	Introducing carrier delivery instead of driver delivery when delivering new cars	Increased satisfaction with new car delivery vehicle quality
	Change the delivery center indoors	Conversion to existing delivery center in an outdoor vacant lot to indoors (62% target)	

# Customer Satisfaction Customer Satisfaction Enhancement Program

## Customer Satisfaction Principles

LOTTE rental's most important core value is our customers, and all executives and employees of the company always recognize that customers are the heart of the company and the reason for our growth. We also strive to maximize customer convenience by constantly improving our processes to eliminate customer inconvenience. In the midst of constantly changing customer needs and market uncertainty, the greatest competitive edge is to put customer value first.

## Customer Voice System

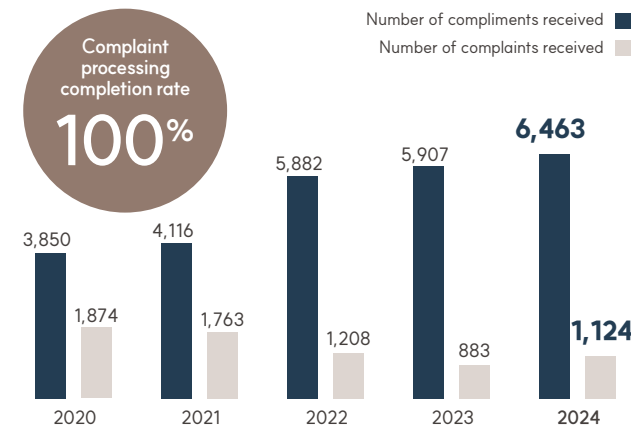
LOTTE rental actively responds to the voice of customers and, at the same time, establishes a systematic VOC collection, processing, and analysis process to practice customer-centered management based on the voice of customers. We are doing our best to ensure customer satisfaction by forming an organic network with customer contact organizations to actively discover potential customer needs, as well as the service pain points identified on the customer journey map.

## Satisfaction Survey

LOTTE rental checks and manages the level of service quality provided to customers in real time through various customer satisfaction survey systems. We operate a "Mobile Satisfaction Survey" conducted immediately after the end of a service, a "Customer Satisfaction Index (CSI)" conducted once a year through an in-depth and structured questionnaire, and a "Focus Group Interview (FGI)" conducted face-to-face in real time by selecting a specific topic.

The CS team, which is the responsible department, conducts an initial analysis of the results, reports to management and shares them with employees to determine areas for improvement, and designates a department in charge to take action to ensure rapid improvement. Through these activities, the One Shot-One Care TF was launched to improve the quality of used cars, the process for handling customers' lost items was improved, and the license plate re-issuance process was simplified, contributing to strengthening customer rights and enhancing convenience. In addition, the satisfaction survey results are used not only as materials for improving service quality, but also as a standard for the CS reward system to motivate employees.

Status of compliments and complaints received



## VOC Processing and Improving Satisfaction

LOTTE rental has a strict VOC processing system in place to ensure that received VOCs are processed quickly and accurately. In principle, all VOCs received are handled within 24 hours, and the VOC action (resolution) department responds immediately to minimize customer inconvenience as the first priority of its work.

LOTTE rental's CS team does not simply focus on resolving complaints, but also reports and shares issues requiring fundamental process improvement as agenda items for the Service Quality Meeting attended by the CEO, and takes measures to reflect them in management activities.

LOTTE rental is making every effort to not only resolve customer inconveniences but also transform customer experience from dissatisfaction to satisfaction during the complaint handling process based on speed and accuracy, which are the basic and core elements of the VOC handling system.

VOC Improvement Cases

Customer Feedback	Process Improvement Performance
Long time to decide whether to scrap a car	Improving the scrapping process
Increase in complaints about used car quality	Operating our used car One Shot-One Care TF
Complicated processing when issuing license plates	Simplifying the license plate reissue process
Need to improve the reliability of succession contracts	Implementing electronic signatures in succession agreements
Request for advance notice of excess mileage charge	Mandatory information on excess mileage charges when consulting on return
Inconvenience of removing vinyl when delivering a new car	Introducing a new car vinyl removal process

**Improvements**

Scrap Lead Time <b>1.9 days decrease</b>	License Plate Lead Time <b>2.3 days reduction</b>
---------------------------------------------	------------------------------------------------------



## Customer Satisfaction Development of Customized Products/Services

### LOTTE rent-a-car's Official Character "Mobility Friends" Revealed

In August 2024, LOTTE rent-a-car unveiled its official character, "Mobility Friends". Designed to communicate LOTTE rent-a-car's various service brands more effectively with customers, Mobility Friends consists of LOKI, representing long-term car rental, KOOKI, symbolizing short-term car rental, and MONGKI, which provides vehicle on-site maintenance service. LOKI embodies the image of a rental expert who provides customers with various benefits and differentiated services, KOOKI embodies a positive traveler with a free spirit, and MONGKI embodies the image of a genius mechanic responsible for safety. Through these Mobility Friends, LOTTE rent-a-car will further strengthen communication with customers by helping them use our services more friendly at offline contact points, communicating closely with customers, and increasing accessibility.



### Launch of My car Free Return/Acquisition-Type Products

In September 2024, MyCar launched My car Free Returns, which allows customers to freely return new cars with a 12-month or longer long-term rental period without penalty fees. This is a customized product for customers who value the new car experience or whose lifestyle changes frequently, as it can be returned before the contract period is completed. We also launched My car Purchase which allows you to own your own car for a low monthly rental fee. Depending on the vehicle type, the monthly rental fee is up to 25% lower than the existing acquisition option, expanding the choices so that customers who are looking for reasonable consumption and find monthly rental fees burdensome can also use the vehicle.

### Enhanced Benefits of My car Membership Driver Insurance

As part of its customer-centered management efforts, LOTTE rent-a-car is introducing and providing driver's insurance to individual customers using long-term car rentals for the first time in the industry in February 2025. As a benefit of My car Membership, a membership platform for customers using long-term personal rental cars, we provide free support for up to one year during the contract period and provide coverage for accidents not only while driving, but also while walking and while riding, allowing customers to use rental cars more safely. My car Membership provides vehicle-related information support such as contract management, vehicle status check, and on-site maintenance request, as well as mobility partnership services such as fueling, EV charging, and car washing. In addition, we support customers' comfortable car usage by strengthening benefits for lifestyle-related affiliate services such as home shopping, hotels, resorts, and golf.

### Biz car Wrapping Service

Starting in August 2024, Biz car is providing vehicle wrapping services to corporate clients so that they can design the exterior of their long-term rental vehicles to suit their business type and use it to promote their business. This is a customized service for corporate customers that allows customers to design their own vehicles using over 200 designs, logos, images, texts, etc., allowing them to use customized vehicles and promote their business at the same time during the contract period.



## Customer Satisfaction Development of Customized Products/Services

### LOTTE rent-a-car My Chauffeur

The My Chauffeur service, which includes an experienced driver with the car, is a premium service that provides customers with a comfortable and safe travel experience without worrying about driving, and can actively be used for family trips, group trips, golf trips, ceremonial occasions, etc. In order to help foreign tourists visiting Korea move more conveniently, we are expanding the service area from central Seoul to Jeju Island, airports across the country, and KTX stations, and are strengthening our services by expanding partnerships with corporate customers and major hotels, including the launch of the Jeju My Chauffeur product in July 2024. In the future, we plan to expand partnerships with hotels, travel agencies, and global OTAs (Online Travel Agencies) in Jeju Island to provide easier service usage experiences to not only Koreans but also foreigners.

### Monthly rentals, "My car M"

Our monthly rental service is a monthly car rental service targeting the mid-market between short-term rentals (daily) and long-term rentals (1 year or more). We provide customized rental and convenience services according to the required period for those who need a vehicle experience before purchasing a new car or for long-term business trips or domestic stays, and are renewing the service by rebranding it as "My car M" in October 2024. We are currently operating a monthly rental online specialty sales center (Bucheon), and we plan to improve our services by improving the website UI/UX and introducing direct sales in the first half of 2025 so that customers can use our monthly rentals more easily and reasonably.

### Enhancing Services for Foreign Tourists

LOTTE rent-a-car has revamped its English website and opened new Japanese and Chinese websites to provide convenience to foreign tourists visiting Korea when using rental cars. In 2024, LOTTE rent-a-car's foreign customers increased by 28% compared to the previous year, and in line with this growth trend, the number of affiliate channels increased from 2 to 6 (Hertz, Booking.com, Klook, Trip.com, Discover Car, KKday) to improve accessibility. We also created a manual for handling foreign customers and distributed it to the field to improve the convenience of car rental services. In addition, we are promoting the introduction of a real-time reservation system with each affiliated channel so that foreign tourists can enjoy domestic travel more conveniently, and are strengthening our services in various ways, such as expanding the range of choices by expanding My Shopper products in the inland and Jeju Island.



# Shared Growth with Partners Partner Management

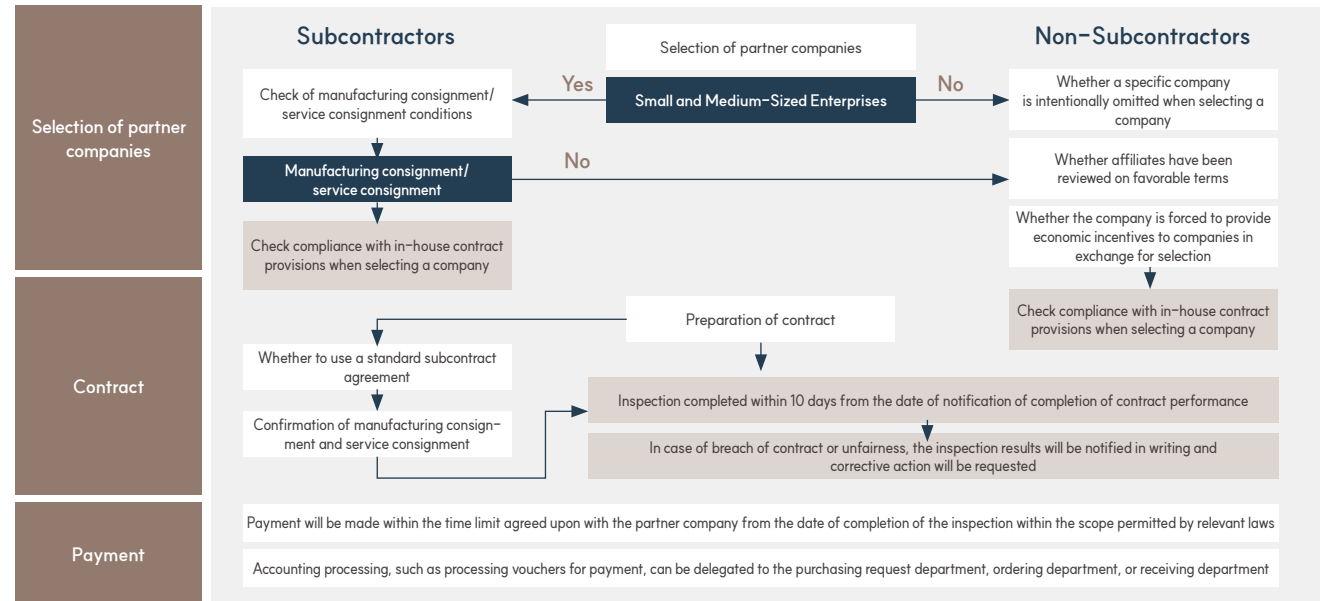
## Partner Selection Management Guidelines

LOTTE rental recognizes that all partners are partners for creating common achievements based on fair partnerships, and has established and implemented Partner Selection Management Guidelines to actively seek out and attract partners with excellent qualifications. These management guidelines include criteria and procedures for determining qualified companies, objective evaluation of the work capabilities and quality of partners, and criteria for determining and sanctioning dishonest companies. The assessment indicators are reflected as fair, reasonable, and objective, and they clearly stipulate the management and interim inspection of the company during the partnership period, as well as the prohibition of rebate fees. These contractual provisions and criteria for selecting and managing partners are posted on the company's website to provide convenience in forming partnerships with the company, and LOTTE rental will continue our efforts to manage partners and maintain partnerships.

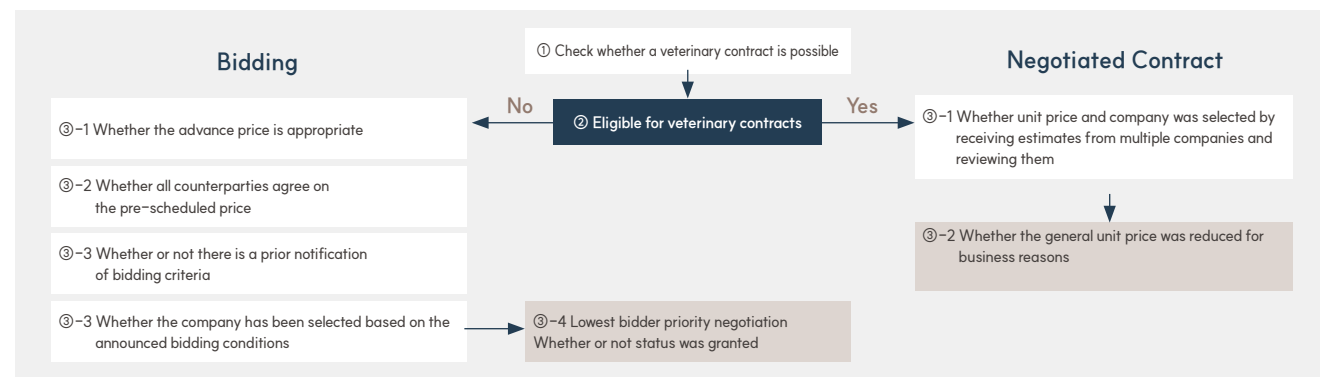
## Implementation System

LOTTE rental cooperates with various business partners to provide the best service to our customers and selects partners based on the following system. In order to secure target price competitiveness when entering into a purchase contract, we prioritize the fairness of competitive bidding, designated competitive bidding (or limited competitive bidding). However, in selecting the best partners, we may also consider the use of subcontracts in accordance with our internal "Contract Regulations." This requires necessity and rationality, meets the company's internal standards, and ensures the execution standards for veterinary contracts and transaction eligibility (capability). Additionally, before and after selecting a partner, we carefully check for conflicts of interest between the company and the partner (transactions between special related parties of the company) and concerns about abuse of transactional position, such as technology acquisition by abusing the partnership relationship. We consider fairness and ethical aspects in the process of selecting partners, and we continuously pursue management and improvement.

## Partner Selection Process



## Partner Bidding Process





# Shared Growth with Partners Partner Management

## Partner Evaluation and Monitoring

LOTTE auto care conducted quality evaluation once a year until 2024, focusing on maintenance partners' frequent delivery companies, taking into account maintenance costs (reduction), parts exchange rate (reduction), repair speed, customer and employee satisfaction, etc. Starting from 2025, it changed to evaluation four times a year to strengthen customer service.

We recognize maintenance companies with which we have cooperative relationships as important partners, and aim to strengthen the competitiveness of our partners and build long-term partnerships based on fair evaluation and mutual trust. We operate a regular partner evaluation system and, based on the evaluation results, provide various incentives and improvement opportunities, such as upgrades to grades, adjustments to unit prices, and stocking rates.

### Accident Maintenance Partner Evaluation Criteria

Accident maintenance partner evaluation items

Classification	Accident maintenance evaluation criteria		Points
Maintenance performance	Reduce maintenance costs per unit	Improvement rate compared to maintenance cost per unit	20
	Reduce parts maintenance costs	Improvement rate compared to parts maintenance cost	20
	Speed of repair	Average improvement rate in normal repair period/malicious repair period	20
Service performance	Level of customer satisfaction	Reflecting mobile satisfaction survey	20
	Employee satisfaction	Employee survey	20
	Customer VOC	Customer compliments and complaints	±5

Accident maintenance partner evaluation rating

Rating	Classification Criteria
Black (Special 1)	Manufacturer partner and specialized imported car repair shop
Red (Normal)	General business (all businesses except Black and White grades)
White (Special 2)	New contract (6 months) / G Car / Partial maintenance

Evaluation criteria (Review committee)

Classification	Evaluation score	Application
Grade increase	86 points or more OR Top 10%	Consider raising
Unit price adjustment	86 points or more OR Top 10%	Unit price increase review (White grade, gradual unit price increase)
Adjust the delivery rate	86 points or more	Review of adjustment of the admission rate
Companies subject to termination (lower unit price, etc.)	50 points or less	Review of termination of business and exclusion from re-contracting, downward adjustment of stocking ratio and unit price
Exceptions	50 points or less	Review of exceptions considering regional characteristics (e.g. island regions) and low prices

Management actions based on 2024 evaluation results

Classification	Number of companies	Application
Grade increase	80	Increase in hourly wages by each company
Increased acceptance rate	1	Increased stocking rate (5%)
Lowering the acceptance rate	2	Lowering the acceptance rate (5%)
Termination of contract	1	Termination of contract
Trophy Awarding	22	Top 22 Companies

## Partner Complaint Handling Process

LOTTE rental holds meetings with partners' managers and delivery drivers to listen to their complaints and difficulties. In April 2024, five agenda items were suggested through training and meetings for partner drivers, including improving the environment of the delivery center and improving the treatment of delivery drivers. The logistics support team has received the agenda items and is taking immediate action to improve items.

### 2024 Partner Complaints Receipt and Improvement Details



### Partner Meeting



# Shared Growth with Partners Partner Management

## Partner Support Program

### Incentive payment to partner delivery drivers

LOTTE rental provides a reward to the delivery driver with the highest satisfaction score at each delivery center to encourage a sense of belonging and motivation among delivery drivers who move the company's assets.

Through meetings with partners, we listened to opinions on expanding the existing reward system, and in 2024, we are changing the process to a grade system that takes into account the number of operations, number of VOC compliments/complaints, and completion of training, and are paying differentiated incentives. A total of KRW 25.32 million in incentives was paid out throughout 2024, increasing delivery drivers' satisfaction with the improved system and thus improving customer service quality.

Starting in 2025, the existing reward system will be improved again to provide differentiated incentives by classifying drivers into three grades (Master, Best, Good) based on the number of operations, number of VOC compliments/complaints, and training completion.

**Industrial accident prevention measures for contractors and suppliers**  
 LOTTE auto care places the highest priority on the safety of all workers, regardless of whether they are contractors or subcontractors, and actively implements measures to prevent industrial accidents.

To protect workers, we provide them with safety equipment to minimize risks that may arise during work. In addition, we operate special health and safety education, regular health and safety education, and MSDS (Material Safety Data Sheet) education to raise workers' safety awareness and maximize the actual effect of preventing industrial accidents.

### Support for Safety Management Training for Partners



## Supporting ESG Implementation by Partners

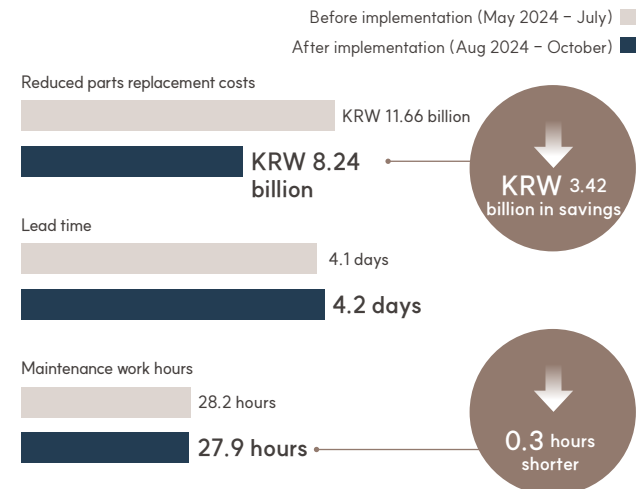
LOTTE auto care conducted a mutual management campaign for three months starting in August 2024 to achieve mutual growth and win-win management with its accident repair partners .

The campaign activities consist of four main parts : 1) suppressing parts exchange to save resources and reduce carbon emissions, 2) increasing transparency and establishing a fair and trustworthy collaboration system with partners by utilizing the artificial intelligence automobile insurance quotation system AOS Alpha, 3) securing supply and demand stability by collaborating with platform-ized glass companies, and 4) improving the speed of repairs by minimizing the maintenance process to improve the quality of services provided to customers.

### Campaign Participation Status

Participating Companies	Amount of support	Remarks
138 companies	KRW 5 million	Top 10 Company Awards

### Pre- and Post-campaign Evaluation Results

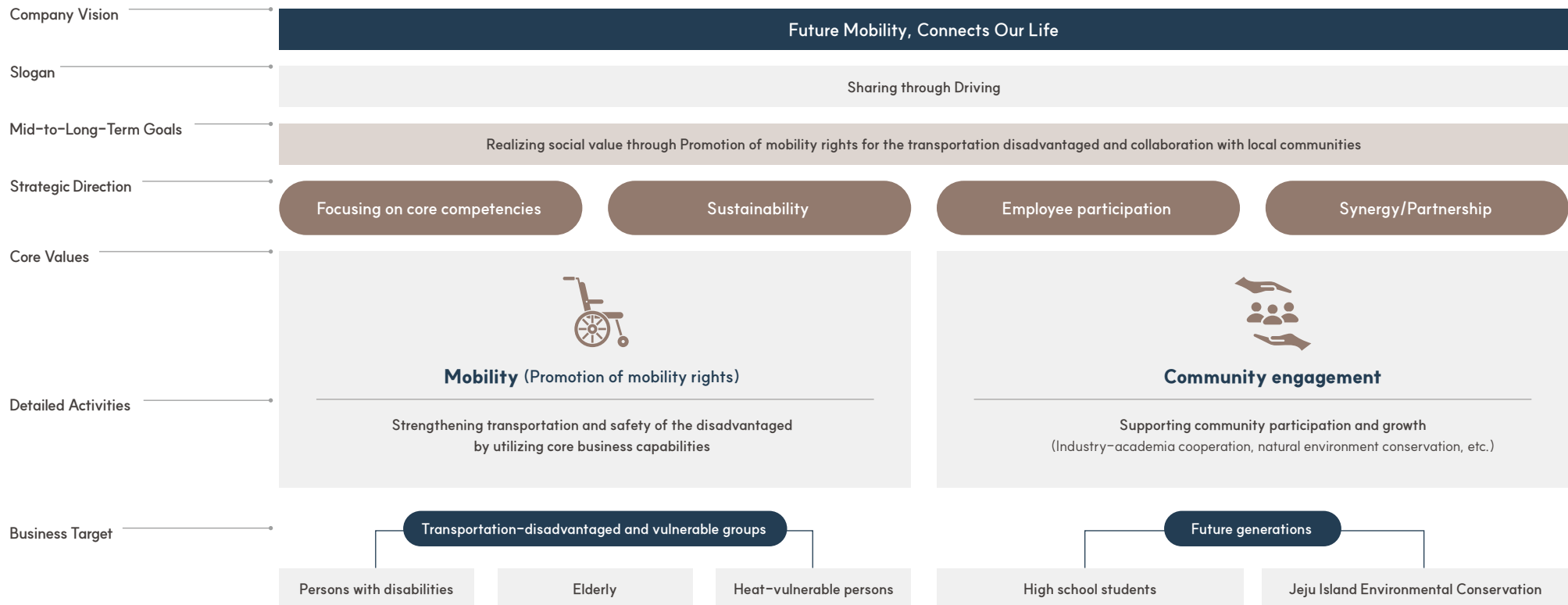


# Social Contribution Social Contribution Policy and Goals

## Social Contribution Strategies and Goals

Under the slogan of "Sharing through Driving", LOTTE rental carries out various social contribution activities with our employees to practice our core social contribution values of mobility (Promotion of mobility rights) and community participation (Community engagement). Based on the company's business characteristics and mobility capabilities, the company is actively promoting mutual prosperity programs that can create synergy with the local community. LOTTE rental will continue to fulfill our corporate social responsibility and strive to become a company that is seen as a role model by customers and society.

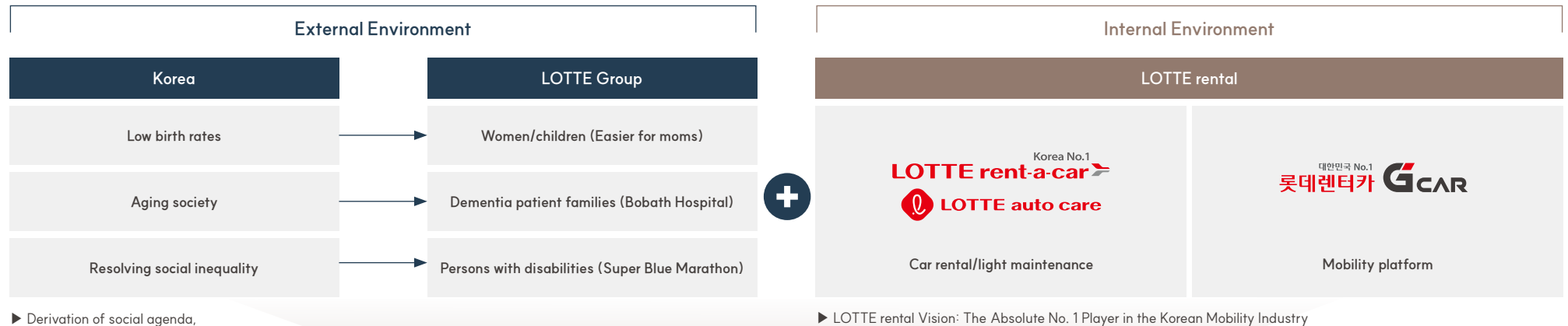
LOTTE rental Social Contribution Strategy System



# Social Contribution Social Contribution Policy and Goals

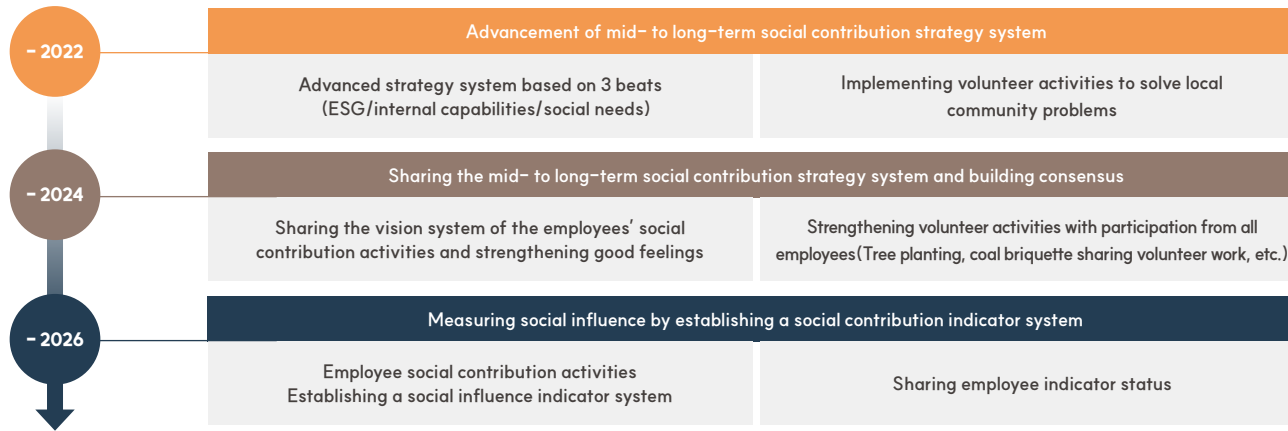
## Our Approach to the Social Contribution Strategy System

LOTTE rental is advancing our social contribution paradigm based on our core competencies of mobility and lifestyle. Based on the core competencies that the company currently possesses, we are pursuing the second generation of strategic social contribution. In the mid to long term, we will establish and implement a plan to transition to the third generation of socially innovative social contribution to create a better society. Ultimately, we aim to take the lead in creating a better society by realizing our new vision of becoming the "Absolute No. 1 Player in the Korean Mobility Industry", connecting precious life moments close to the lives of the persons and providing the best mobility experience.



# Social Contribution Social Contribution Policy and Goals

## Mid- to Long-term Social Contribution Plan



## Linking Priority Social Contribution Activities to UN SDGs

LOTTE rental has selected the following social contribution activities to effectively realize its mid- to long-term roadmap.



**13 CLIMATE ACTION**  
Climate change and response tailored to the characteristics of mobility companies

- Eco-friendly donation driving campaign (2018 - present)
- Love Coal Sharing Volunteer Activity



**10 REDUCED INEQUALITIES**  
Promotion of mobility rights for the transportation-disadvantaged tailored to mobility companies

- Implementation of a program to support travel for children with disabilities



**11 SUSTAINABLE CITIES AND COMMUNITIES**  
Community-based volunteer programs

- Employee Love Fund (donation to local disabled facilities)



# Social Contribution Social Contribution and Local Community Activities

## Social Contributions

### Eco-Friendly Donation Driving Campaign

LOTTE rental concluded our 7th rendition of the "Eco-Friendly Donation Driving Campaign" in 2024 and donated KRW 50 million to support assistive devices for children with disabilities. The Eco-Friendly Donation Driving Campaign is a customer participation campaign in which customers who rent an electric vehicle from Jeju Auto House donate KRW 50 per 1 km driven. This campaign, which has been held annually since 2018, has had a cumulative total of about 22,000 participants and a total of KRW 310 million won in donations. The eco-friendly donation driving will continue in 2025, its 8th year.

### Save the Children and support for vulnerable children

In February 2025, Greencar signed a Memorandum of Understanding (MOU) with Save the Children, an international children's rights NGO, to support vulnerable children. Through this agreement, the two companies will jointly promote a sponsorship campaign targeting underprivileged children and low-income families, and Greencar will support Save the Children's field work and child support activities by freely using business car sharing vehicles for 15,800 hours every month using the G car Pass. Greencar will continue to practice its corporate social responsibility by carrying out various social contribution activities utilizing its car sharing capabilities.



Eco-friendly donation driving campaign



Save the Children MOU



MyCar Happy Drive



Sharing Love Coal Briquettes

### LOTTE rental My car Happy Drive

Every year during Family Month, LOTTE rental operates the My car Happy Drive program, which accompanies and supports the travel of families with children with disabilities. In 2024, a 2-day, 1-night trip was held in Jecheon, North Chungcheong Province, with 10 families of children from the Bobath Children's Hospital of the LOTTE Medical Foundation and 36 executives and employees of LOTTE rental and its subsidiaries participating. The staff members worked as travel companions and participated in activities such as boarding a cruise ship, making Korean traditional sweets, wearing hanbok, and watching performances with their families. This program focuses on providing special memories to families of children with disabilities who lack travel opportunities due to treatment and rehabilitation.

### Coal briquette sharing volunteer activity

LOTTE rental and its subsidiary executives and employees carried out a volunteer activity of sharing coal briquettes in the Jeongneung-dong area of Seoul on December 5, 2024. With the voluntary participation of about 80 employees, a total of 10,000 coal briquettes were directly delivered to 20 households (200 briquettes per household), for a total of 4,000 briquettes, and the remaining 6,000 briquettes were delivered through donations. The cost of purchasing coal briquettes is increasing every year, placing an additional burden on vulnerable groups with limited access to heating. Through this coal briquette giving service, LOTTE rental aims to continue our social contribution activities and sustainable social contribution activities to help local communities overcome the cold winter together.



# Social Contribution Social Contribution and Local Community Activities

## Local Coexistence Activities

### Sustainable talent development and regional coexistence activities

LOTTE auto care signed an MOU with the Seoul Central and Southern Technical Education Institutes to operate a customized talent development program. With the goal of activating youth employment and solving the problem of shortage of manpower in the automobile maintenance industry, we are providing young persons with practical experience in automobile maintenance through a one-on-one internship program. In 2024, we gave priority to hiring personnel verified through on-site programs to help them grow into professional maintenance personnel, and we are actively promoting the recruitment of visiting auto care mechanics.

### Jeju Island ocean environment purification activities

LOTTE rental executives and employees supported the on-site work of Jeju Auto House during the vacation season from August to September 2024 and carried out an environmental cleanup activity (plogging) to pick up trash on Jeju beaches and Olle Trail Courses 17 to 19. A total of 30 employees participated in environmental improvement activities over three sessions to preserve Jeju Island's natural environment and allow tourists to enjoy the blue sea and forest paths in a pleasant environment.

### Planting Trees for a Greener Tomorrow, a CO2 cleanup effort

In 2024, LOTTE rental employees started a new "Planting Trees for a Greener Tomorrow" activity to help clean up carbon dioxide emissions from cars and achieve carbon neutrality.

On Arbor Day, April 5, 168 employees from LOTTE rental and our subsidiaries took part in tree-planting activities at three locations in Korea- Seoul, Cheongju, and Changwon. They planted more than 780 oaks, burning bushes, and bridal wreaths at Noeul Park in Seoul, Yongjeong Forest Park in Cheongju, and Palyong Neighborhood Park in Changwon, helping to create urban forests.

When the trees newly planted by LOTTE rental employees grow, each tree will absorb 35.7g of fine dust, or 28kg per year, equivalent to the amount emitted by 16.5 diesel vehicles in a year. They will also absorb 6.6 kg of carbon dioxide per tree, or about 5.1 tons of carbon dioxide per year.

### Local child protection facility support activities

As a member of the local community, LOTTE auto care practices continuous communication. In May 2024, 11 staff members visited the child care facility "Yeongcheon Hope Center" located in Yeongcheon, Gyeongbuk, and performed volunteer activities such as providing meals and snacks to the children and assisting with vehicle maintenance in the center. In particular, this activity is carried out through the voluntary participation of LOTTE auto care's responsible maintenance technicians and managers in the Daegu and Gyeongbuk regions.

LOTTE auto care will continue to expand its presence within the local community and social contribution activities, starting with these activities, to fulfill its corporate social responsibility and provide practical support to places in need.



Jeju plogging



Planting Trees for a Greener Tomorrow



Local child protection facility support

# Information Security Information Security Management

## Implementation System

### Information security policies

LOTTE rental has established an Information security policy based on relevant laws and the group's Information security policy to respond to information security threats that may arise in various rental services. In addition, we quickly detect internal and external environmental changes and revise our Information security policy every year. The revised items are applied and disseminated throughout the company after approval by the CEO. The scope of this Information security policy includes all LOTTE rental employees, subsidiary employees, and business trustees, and we periodically conduct inspections and improvement measures to manage its application.

### LOTTE rental Information Security Regulations/Guidelines/Manual

Classification	Contents	Descriptions
Regulations	<ul style="list-style-type: none"> <li>Information Security regulations</li> </ul>	LOTTE rental Top Information Security Policies
Guidelines (5)	<ul style="list-style-type: none"> <li>Administrative Information Security Guidelines</li> <li>Technical Information Security Guidelines</li> <li>Physical Information Security Guidelines</li> <li>Privacy Policy</li> <li>Location Information Handling Management Guidelines</li> </ul>	Detailed instructions per protection category
Manuals (13)	<ul style="list-style-type: none"> <li>Server Security Manual</li> <li>DB Security Manual</li> <li>Individual PC Security Manual</li> <li>Risk Analysis and Information Asset Management Manual</li> <li>Network Security Manual</li> <li>Security System Security Manual</li> <li>Application Security Manual</li> <li>Outsourcing Management Manual</li> <li>Breach Incident Response Manual</li> <li>Emergency Planning and Disaster Recovery Manual</li> <li>Facility and Video Information Security Manual</li> <li>Mobile Security Manual</li> <li>Encryption Key Management Manual</li> </ul>	Guide for practical work by job

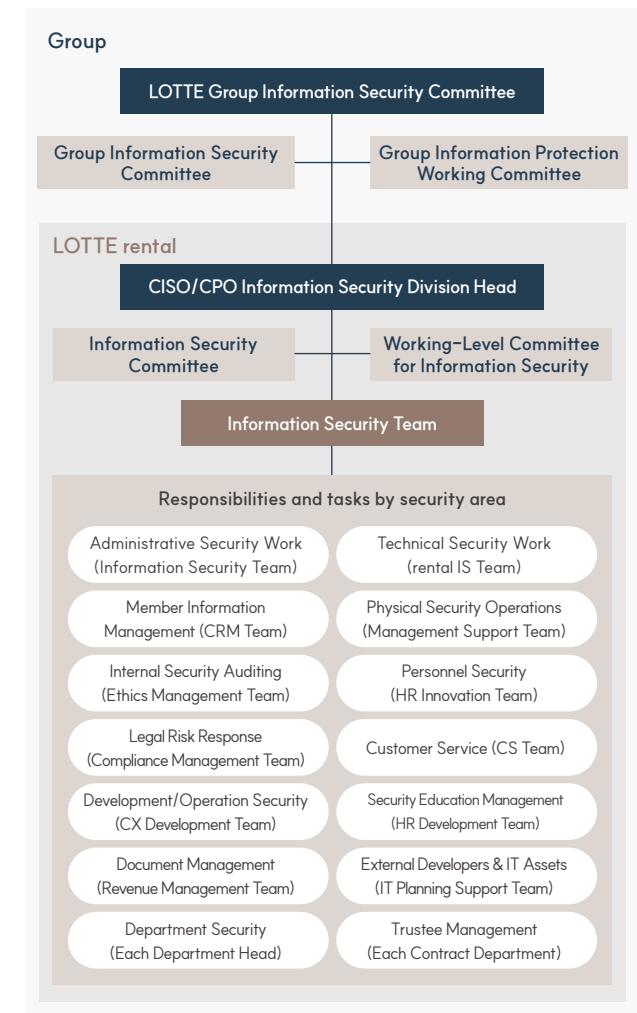
### Information Security organization

LOTTE rental's information security organization consists of the Information security Committee, which is comprised of executives and plays a role in discussing and deciding on major information security issues, the Information security Working Committee, which actually carries out information security tasks by role, and the Information Security Team, which plans and carries out/manages the organization's overall information security tasks. The Information Security Committee and Information Security Working Committee meet at least once a year to discuss compliance issues and major information security issues. In addition, a Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO) were appointed in compliance with legal requirements, such as qualifications and prohibition of holding other jobs, thereby enhancing their responsibility and professionalism.

### Information Security Team Major R&R

<b>Information Security Team</b> Personal Information	<ul style="list-style-type: none"> <li>Personal information Life Cycle management</li> <li>Security review of new development services</li> <li>Trustee security management</li> <li>Management of response to personal information leakage/exposure</li> <li>Collection/storage/use/destruction management of 23 personal information systems</li> <li>Security review based on 65 inspection items</li> <li>Security checks/improvement measures for approximately 400 trustees</li> <li>Monitoring the status of personal information processing</li> </ul>
<b>Information Security Team</b> Information Security	<ul style="list-style-type: none"> <li>Security system operation (26 types)</li> <li>Developing information security plans and strategies</li> <li>ISMS certification and Information Security disclosure management</li> <li>External/internal hacking and anomaly analysis</li> <li>Operation of security systems such as DRM, DLP, and IPS</li> <li>Operation of an Information Security Committee and Working Committee</li> <li>Establishment/operation of an employee information security management system</li> <li>Analysis of information leakage and hacking traffic</li> </ul>

### LOTTE rental Information Security Organization System



# Information Security Information Security Management

## Policy and Investment

### Security audits

LOTTE rental conducts periodic security audits, both internally and externally. As an external audit, the LOTTE Group Information Security Committee conducts an "Information Security Level Diagnosis" once a year to improve the level of information security of group companies and inspect the information security management system, and measures are taken to manage the improvement tasks identified through this.

In addition, as a mandatory entity for Information Security Management System (ISMS) certification in accordance with the law, we conduct an annual audit of LOTTE rental's entire information and communication service operation organization, personnel, and information and communication facilities, and through this, we renew/maintain mandatory ISMS certification.

As an internal audit, we conduct our own annual inspection of the company's information security status to check the information security compliance of each department and individual employee. We also conduct an inspection of the information security status of the personal information processing trustee to confirm that the personal information of customers and employees is managed safely and make improvements to any insufficient areas.

### Certifications



Certification name	ISMS
Validity Period	December 6, 2023 - December 5, 2026
Range of Certification	rentals (automobiles, general, consumer goods), auction and recruitment services

### In-house Information Security Activities

Security Day	<ul style="list-style-type: none"> <li>Self-inspection activities for security by department, such as PCs and documents</li> <li><b>Interval:</b> Once a month (second week of every month)</li> <li><b>Topic:</b> Conduct security checks by department on the issues of the month</li> <li><b>Major inspection items</b> <ul style="list-style-type: none"> <li>Check CCTV operation management status</li> <li>Check mobile device operation management status</li> <li>Check whether resident registration numbers are masked in the document</li> <li>Check whether personal information has been deleted from PCs</li> <li>Check for installation and use of unauthorized/illegal software</li> <li>Check the management status of consignees</li> </ul> </li> </ul>
Group simulation virus training	<ul style="list-style-type: none"> <li>Sending training emails similar to the latest email attack trends</li> <li><b>Interval:</b> Once a quarter (unannounced)</li> <li><b>Effect:</b> Increased ability to respond and alertness to actual malicious attacks</li> <li><b>Precautions</b> <ul style="list-style-type: none"> <li>Do not click on links or attachments in emails that are not related to work</li> <li>Check the sender to check if the email is work-related</li> <li>If you receive an email suspected of being malicious, report it to the Information Security Team email (secu119@lotte.net)</li> <li>In case of violation, request a written explanation for violation of security regulations</li> </ul> </li> </ul>
Company-wide security check	<ul style="list-style-type: none"> <li>Identifying vulnerable areas in department security management and improving them through supplementary measures</li> <li><b>Interval:</b> Once a year</li> <li><b>Major inspection items</b> <ul style="list-style-type: none"> <li>Delete unnecessary personal information from work PCs</li> <li>Check whether resident registration numbers are masked in the document</li> <li>Check whether there is consent for collection/use within the contract</li> <li>Check CCTV operation management status</li> <li>Check the status of office security management (check whether documents containing personal information are left unattended, when the desk is empty, and whether drawers are locked)</li> </ul> </li> </ul>

### Information security investment and disclosure

In order to provide safe services, guarantee users the right to know, and present criteria for objective corporate selection, LOTTE rental has been disclosing the status of information security, including information security investment amounts, personnel status, information security certification, and user information security activity history, through the Electronic Disclosure System (ISDS) of the Ministry of Science and ICT since 2021. In 2024, 5.0% of the total IT budget was invested.

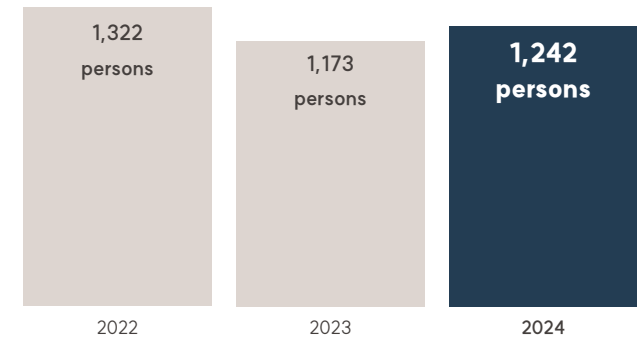
[Information Protection Disclosure Inquiry \(LOTTE rental, 2024\)](#)

### Easy-to-understand privacy policy

In order to protect the rights of personal information subjects, LOTTE rental has created an "Easy-to-Understand Personal Information Processing Policy" that enhances convenience and readability so that anyone can easily read and understand the existing text-based personal information processing policy, and has posted it on our website.

[Easy-to-Understand Personal Information Processing Policy](#)

### Current status of employee information security training participation



# CORPORATE GOVERNANCE



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# Shareholder Management Shareholder Governance Structure

## Stocks and Capital Structure

LOTTE rental's largest shareholder is HOTEL LOTTE Co., Ltd., and together with LOTTE hotel Busan Co., Ltd., we make up the majority of shareholders. The total number of LOTTE rental shares issued is 36,309,338, all of which are common stocks, and equal voting rights are granted according to the number of shares.

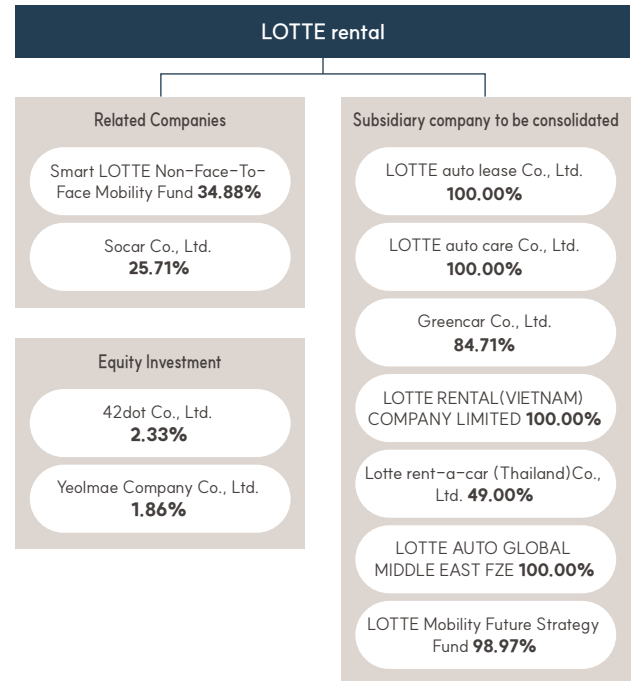
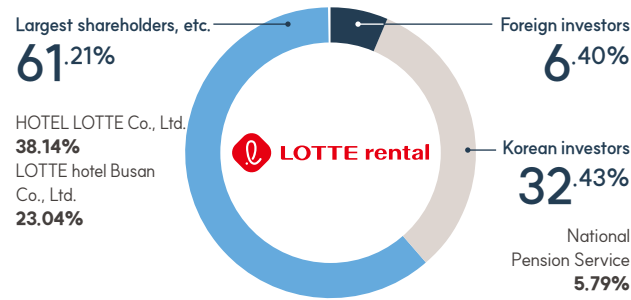
[Corporate Governance Charter](#)

## Current Stock Holdings

(As of the end of 2024)

Name of Shareholders		Number of Shares Held	Equity Ownership (%)
Largest shareholder	Subtotal	22,224,223	61.21
	HOTEL LOTTE Co., Ltd.	13,846,833	38.14
	LOTTE hotel Busan Co., Ltd.	8,365,230	23.04
	Other related persons	12,160	0.03
Employee Stockholders' Association		1,025,826	2.83
Other		13,059,339	35.97
Total		36,309,388	100.00

(As of the end of 2024)



# Shareholder-Friendly Policies and Protection of Rights and Interests

## Dividend Policy

LOTTE rental pursues a stable dividend policy based on management performance and strives to ensure that increasing corporate value leads to maximizing shareholder value from a long-term perspective.

At the Annual General Shareholders' Meeting in March 2024, the Articles of Incorporation were amended to allow the dividend payment record date to be set after the dividend is confirmed in accordance with global standards.

In addition, at the "CEO IR DAY" in July and the "Corporate Value Enhancement Plan" announcement in September, the company announced that we would return more than 40% of its annual consolidated net income to shareholders through dividends and acquisition/cancellation of treasury stocks for three years including 2024.

In 2024, the company completed the acquisition and cancellation of treasury stocks worth approximately KRW 9.9 billion, equivalent to 9.3% of consolidated net income, and achieved a consolidated cash dividend payout ratio of 40.8%. Accordingly, we achieved a total shareholder return of 50.1%, exceeding our target fulfillment rate for 2024.

\*The consolidated net income for the dividend policy is based on the equity of the owners of the parent company.

# Shareholder Management Shareholder-Friendly Policies and Protection of Rights and Interests

## Dividend Policy and Implementation Results

Classification	Details
Target period	Total 3 years from FY2024 to 2026
Goal	Return of more than 40% of annual consolidated net income
Metrics	Annual consolidated net income
Results for 2024	<p><b>Achieved a shareholder return of 50.1%</b></p> <ul style="list-style-type: none"> <li>Completed acquisition/burning of treasury stock worth approximately KRW 9.9 billion (9.3% of consolidated net income)</li> <li>Consolidated cash dividend payout ratio of 40.8%</li> </ul>
Performance rate compared to target	Performance 50.1 / Target 40 = <b>125.3%</b>

## Dividend Performance

Classification	Unit	2021	2022	2023	2024
(Separate) Net profit	KRW 100 million	947	780	1,097	<b>705</b>
(Consolidated) Net income	KRW 100 million	1,188	944	1,120	<b>1,068</b>
Total dividend amount	KRW 100 million	330	330	440	<b>436</b>
Dividend per share	KRW	900	900	1,200	<b>1,200</b>
(Separate) Dividend payout ratio	%	34.8	42.3	40.1	<b>61.8</b>
(Consolidated) Dividend payout ratio	%	27.8	34.9	36.6	<b>40.8</b>
Dividend yield	%	2.1	3.2	4.3	<b>4.2</b>

## Dividend Information

\* Listed on the Korea Exchange in August 2021

\* Consolidated net income for dividend policy and dividend performance is based on the equity of the parent company.

## Electronic Voting

In order to improve the convenience of exercising shareholder voting rights, LOTTE rental decided to introduce an electronic voting system at the board meeting in February 2023 and entrusted the management of the system to the KOREA SECURITIES DEPOSITORY.

The notice of convocation of the general shareholders' meeting includes a provision that voting rights may be exercised electronically, and shareholders who own voting shares on the last day of each fiscal year may exercise their voting rights through the electronic voting system provided by the Korea Deposit Insurance Corporation without attending the general shareholders' meeting in person.

Approximately 9.7% of the voting rights cast at the 20th Annual General Meeting of Shareholders (March 26, 2025) were cast using electronic voting, and the usage rate is increasing every year.

## Convening General Meetings of Shareholders and Exercising Voting Rights

In accordance with Article 363 of the Commercial Act and Article 22 of the Articles of Incorporation, LOTTE rental stipulates that when calling a shareholders' meeting, the date, location, and purpose of the meeting be notified at least two weeks prior to the shareholders' meeting so that shareholders can exercise their voting rights after sufficiently reviewing the agenda.

When the 20th Annual General Meeting of Shareholders was held, we provided information about the meeting and agenda items in various ways, including sending out notices of the meeting, publicizing the "Shareholders' Meeting Convocation Notice" through the electronic disclosure system, and posting the convocation notice on the LOTTE rental website. We also provided various methods of exercising voting rights, including electronic voting and proxy voting, to all shareholders.

[Results of the Vote of the 20th Annual General Meeting of Shareholders](#)

## Transparent Notice of Information

In order to ensure sufficient timeliness and effectiveness in the investment decision-making process of shareholders, we faithfully disclose all matters related to company operations as required by relevant organizations.



FINANCIAL SUPERVISORY SERVICE



Fair Trade Commission



- Distribution Disclosure**  
 Periodic reports (business, semi-annual, quarterly), key reports, etc.
- Public Notice of Issuance**  
 Securities report, investment prospectus, etc.
- Share Disclosure**  
 Report on the status of large-scale holdings of stocks, etc., report on the status of ownership of specific securities, etc. by executives and major shareholders

- Periodic Disclosure**  
 Disclosure of status of large corporate groups (annual disclosure, quarterly disclosure)
- Periodic Disclosure**  
 Disclosure regarding large-scale internal transactions

- Key Management Matters**  
 Disclosure of business, financial, and management matters
- Fair Disclosure**  
 Quarterly provisional performance disclosure, etc.
- Voluntary Disclosure**  
 Disclosure of plans to increase corporate value, other decisions, etc.



# Board of Directors Board of Directors and Management

## Management Team Configuration



### CEO Jin-hwan Choi

CEO Jin-hwan Choi has been leading LOTTE rental's continuous growth by strengthening its core business competitiveness and discovering new businesses in response to the rapidly changing market environment, all based on his accumulated insight, will to innovate, and strong execution ability as a representative of various industries over the past 10 years.

#### Brief History

(Current) CEO of LOTTE rental Co., Ltd.  
(Former) CEO of SK Broadband  
(Former) CEO of ADT Caps  
(Former) CEO of Hyundai Life Insurance



### CSO Jang-seop Lee

CSO Jang-seop Lee has served as the head of LOTTE rental new business team, strategic planning team, finance department head, and planning department head. Based on his deep understanding of the business and abundant experience, he establishes and implements LOTTE rental's vision and mid- to long-term strategies.

#### Brief History

(Current) Head of Planning Department, LOTTE rental  
(Former) Head of Finance Department, LOTTE rental  
(Former) Strategic Planning Team Leader, LOTTE rental  
(Former) New Business Team Leader, LOTTE rental

## Board of Directors Configuration

As of the end of March 2025, LOTTE rental's Board of Directors consists of seven members: two internal directors, one non-executive director, and four external directors. The total number of directors is maintained at 3 to 7 in accordance with the Commercial Act and the Articles of Incorporation, and among them, external directors make up at least 3 and a majority of the total number of directors. External directors are verified experts in various fields, including management, accounting, tax, and marketing, and they perform a supervisory role over LOTTE rental's overall management and lead rational decision-making from a sustainable management perspective. To ensure that Board decisions are promptly implemented in management, the CEO concurrently serves as chairman, and to strengthen the balance and checks and balances within the Board of Directors, the senior external director system was introduced in March 2024.

### Board of Directors Configuration

#### Current Makeup of the Board of Directors

(As of the 20th Annual General Meeting of Shareholders' date on March 26, 2025)

Classification	Name	Gender	Academic Background	Experience	Term of Office	2024 Participation Rate
Chair of the Board Internal Directors CEO and President	Jin-hwan Choi	Male	Seoul National University, Economics	(Current) CEO of LOTTE rental Co., Ltd. (Former) CEO of SK Broadband (Former) CEO of ADT Caps	March 25, 2027	100%
Internal Directors	Jang-seop Lee	Male	Yonsei University, Public Administration	(Current) Head of Planning Department, LOTTE rental (Former) Head of Finance Department, LOTTE rental (Former) Strategic Planning Team Leader, LOTTE rental	March 25, 2027	100%
Other non-executive director	Young-jun Choi	Male	Pusan National University, Accounting	(Current) Manager of LOTTE Corporation Finance & Innovation Office's Team 2 (Former) Head of Shopping Finance Division, LOTTE Group Distribution Group HQ (Former) Head of Finance, LOTTE Shopping	2027 March 25	80%
Senior External Director	Seung-won Yoo	Male	Seoul National University, Business Administration Seoul National University, Business Administration (Master's) University of Wisconsin-Madison, Accounting (Ph.D.)	(Current) Professor, Korea University Business School (Accounting) Current HD Hyundai Mipo External Director (Former) Head of the Korean Accounting Association (Former) External Director of Kookmin KB Bank (Former) Assistant Professor, Hong Kong University of Science and Technology	March 25, 2026	100%
External Director	Jung-wook Choi	Male	Seoul National University, Business Administration Seoul National University, Business Administration (Master's) University of Washington, Taxation and Accounting (MA)	(Current) President of BnH Tax Corporation (Former) Commissioner of Incheon Regional Tax Office (Former) Director of Tax Collection Legal Bureau, National Tax Service (Former) Director of International Tax Bureau, National Tax Service	March 25, 2026	100%
External Director	Soo-kyung Park	Female	Seoul National University, Department of Home Economics Seoul National University, Consumer Studies (Masters) Seoul National University, Consumer Studies (Ph.D.)	Current CEO of Duo Information Former Seoul City Policy Advisor Former Amorepacific Customer Strategy Director	March 25, 2027	2025 New Senior
External Director	Bok-in Baek	Male	Yeungnam University, Landscape Architecture Chungnam National University, Business Administration (Masters)	Current KT&G Management Advisor Former KT&G CEO Former KT&G Production R&D Division Head/Strategy Planning Headquarters Head	March 25, 2027	2025 New Senior

## Board of Directors Board of Directors Operations

### Independence of the Board of Directors

LOTTE rental has established a system in which more than half of our Board members are external directors. We also introduced senior external director system, thereby institutionalizing the ability of the Board of Directors to independently supervise and make decisions on the management activities of the management and controlling shareholders.

External directors are appointed after a thorough review of transaction history with LOTTE rental, shareholding status, and other legal disqualifications, and then through deliberation by the External Director Nomination Committee and general shareholders' meeting.

In addition, internal transactions above a certain size are deliberated through the Transparent Management Committee, thereby preventing independence issues that may arise when board members conduct transactions with affiliates and special related parties.

### Board Expertise and Diversity

LOTTE rental's Board of Directors is comprised of directors with expertise in various fields, including management, accounting, taxation, and marketing. Each director provides opinions based on their own expertise and experience, and the Board of Directors is organized to enable strategic decision-making from a comprehensive perspective.

We also pursue diversity by respecting it without any limitations on race, gender, age, nationality, religion, disability, region, or political orientation. Since the appointment of a new female external director at the general shareholders' meeting on May 28, 2021, we have maintained gender diversity. As of March 2025, one female external director is participating in management decision-making from the perspective of an entrepreneur with business expertise.

### Standards and Procedures for Appointing External Directors

LOTTE rental manages candidates for external directors in accordance with group policy. When recommending external director candidates each year, we consider factors such as suitability for the company's management policy and whether the candidate possesses specific expertise that is in line with the purpose of the external director system. Prior to appointment, the External Director Nomination Committee reviews whether there are any disqualification reasons as stipulated in the Commercial Act, the Enforcement Decree of the Commercial Act, and other related laws and regulations, and verifies expertise.

Decisions regarding the appointment of external directors are made in principle through the External Director Nomination Committee and general shareholders' meeting based on the Articles of Incorporation and Board of Directors Operation Regulations.

The initial term of office for external directors is two years, and to prevent risks arising from long-term tenure, the term of office is limited to six years.

### Competencies of the Board Members

(As of the 20th Annual General Meeting of Shareholders' date on March 26, 2025)

Competencies	Jin-hwan Choi	Jang-seop Lee	Young-jun Choi	Seung-won Yoo	Jung-wook Choi	Soo-kyung Park	Bok-in Baek	Percentage
Leadership	●	●	●	●	●	●	●	100%
Core business competencies	●	●	●			●	●	71%
ESG strategy	●	●		●	●	●	●	86%
Finance	●	●	●	●	●	●	●	100%
Accounting/Tax			●	●	●			43%
Marketing	●	●	●			●		57%
Global				●	●		●	43%
Independence				●	●	●	●	57%
Year of appointment	2025	2025	2025	2025	2024	2025	2025	
Gender	Male	Male	Male	Male	Male	Female	Male	Female 14.3%

### Procedure for Appointing External Directors

Procedure Contents	Topic	Duties
Composition of external director candidates	LOTTE Corporation and major group companies	Candidate pool management
Selection of external director candidates	LOTTE Corporation, External Director Nomination Committee	Selection of candidates, assessment of suitability and expertise
Recommendation of external director candidates	External Director Nomination Committee	Verification of qualifications, final candidate selection
Appointment of external director	General meeting of the shareholders	Appointment of external director

## Board of Directors Board of Directors Operations

### Strengthening the Board of Directors' Capacities

LOTTE rental strives to provide all Board members with sufficient information, including management status and agenda items, through a pre-report format prior to holding board meetings, and actively supports external directors in particular to make appropriate decisions.

In cases where an external director is needed, the Board of Directors' Operation Regulations and the Corporate Governance Charter clearly state that the necessary research and analysis costs and fees for data collection and analysis during the course of performing duties are to be paid and that advice from outside experts can be received.

In addition, in order to improve the efficiency of the role of external directors, we are conducting educational programs such as on-site visits to business sites, and in particular, to secure expertise in the work of the audit committee, we are conducting audit-related education hosted by an external professional organization at least once a year.

### Audit Committee Training Status

Training Date	Topic	Attending Audit Committee	Educational Content
2024. 08.14	Incorporated Association Audit Committee Forum	Seung-won Yoo Jung-wook Choi Nam-hoon Kwon	Understanding and the current status of virtual assets and the blockchain
2024. 08.27	Samjeong Accounting Corporation	Seung-won Yoo Jung-wook Choi Nam-hoon Kwon	Internal accounting management system and money Management
2024. 11.22	Samjeong Accounting Corporation	Seung-won Yoo Jung-wook Choi	Supervision of the Audit Committee's compliance (Analyzing major domestic and foreign case laws) Internal Control

\*Commissioner Nam-hoon Kwon resigned due to personal reasons (as of October 1, 2024)

### Committees in the Board of Directors

LOTTE rental operates with a total of five committees under the Board of Directors. To strengthen the management activity supervision function and ensure independent operation, all committee chairs are appointed as external directors, and the Audit Committee, Transparent Management Committee, and Compensation Committee are comprised entirely of external directors, while the External Director Nomination Committee and ESG Committee are comprised of a majority of external directors.

In particular, the ESG Committee has been operating with internal directors as its members since its establishment in 2021. As the actual manager of the company, we are demonstrating our commitment to ESG management by reviewing the direction of ESG management strategies and securing execution capabilities.

In addition, the Audit Committee is comprised of two accounting and finance experts, as defined in Article 37, Paragraph 2 of the Enforcement Decree of the Commercial Act, who serve as the chairperson and members, respectively, to ensure expertise.

### Committee Status

(Based on the 7th Board of Directors meeting date of April 21, 2025)

Classification	Roles and Permissions	Composition of Members	Number of Meetings Held in 2024
Audit Committee	Audit of the company's overall operations, including financial statements and internal accounting management	Seung-won Yoo, External Director (Chairman) <sup>1)</sup> Jeong-wook Choi, External Director <sup>2)</sup> Bok-in Baek, External Director	8
Transparent Management Committee	Strengthening the company's internal control over transactions with affiliates and special related parties through review of large-scale internal transactions above a certain scale	Bok-in Baek, External Director (Chairman) Seung-won Yoo, External Director Soo-kyung Park, External Director	2
External Director Nomination Committee	Verifying the independence, diversity, and capabilities of external director candidates and selecting qualified candidates Recommending external director candidates to the general shareholders' meeting	Soo-kyung Park, External Director (Chairman) Bok-in Baek, External Director Jang-seop Lee, Executive Director	1
Compensation Committee	Ensuring objectivity and transparency in the process of determining director compensation through determining compensation limits and individual compensation approval	Jeong-Wook Choi, External Director (Chairman) Seung-won Yoo, External Director Soo-kyung Park, External Director	3
ESG Committee	Decision-making and establishing the direction of the company's ESG management strategy Internalizing sustainable management through monitoring of implementation tasks	Jeong-Wook Choi, External Director (Chairman) Soo-kyung Park, External Director Jang-seop Lee, Executive Director	5

1)Accounting or financial expert under Article 37, Paragraph 2 of the Enforcement Decree of the Commercial Act, serving as the Chairman of the Audit Committee from May 28, 2021

2)Accounting or financial expert under Article 37, Paragraph 2 of the Enforcement Decree of the Commercial Act, serving as a member of the Audit Committee from March 26, 2024

# Board of Directors Board of Directors Operations

## Board of Directors Evaluation

LOTTE rental regularly conducts Board evaluations in accordance with Article 11 of the Corporate Governance Charter. We operate a self-evaluation method for external directors, who are the main body of Board activities, for 18 detailed indicators, and disclose the evaluation cycle, method, items, implementing body, and results in the corporate governance report and on the company website. The evaluation results serve as basis for improvement, including establishing new board-related regulations and improving operational processes.

**Board of Directors Evaluation**

### Evaluation Key Information

Classification	Contents
Evaluation cycle	Once a year
Assessment method	Self-assessment
Evaluation subjects	External Director
Scoring	1 to 5 points per question and average by item

## Evaluation of Committees Within the Board of Directors

Committee evaluation is conducted in parallel with the Board evaluation categorized as a separate item called "Committees Within the Board of Directors."

We conduct a self-evaluation of external directors once a year on seven detailed indicators, including committee composition, compliance with committee operation regulations, and expertise and transparency of each committee.

Evaluation Items	Detailed Indicator Content	Evaluation Results
Committees in the Board of Directors	<ul style="list-style-type: none"> <li>Committee composition</li> <li>Compliance with operating regulations</li> <li>Expertise &amp; transparency by committee, etc.</li> </ul>	4.98

### 2024 Evaluation Items and Results

Evaluation Items	Detailed Indicators	Evaluation Results
1. Roles and responsibilities of the Board of Directors	Roles, responsibilities	5.00
2. Board of Directors structure	Composition, independence	4.83
3. Operation of the Board of Directors	Operating procedures, agenda items, information collection, meeting management, training	4.94
4. Committees in the Board of Directors	Committee structure, committee operations, and individual committee information	4.98
5. Board of Directors Evaluation and Improvement	Evaluation, improvement	5.00
		Overall rating 4.95

## Evaluation of Individual External Directors

LOTTE rental conducts evaluations of each external director to strengthen their responsibilities and verify their work capabilities, and reflects this in the decision to reappoint them.

We outline comprehensive opinions along with evaluations of Board contribution, internal and external influence, expertise, and positivity, and evaluation is conducted once a year by the dedicated department of the External Director Nomination Committee.

## Board of Directors Compensation

LOTTE rental evaluates the management activities of the Board of Directors and appropriately reflects the results in compensation. Compensation of the Board shall be executed within the total director compensation limit approved by the general shareholders' meeting.

The compensation of inside directors, including the CEO, is calculated and paid as a "base annual salary" that reflects rank, length of service, and position, and a "variable pay (performance pay)" that comprehensively evaluates quantitative indicators such as sales and operating profit and non-quantitative indicators such as leadership, ethical management, and contribution to the company. In particular, we set KPIs that reflect ESG factors and reflect the results of their implementation in performance-based pay.

External directors' compensation is paid equally to all without linking their evaluation and compensation to take into account the possibility of hindering independence. To ensure fair and transparent compensation, director and executive compensation is deliberated and decided through the Compensation Committee.

- 1st Compensation Committee in 2024
  - Payment of performance-based bonuses to the CEO and internal directors
- 2nd Compensation Committee in 2024
  - Approval of compensation limit for unregistered executives
  - Approval of individual compensation for registered directors

### 2024 Director Compensation Status

Unit: KRW 1 million

Number of persons	Total Amount of Compensation	Average Salary Per Person
9 persons	1,815	202

\*Based on all registered executives who were in office or retired during the current fiscal year  
 \*Other average compensation including unpaid salaries includes two non-executive directors  
 \*Calculated by dividing the total salary per person by the number of persons  
 \*The total director compensation limit for 2024 and 2025 is 3 billion won each.

## Board of Directors Board of Directors Operations

### 2024 Board of Directors Operations

The LOTTE rental Board of Directors met 14 times in 2024, deliberated and decided on a total of 78 agenda items (49 resolutions and 29 reports), and the attendance rate for 2024 was 96.7%.

Date	Meeting	Classification	Number	Agenda Items	BOD Result	Attendance
January 11	1st	Resolution	1	Approval of donations to the Community Chest of Korea	Approved as proposed	7/7
		Resolution	2	Approval of establishment of health and safety plans for 2024	Approved as proposed	
		Resolution	3	Approval of branch change	Approved as proposed	
February 7	2nd	Report	1	Report on the results of the first audit committee	Report completed	7/7
		Report	2	Report on 1st Transparent Management Committee results	Report completed	
		Report	3	Report on 1st Remuneration Committee results	Report completed	
		Resolution	1	Approval of donations to LOTTE Foundation for Arts	Approved as proposed	
		Resolution	2	Approval of the 19th financial statements and business report	Approved as proposed	
		Resolution	3	Approval of current fund management issues	Approved as proposed	
		Resolution	4	Regarding the resignation and appointment of the manager	Approved as proposed	
		Resolution	5	Approval of branch change	Approved as proposed	
February 22	3rd	Report	1	Management status report	Report completed	7/7
		Resolution	1	Approval of the conclusion of the asset transfer contract	Approved as proposed	
March 5	4th	Report	1	Report on the results of the 2nd Audit Committee	Report completed	7/7
		Report	2	Report on the operation status of the internal accounting management system of the CEO	Report completed	
		Report	3	Report on the evaluation of the internal accounting management system of the Audit Committee	Report completed	
		Report	4	Report on 2nd Remuneration Committee results	Report completed	
		Report	5	Report on the results of the first External Director Nomination Committee	Report completed	
		Resolution	1	Approval of changes to the 19th financial statements and business report	Approved as proposed	
		Resolution	2	Approval of local loan payment guarantee for Vietnam branch	Approved as proposed	
		Resolution	3	Approval of provision of supplementary funds for LOTTE auto lease's fund borrowing	Approved as proposed	
		Resolution	4	Approval of purchase of parking lot assets for export	Approved as proposed	
		Resolution	5	Nomination of director candidates	Approved as proposed	
		Resolution	6	Appointment of Jeong-wook Choi as external director to become Audit Committee member	Approved as proposed	
		Resolution	7	Approval of the 20th director remuneration limit	Approved as proposed	
		Resolution	8	Changes made to the Articles of Incorporation	Approved as proposed	
		Resolution	9	Approval of revision of private regulations	Approved as proposed	
Resolution	10	Convening the 19th Annual General Meeting of Shareholders and determining the purpose of the meeting	Approved as proposed			

## Board of Directors Board of Directors Operations

### 2024 Board of Directors Operations

Date	Meeting	Classification	Number	Agenda Items	Board of Directors Results	Attendance
March 26	5th	Resolution	1	Regarding the appointment of a senior external director	Approved as proposed	7/7
		Resolution	2	Appointment of members of the Transparent Management Committee	Approved as proposed	
		Resolution	3	Appointment of members of the External Director Nomination Committee	Approved as proposed	
		Resolution	4	Appointment of members of the Remuneration Committee	Approved as proposed	
		Resolution	5	Appointment of members of the ESG Committee	Approved as proposed	
		Resolution	6	LOTTE Golf Club advertising sponsorship	Approved as proposed	
April 29	6th	Report	1	Report on 2nd Transparent Management Committee results	Report completed	7/7
		Report	2	Report on the results of the 1st and 2nd ESG Committees	Report completed	
		Report	3	Report on 3rd Remuneration Committee results	Report completed	
		Report	4	Appointment of management executives	Report completed	
		Resolution	1	Approval of donations to the Korea Ski & Snowboard Association	Approved as proposed	
		Resolution	2	Approval of branch change	Approved as proposed	
May 29	7th	Report	1	Regarding the withdrawal of purchase of parking lot assets for export	Report completed	7/7
		Report	2	Report on the results of the 3rd Audit Committee	Report completed	
		Resolution	1	Approval of establishment of UAE overseas subsidiary	Approved as proposed	
		Resolution	2	Regarding approval for ISO 37301 & ISO 37001 integrated certification	Approved as proposed	
		Resolution	3	Approval of branch change	Approved as proposed	
June 24	8th	Resolution	1	Regarding participation in LOTTE Open sponsorship	Approved as proposed	6/7
		Resolution	2	Approval of branch change	Approved as proposed	
July 23	9th	Report	1	Report on 3rd ESG Committee results	Report completed	7/7
		Report	2	Report on entry into the used car retail market	Report completed	
		Resolution	1	Regarding approval of acquisition of own shares	Approved as proposed	
		Resolution	2	Regarding approval of treasury stock burn	Approved as proposed	
		Resolution	3	Approval of payment guarantee for private equity bonds issued by LOTTE auto lease	Approved as proposed	
August 28	10th	Resolution	4	Approval of branch change	Approved as proposed	6/7
		Report	1	Report on the results of the 4th Audit Committee	Report completed	
		Resolution	1	Regarding the approval of the Thai overseas subsidiary reduction of capital	Approved as proposed	
		Resolution	2	Approval of new entry into industrial materials distribution business and acquisition of related licenses	Approved as proposed	
		Resolution	3	Approval of branch change	Approved as proposed	



## Board of Directors Board of Directors Operations

### 2024 Board of Directors Operations

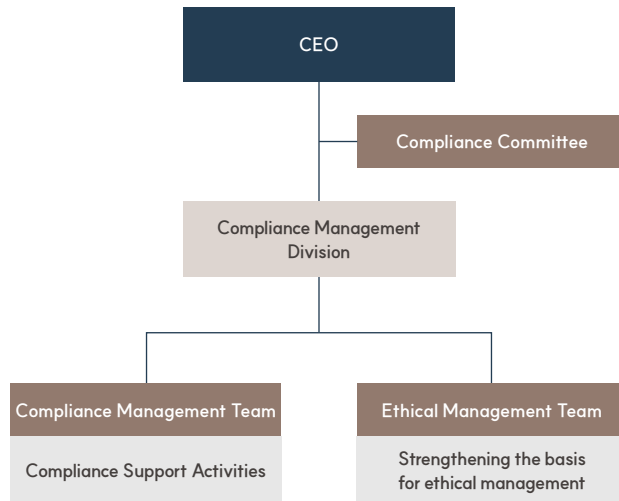
Date	Meeting	Classification	Number	Agenda Items	Board of Directors Results	Attendance
September 26	11th	Report	1	Report on the results of the 5th Audit Committee	Report completed	6/7
		Report	2	Report on 4th ESG Committee results	Report completed	
		Report	3	Report on the plan to increase corporate value	Report completed	
		Report	4	Report on the progress of acquisition of Socar shares	Report completed	
		Resolution	1	Approval of local loan payment guarantee for Vietnam branch	Approved as proposed	
		Resolution	2	Approval of branch change	Approved as proposed	
October 24	12th	Report	1	Report on the implementation of tangible asset revaluation	Report completed	6/6
		Report	2	Report on the results of acquisition of own shares	Report completed	
		Report	3	Regarding the appointment of a subsidiary's executive officer	Report completed	
		Resolution	1	Approval of loan extension payment guarantee for Thailand branch	Approved as proposed	
		Resolution	2	Appointment of members of the ESG Committee	Approved as proposed	
		Resolution	3	Approval of revision of private regulations	Approved as proposed	
		Resolution	4	Approval of donation to LOTTE Medical Foundation and Jeju Assistive Device Center	Approved as proposed	
		Resolution	5	Participation in LOTTE Championship sponsorship	Approved as proposed	
November 28	13th	Report	1	Personnel reporting for executives, advisors, and management executives	Report completed	6/6
		Report	2	Report on withdrawal of capital reduction from the Thai overseas subsidiary	Report completed	
		Resolution	1	Approval of branch change	Approved as proposed	
December 10	14th	Report	1	Report on 5th ESG Committee results	Report completed	6/6
		Report	2	Report on the results of the 7th and 8th Audit Committee meetings	Report completed	
		Resolution	1	Approval of conclusion of rental car asset transfer contract in the Jeju region	Approved as proposed	
		Resolution	2	Approval of the Brand Use Agreement	Approved as proposed	

# Ethical Management and Compliance Ethical and Compliance Management System

## Organization for Promoting Ethics and Compliance Management

LOTTE rental's Compliance Management Division, organized directly under the CEO, has a Compliance Management Team and an Ethics Management Team. These two teams establish the company's compliance and ethics standards in their respective areas of expertise and carry out various activities to put them into practice. We also operate a Compliance Committee, an ethics and compliance decision-making body chaired by the CEO.

LOTTE rental aims to reduce legal risks and secure transparency and reliability through our ethics and compliance management organization, and pursues sustainable growth based on the creation of an ethical management culture.



## Compliance Committee Operation

The LOTTE rental Compliance Committee is a decision-making body where top management (including the CEO and executives of the entire company) get together to discuss and make final decisions on major compliance issues.

We manage all matters related to ethics and compliance, including compliance planning, training, and improvement discussions focusing on Compliance by Process & System.

## Compliance Committee Operations Details

The Compliance Committee is scheduled to meet once a quarter, and a total of six meetings were held from the first meeting in July 2023 to November 2024.

Number	Compliance Committee Agenda Items
1st	Compliance risk analysis, overseas affiliate management plan, 24-year compliance plan
2nd	Compliance status, Passenger Transport Business Act guidance, greenwashing prevention, and guidance on major types of compliance violations
3rd	Dissemination of compliance diagnosis results and cases, improvement of donation and sponsorship processes, establishment of internal transaction risk management system, and monitoring of contract document management process
4th	Promoting ISO37301 (compliance management system) certification, establishing a compliance collaboration process with overseas subsidiaries, improving the property insurance claim process, establishing a compliance keyword management system, and fair trade policy trends
5th	Reporting on compliance activities in the first half of 2024, controlling key risks, improving contract document exception process, and improving the event safety management process
6th	Reporting on compliance diagnosis results, 25-year compliance activity plan, major contract management process, loan review process inspection, overseas subsidiary compliance management, and guidance on responding to trade secret infringement

## Principles of Ethical Management

LOTTE rental aims to achieve the company's mission (Create a Better Life) through transparent and fair processes, and internalizes the ethical management principles that set standards for decision-making and behavior regarding ethical issues that employees may face.

### No. 1 LOTTE rental's New Ethical Management Principles

<b>Customers first</b>	<ul style="list-style-type: none"> <li>We respect and protect customer value and information.</li> <li>We continually create differentiated value that benefits our customers.</li> </ul>
<b>Compliance management</b>	<ul style="list-style-type: none"> <li>We act fairly and ethically in accordance with the law and business ethics.</li> <li>We secure and maintain transparency in management and thoroughly protect company secrets.</li> </ul>
<b>Basic fidelity</b>	<ul style="list-style-type: none"> <li>We make rational and objective judgments and act responsibly from the perspective of the overall interests of the company.</li> <li>We strictly distinguish between public and private affairs, and take the lead in creating a healthy and clean organizational culture.</li> </ul>
<b>Ownership</b>	<ul style="list-style-type: none"> <li>We are not afraid of failure and always strive for the best.</li> <li>We pursue efficiency improvement through autonomy and empowerment.</li> </ul>
<b>Implementing</b>	<ul style="list-style-type: none"> <li>We protect the rights and interests of shareholders and strive to improve the quality of life of employees.</li> <li>We value and respect the environment, safety, and human rights.</li> <li>We take the lead in social contribution activities and build relationships of shared growth with business partners.</li> </ul>

# Ethical Management and Compliance Ethical Management

## Management of Anti-Corruption and Ethical Issues for the Company and CEO

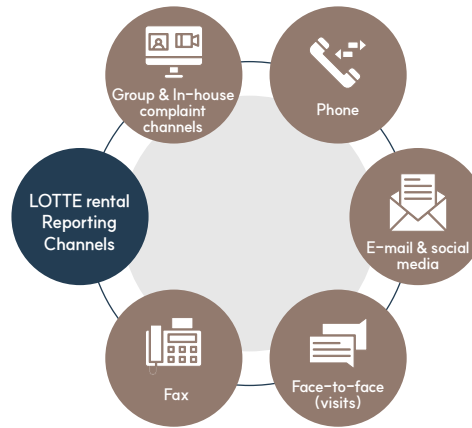
LOTTE rental evaluates anti-corruption/ethical management issues and controversial issues by reflecting them in KPI factors. We prevent the occurrence of social and ethical issues in companies by including various indicators such as unethical corporate behavior, anti-competitive acts, corruption, bribery, solicitation of favors, and sexual harassment that are restricted by related investment institutions such as MSCI, and continuously promote improvement activities to strengthen the foundation of ethical management.

## Reporting Channel Operation

LOTTE rental operates various online and offline channels, such as a cyber complaint system, e-mail, landline, social media, and face-to-face (direct visits), so that you can report freely without any restrictions on time and place.

We manage the received reports by conducting investigations to confirm the facts and implementing clear follow-up measures based on the results to prevent recurrence of corruption cases. The reporting system is a safe and secure system, and the contents of reports are strictly kept confidential to protect the reporter.

LOTTE rental Cyber Complaint System 



Reporting Channel Performance

Unit: Cases

Classification	2022	2023	2024	Total
Group complaint system	7	45	17	69
Internal complaint system	17	42	27	86
E-mail/Fax	6	6	9	21
Phone	1	1	1	3
Face-to-face (visit), etc.	0	3	1	4
Total	31	97	55	183

Performance by type of application

Unit: Cases

Classification	2022	2023	2024	Total
Customer complaints	19	72	36	127
Reporting grievances	7	12	10	29
Sexual harassment	3	1	0	4
Malpractice	0	10	9	19
Workplace bullying	2	2	0	4
Total	31	97	55	183

## Establishment and Operation of Informant Protection Policies

LOTTE rental strictly prohibits the disclosure of the identity of the reporter so that anyone can report with confidence when a reason for internal reporting arises, and clearly stipulates this in the ethical management principles implementation guidelines.

In addition, to encourage prompt reporting, we are fostering a culture of proactive reporting by explicitly allowing for reduction of liability for self-reporters depending on the case.

## Whistleblower Protection Regulations

<b>Confidentiality</b>	<ul style="list-style-type: none"> <li>Prohibition on disclosing the identity of the reporter</li> <li>Prohibition on identifying whistleblowers (disciplinary action will be taken against those involved in violation)</li> </ul>
<b>Identity guarantee</b>	<ul style="list-style-type: none"> <li>Any disadvantages in personnel or status of the reporter, such as promotion or transfer, prohibition of discrimination in working conditions</li> <li>When a reporter requests a transfer, priority consideration is given by the affiliated executives</li> </ul>
<b>Disclaimer</b>	<ul style="list-style-type: none"> <li>In the case of voluntary reporting, responsibility can be exempted considering the degree of misconduct, work attitude, and degree of reflection</li> </ul>
<b>Processing procedures</b>	<ul style="list-style-type: none"> <li>Only the Ethics Management Team checks the report details and directly proceeds with the facts (Verifying the facts within the shortest period after receiving the report)</li> </ul>

# Ethical Management and Compliance Ethical Management

## Ethical Management Internal Audit

LOTTE rental conducts a planned audit after establishing an audit plan for each organization and business unit and reports to the CEO every year in order to regularize the operation of ethics standards for all departments. In addition, we conduct ad hoc audits of current issues and reports that arise throughout the year.

In order to conduct fair and consistent audits, the qualifications and authority of auditors, audit procedures and methods, etc. are specifically stated in the internal audit regulations and are operated accordingly.



### Internal Audit Procedures



### Internal Audit Details

Classification	Contents	Interval	Remarks
Regular audit	Budget/cost review	Annual	All workplaces
	Fair recruitment diagnosis	Annual	HR Department
	Selecting key inspection tasks by year	Annual	<ul style="list-style-type: none"> <li>2023 Overseas subsidiary business inspection, vehicle maintenance work inspection, etc.</li> <li>2024 On-site inspection of short-term sales offices, inspection of export business operations, etc.</li> </ul>
	Employee management diagnosis	Years	<ul style="list-style-type: none"> <li>2022 LOTTE Group regular audit</li> </ul>
Non-scheduled audits	Continuously performing reporting and recognition	Occasionally	

# Ethical Management and Compliance Ethical Management

## Ethical Management Training

LOTTE rental periodically provides training on overall corporate ethics and Code of Conduct to internalize ethical management awareness among our employees, and actively promotes the idea that ethical management is a key competitive edge for the company's sustainable growth.

To prevent the occurrence of irregularities and misconduct, we share internal audit cases and cases of ethical management violations by third parties throughout the company, ask our partners to participate, and support the establishment of sound business relationships at all times through the operation of the Clean365 Center.

### Current Status of Code of Conduct Training Completion

Year	Course Name	Target Participants	Number of Participants	Completion Rate
2022	2022 LOTTE Code of Conduct	928	871	94%
2023	2023 LOTTE Code of Conduct	958	873	91%
2024	2024 LOTTE Code of Conduct	1,034	975	94%

### 2024 Ethics Management Training Details

Classification	Contents	Target
Spread of ethics	Holiday Clean Campaign	All employees
	Sending a letter from the CEO	Partners
	Types of gaslighting and how to deal with it	
	Types of rental fraud and business precautions	
Case sharing	Request for pledge to practice ethical management	
	Corporate card usage rules	All employees
	Short-term private vehicle use	
	On-site inspection results	
Education	Prohibition of financial transactions between employees	
	Car insurance accidents	
	Ethics management training for new hires and applicants (7 sessions)	New hires and applicants for the course
	Ethics Management Training for Executives and Directors (7 sessions)	Executives, Directors

## Ethical Management Activities

### Pledge to practice ethical management principles

LOTTE rental implements the "New Ethical Management Principles Pledge" every year, in which executives and employees voluntarily reaffirm their commitment to ethical management.

All employees participated in the pledge made in July 2024, reaffirming the ethical management principles of "customer-first, law-abiding management, faithfulness to basics, sense of ownership, social responsibility, and increasing shareholder value."

### Pledge to Practice the "New Ethical Management Principles"

We work to achieve our company's mission (Create a Better Life) through a transparent process. We seek the future of our company through sound decision-making and ethical judgment. We will focus on "customer first, law-abiding management, faithfulness to the basics, sense of ownership, social responsibility, and increased shareholder value." We pledge to adopt these as ethical management behavioral principles that all LOTTE rental employees must share and adhere to, and to actively practice it.

**Putting customers first**  
 First, we respect and protect customer value and information.  
 Second, we continually create differentiated value that benefits our customers.

**Strict compliance with all laws and standards**  
 First, we act fairly and ethically in accordance with the law and business ethics.  
 Second, we secure and maintain transparency in management and thoroughly protect company secrets.

**Staying true to the basics and principles**  
 First, we make rational and objective judgments and act responsibly from the perspective of the company's overall interests.  
 Second, we strictly distinguish between public and private affairs, and take the lead in creating a healthy and clean organizational culture.

**Having a sense of unity with the company**  
 First, we are not afraid of failure and always strive for the best.  
 Second, we pursue efficiency improvement through autonomy and empowerment.

**Fulfilling social responsibilities and obligations as a leading company**  
 First, we value and respect the environment, safety, and human rights.  
 Second, we take the lead in social contribution activities and build relationships of shared growth with business partners.

**Working to protect shareholders' assets and increasing mid- to long-term value**  
 First, we protect the rights and interests of shareholders and strive to improve the quality of life of employees.  
 Second, we pursue sustainable management that can contribute to society for a long time by growing quantitatively and qualitatively.  
 Third, when there is a conflict of interest between an individual and the company, act in a way that serves the interests of stakeholders such as shareholders.

**Active implementation of ethical management principles and LOTTE's Code of Conduct**  
 First, we faithfully adhere to the ethical management principles and LOTTE's Code of Conduct.  
 Second, if we become aware of a violation by another person, we will report it to the Ethics Management Team immediately.  
 Third, we also actively encourage individual and corporate business owners who have business relationships with the company to comply with the principles of ethical management.

### Holiday Clean Campaign

Ahead of the holiday season, when there is a high possibility of gift exchanges between employees or partners, LOTTE rental is intensively implementing the Holiday Clean Campaign which provides guidelines for behavior and helps employees make ethical decisions.

We are also working to spread ethics and form healthy partnerships by sending out CEO letters to our partners asking them to join us in maintaining a clean and fair win-win relationship.

# Ethical Management and Compliance Management

## Operation of a Fair Trade Compliance Program (CP)

The operation of the Fair Trade Voluntary Compliance Program is a voluntary internal system that companies adopt to comply with fair trade-related laws and regulations and to create a fair competitive environment. Based on this, we provide education and training so that all executives and employees of the company can understand and practice fair trade principles, which ultimately contributes to minimizing legal risks and increasing the reliability of the company.

LOTTE rental has introduced the Fair Trade Voluntary Compliance Program (CP) to appoint a Compliance Manager, and are operating the program professionally through a dedicated organization. In addition, related activities and operational status are transparently disclosed to organization members and external stakeholders through the website.

- Fair Trade Voluntary Compliance Program
- Fair Trade Compliance Manual

## Fair Trade Voluntary Compliance Program Operation Regulations

We have established internal operating regulations for the Fair Trade Voluntary Compliance Program to ensure effective operation according to CP components, and have reflected all eight components of the Fair Trade Voluntary Compliance Program presented by the Fair Trade Mediation Agency in the operating regulations to minimize compliance risks that may arise during CP operation.

### 8 Components of the Fair Trade Voluntary Compliance Program

- 1 Establishing and implementing CP standards and procedures
- 2 CEO's commitment and support for compliance
- 3 Support from the Compliance Manager
- 4 Implementation of continuous and systematic compliance training
- 5 Production/use of compliance guide
- 6 Establishing an internal surveillance system
- 7 Sanctions against employees who violate fair trade laws
- 8 Effectiveness evaluation and improvement measures

## Fair Trade Voluntary Compliance Program Process

LOTTE rental has organized specific procedures and operates a program in accordance with these procedures to effectively achieve the operational purposes of the CP.

Procedure	Details
Compliance risk identification	Accurate identification of risk areas required by legal norms
Current information and management tools	All regulations, manuals, and other practices to minimize potential risks Establishment and periodic updates of checklists and guidelines
Monitoring and inspections	Monitoring and self-inspections to ensure that all employees are complying with and fulfilling laws, regulations, guidelines, etc.
Operation of reporting channels and whistleblower protections	Operation of reporting channels and protection measures for whistleblowers in case of concerns about or discovery of compliance violations
Definite responses for detected matters	Prompt investigation of violations of monitoring and reporting, etc. and strict sanctions based on the results of the investigation
Feedback after response actions	Report on the development and implementation of improvement measures to prevent recurrence

## Status of the Fair Trade Voluntary Compliance Program in 2024

January	Held the 3rd Compliance Committee Meeting Establishing guidelines for legal affairs, including appointment of legal advisors and litigation representatives
February	Enacting regulations on the execution procedures for donations and sponsorships 2024 Compliance Annual Plan Board Report
March	Monitoring the contract documentation management process
April	Establishing standards for overseas subsidiary compliance collaboration Held the 4th Compliance Committee Meeting
May	Establishing and certification of ISO 37301 & 37001 integrated system Revision of ISO 37301 & 37001 Integrated System Operation Regulations Introducing a compliance issue keyword (banned word) management system
June	June Law Month Campaign
July	Pledge of compliance for all employees Acquired ISO 37001:37301 integrated certification
August	Held the 5th Compliance Committee Meeting
September	Introducing an external event safety management process Reorganizing the legal compliance management bulletin board on the company website
October	Notice on the revision of the Improper Solicitation and Graft Act
November	Held the 6th Compliance Committee Meeting
December	Fair trade education for departments related to collaboration with partner companies Online Dark Pattern (E-Commerce Act) Related Campaign



## Ethical Management and Compliance Management

### Obtained ISO 37001 & 37301 Integrated Certification

LOTTE rental obtained ISO 37001 Anti-Corruption Management System Certification in August 2023 and ISO 37301 Compliance Management System Certification in July 2024.

Through a resolution of the Board of Directors, a person with independent responsibility and authority for anti-corruption and compliance management was appointed. Related policies, work processes, organization, leadership, and support methods were documented in the Anti-corruption and Compliance Management System Operation Regulations, and the detailed scope of application and implementation methods were documented in the Anti-corruption and Compliance Management System Procedures, then established as company regulations.

Based on a management system that complies with international standards, we are continuously carrying out risk identification and assessment, control management, and improvement activities in various areas as follows.

#### ISO 37001 & 37301 Certifications

#### Summary of ISO 37001 & 37301 Risk Management Areas

Risk Classification	Related Laws and Regulations
Business operations	Passenger Transport Service Act, Motor Vehicle Management Act, Risk Management Regulations, etc.
Anti-corruption	Anti-corruption compliance regulations such as the Improper Solicitation and Graft Act, Anti-Corruption & Compliance Management System Operation Regulations, donations and regulations on sponsorship, etc.
Fair trade	Monopoly Regulation and Fair Trade Act, Act on the Regulation of Terms and Conditions, Voluntary Compliance Program Regulations, etc.
Information Security	Personal Information Security Act, Unfair Competition Prevention and Trade Secret Protection Act, Information Security Regulations, etc.
Employment/Labor	Labor Standards Act, Dispatched Workers Act, Employment Procedures, Personnel Regulations, Labor-Management Council Operation Regulations, Compensation Regulations, Rewards and Disciplinary Regulations, etc.
Industrial safety and environment	Industrial Safety and Health Act, Serious Accidents Punishment Act, etc.
Consumer protection	Consumer Protection Act, etc.

### Conducting Compliance Training

LOTTE rental implements various educational programs to raise the legal awareness of our employees. Training focuses on helping employees understand legal requirements and practice compliance in their daily work.

We have conducted separate, intensive training for employees of four related departments that perform their duties in collaboration with partner companies, designating them as targets of fair trade training. For two days from December 10 to 11, 2024, we provided sufficient learning on fair trade laws that the company must be aware of when dealing with partners, and we have differentiated this from general compliance training for all employees.

#### 2024 Compliance Education Details

Educational Content	Target and Number of Times	Completion Rate
Executive compliance training	CEO and executives, 4 times in total	100%
Improper Solicitation and Graft Act training	Former employees, total of 1 time	100%
New hire training	New hires, total of 2 times	100%
Anti-Corruption & Compliance Management System Training	Internal auditor, total of 2 times	100%
Fair Trade Education	Partner company collaboration related departments, total of 2 times	100%

### Sending of "Compliance Letter"

In order to strengthen our internal compliance culture, LOTTE rental has introduced a monthly briefing system called: "Compliance Letter" for all executives including the CEO, and shares the following information.

#### 1. Our Compliance Cases

Provision of analysis of recent internal compliance incidents, lessons learned, and actionable information for management to take

#### 2. Reference Compliance Cases

Guidance on compliance issues and lessons learned from industry

#### 3. Key Compliance Issues

Summary of key compliance issues currently being faced and awareness of the latest laws, regulatory changes, and industry trends

This letter serves as an important example to leaders of our company by providing management with the compliance information they need and helping to spread a culture of compliance throughout the organization.

### Compliance Management Campaign

LOTTE rental regularly posts legal compliance management campaigns on our internal bulletin board to raise awareness and understanding of the legal system among its employees. We also encourage active participation from employees by holding related quiz events and offering rewards.

# Risk Management Risk Management System and Activities

## Risk Management Committee

LOTTE rental has established a risk management organization, the Risk Management Committee, to identify potential risks that may arise in the company's management and to prevent and manage them in advance at the company level. The Risk Management Committee shares risk monitoring results and current issues, and establishes important policies and strategies based on these. It also sets the scope, level, and thresholds of all risk areas to effectively manage risks at the company-wide level.

## Establishment of Risk Management Regulations and Implementation Procedures

LOTTE rental has established and is complying with the risk management regulations and is continuously reviewing its risk management methods. Risk management is carried out in accordance with the risk management regulations through the following procedures.



## Risk Classification and Response

LOTTE rental classifies various risks that may arise in the course of company management into financial, non-financial, and IT risks, and each department establishes policies and responds/manages them, and conducts regular inspections to minimize the level of risk.

[Risk Classification and Response](#)

## Risk Monitoring

LOTTE rental responds to recognized risks in each major risk area and monitors risks by conducting training and regular inspections.

Anti-corruption	Education	<ul style="list-style-type: none"> <li>Improper Solicitation and Graft Act training</li> <li>Writing a compliance pledge</li> <li>Writing a pledge to practice ethical management</li> </ul>
	Monitoring	<ul style="list-style-type: none"> <li>Reporting Channel Operation</li> </ul>
	Report	<ul style="list-style-type: none"> <li>Reporting of results to CEO</li> </ul>
Fair trade	Education	<ul style="list-style-type: none"> <li>Fair trade training</li> </ul>
	Monitoring	<ul style="list-style-type: none"> <li>Operation of a Fair Trade Compliance Program (CP)</li> </ul>
	Report	<ul style="list-style-type: none"> <li>Reporting of results to CEO</li> </ul>
Personal information	Education	<ul style="list-style-type: none"> <li>Personal Information Security Training</li> <li>Information security campaign</li> </ul>
	Monitoring	<ul style="list-style-type: none"> <li>Company-wide security status inspection</li> <li>Security Day self-inspection</li> </ul>
	Report	<ul style="list-style-type: none"> <li>Reporting of results to CEO</li> </ul>
Occupational safety	Education	<ul style="list-style-type: none"> <li>Industrial Safety Training</li> <li>Safety accident prevention campaign</li> </ul>
	Monitoring	<ul style="list-style-type: none"> <li>Inspection of headquarters and leased business sites</li> </ul>
	Report	<ul style="list-style-type: none"> <li>Safety Management Director Results Report</li> </ul>

## Risk Management Risk Management System and Activities

### Risk Classification and Response [Summary]

Classification	Item	Contents	Department in Charge
Financial risks	Credit risk	Risk of inability to perform as originally agreed due to bankruptcy, financial insolvency, deterioration of financial status, or downgrade of credit rating of the counterparty to the contract (including the debtor), or risk of decrease in the value of the company's assets due to decrease in the value of the collateral provided	Risk Management Team
	Interest rate risk	Risk of the company's profits decreasing due to fluctuations in market interest rates (mismatch between fixed and floating interest rate financing and operation periods, refinancing risk due to short-term financing + long-term operation, reinvestment risk due to long-term financing + short-term operation)	Finance Team
	FX risk	Risk of loss on net positions of foreign currency denominated assets and liabilities due to fluctuations in exchange rates	Finance Team
	Liquidity risk	The risk of liquidity shortages due to mismatches between operations and procurement periods or unexpected outflows of funds, resulting in borrowing at higher rates than normal or difficulty in obtaining funding even at significantly higher rates	Finance Team
Non-financial risks		Losses resulting from inappropriate or incorrect internal processes, persons, systems, and external events are classified as follows:	
	Operational risk	1) <b>Management risk</b>   Risks arising from trial and error in management strategy, organization, and personnel management, failure of internal control, and failure to respond promptly to new environmental changes and new tasks.	Management Planning Team, Management Team HR Innovation Team
		2) <b>Office risk</b>   Risk arising from irregularities or fraud in the course of business	Ethical Management Team
		3) <b>Maintenance risk</b>   The risk of tangible and intangible losses to the company due to failure to properly perform maintenance work on business assets, resulting in negative consequences on normal use, customer satisfaction, and residual value.	Short-term Planning Team, Biz Asset Management Team
		4) <b>Investment risk</b>   The company must review the investment appropriateness of business assets in advance, and there is a risk that abnormal non-operating assets or idle assets may occur due to inappropriate or incorrect investment in business assets, resulting in losses for the company	Review Team
		5) <b>Residual value risk</b>   The company must set or review in advance the residual value amount that estimates the market value at the time of sale for business assets, and there is a risk that a loss may occur from the sale due to an incorrect calculation of the second-hand price at which the company can sell the business assets when they are recovered or returned	Asset Efficiency Team
		6) <b>Insurance loss ratio risk</b>   The risk that the company will suffer losses due to the insurance payment exceeding the appropriate level compared to the insurance premiums earned	Risk Management Team
	Environmental risk	Natural environmental risks such as greenhouse gas emissions and environmental pollution that may arise from business activities	ESG External Cooperation Team
	Regulatory risk	The risk of material loss due to a lack of information about regulatory violations or regulatory revisions	Compliance Management Team
	Legal risk	Risk of loss due to defects in contracts or lack of binding force due to inadequate or inaccurate legal advice or improper preparation of documents	Compliance Management Team
Reputation risk	Risk that tangible and intangible losses may occur due to corruption, major lawsuits, financial accidents, and poor sales performance by company or group executives and employees, which may affect the reputation of the company and group	IR Team	
IT risks	Information security risk	Risks arising from accidents in the computer system, such as computer system shutdown due to intention or negligence, or computer crimes	Information Security Team

87	ESG Data
95	GRI Standards 2021 Index
99	TCFD Index
100	SASB Index
101	Third-Party Assurance Statement
103	GHG Emissions Verification Statement
104	Affiliated Associations / Awards



# APPENDIX

## ESG Data Economic Performance

### Financial Information Summary

Classification		Unit	2022	2023	2024
Consolidation criteria	Sales	KRW 1 million	2,738,940	2,752,292	<b>2,792,395</b>
	Operating profit	KRW 1 million	308,394	305,192	<b>284,812</b>
	Net income	KRW 1 million	88,329	115,205	<b>102,711</b>
	Total Liabilities	KRW 1 million	5,631,000	5,352,828	<b>5,538,031</b>
	Total Assets	KRW 1 million	6,927,204	6,718,109	<b>7,006,617</b>
Separate criteria	Sales	KRW 1 million	2,522,066	2,512,699	<b>2,517,082</b>
	Operating profit	KRW 1 million	286,357	288,142	<b>255,736</b>
	Net income	KRW 1 million	78,011	109,669	<b>70,516</b>
	Total liabilities	KRW 1 million	4,946,497	4,692,666	<b>5,042,198</b>
	Total assets	KRW 1 million	6,047,349	5,862,598	<b>6,281,587</b>

### Stakeholder Allocation

Classification		Unit	2022	2023	2024
Employees	Salary, retirement benefits, and welfare expenses	KRW 1 million	135,037	168,603	<b>186,261</b>
Partner companies	Consumables, payment fees, depreciation, advertising and publicity expenses	KRW 1 million	1,134,855	1,146,353	<b>1,148,224</b>
Shareholders/ Investors	Dividend Payment	KRW 1 million	32,971	43,961	<b>43,571</b>
Government	Income tax expenses	KRW 1 million	49,255	46,232	<b>30,690</b>
Local communities	Donations	KRW 1 million	1,350	1,622	<b>1,682</b>

(\*) Previous year data has been corrected based on consolidation criteria.

### Other Management Information

Classification		Unit	2022	2023	2024
Bonds					
Credit rating		Rating	AA- (NEGATIVE)	AA (STABLE) <sup>1)</sup> A+ (STABLE) <sup>2)</sup>	<b>AA- (↓)<sup>1)</sup> A+ (STABLE)<sup>2)</sup></b>
Number of business sites	Domestic	sites	108	111	<b>126</b>
	Overseas	sites	2	2	<b>3</b>
rental cars	Average car lifespan (average sale period)	Month	47	49	<b>49</b>
	Total available rental days	Day	1,522,780	1,824,635	<b>2,047,282</b>
	Average number of cars (authorized number)	units	255,875	254,694	<b>254,871</b>
	Number of cars at the end of the year (authorized number)	units	259,456	251,338	<b>258,130</b>
	Car utilization rate <sup>3)</sup>	%	81	77	<b>77</b>

1) Korea Investors Service

2) Korea Ratings, NICE Investors Service

※ For 2021 and 2022, the rating from the above evaluation agency is the same

3) Calculated by calculating the total number of short-term rental days (total number of rental days / total number of available rental days \* 100).

## ESG Data Environmental Performance (Separate criteria)

### Energy

Classification		Unit	2022	2023	2024
Direct energy consumption	Natural gas, gasoline, diesel, kerosene, city gas, etc.	GJ	7,146	5,618	<b>7,999</b>
Indirect energy consumption	Power, steam, etc.	GJ	86,828	80,827	<b>65,515</b>
Energy intensity		GJ/sales (KRW 1 billion)	37.3	34.4	<b>29.2</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.

(\*) Data from previous years has been corrected due to changes in the classification of direct and indirect energy.

(\*) Data has been corrected to include solar power self-generation (consumption) in indirect energy consumption.

### Water

Classification		Unit	2022	2023	2024
Water	Water usage	Tons	42,585	57,369	<b>57,712</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.

### Waste

Classification		Unit	2022	2023	2024
Waste	Waste disposal	Tons	275.5	344.5	<b>354.6</b>

(\*) Previous year's data has been corrected due to changes in the aggregation method for some business establishments.

### Greenhouse Gas Emissions

Classification		Unit	2022	2023	2024
Greenhouse Gas (GHG) emissions	Subtotal	tCO <sub>2</sub> eq	4,598	4,220	<b>3,574</b>
	Direct (Scope 1) GHG emissions	tCO <sub>2</sub> eq	471	369	<b>513</b>
	Indirect (Scope 2) GHG emissions	tCO <sub>2</sub> eq	4,126	3,851	<b>3,061</b>
Greenhouse Gas (GHG) emission intensity	Subtotal	tCO <sub>2</sub> eq/Sales (KRW 1 billion)	1.8	1.7	<b>1.4</b>
	Scope 1	tCO <sub>2</sub> eq/Sales (KRW 1 billion)	0.2	0.1	<b>0.2</b>
	Scope 2	tCO <sub>2</sub> eq/sales (KRW 1 billion)	1.6	1.6	<b>1.2</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.

(\*) Data from previous years has been corrected due to changes in the classification of direct and indirect energy.

### Renewable Energy

Classification		Unit	2022	2023	2024
Solar energy production	kWh	62,462	36,304	<b>160,487</b>	
Solar energy usage	GJ	600	349	<b>1,541</b>	

(\*) The data from previous years has been corrected by changing the aggregation method from predicted data to actual data.

(\*) All self-generated electricity is consumed at the business site.



# ESG Data Environmental Performance (Including Subsidiaries LOTTE auto care, LOTTE auto lease, and Greencar)

## Energy

Classification		Unit	2023	2024
Direct energy consumption	Natural gas, gasoline, diesel, kerosene, city gas, etc.	GJ	25,784	<b>29,382</b>
Indirect energy consumption	Power, steam, etc.	GJ	105,941	<b>87,024</b>
Energy intensity		GJ/sales (KRW 1 billion)	47.2	<b>41.1</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.  
 (\*) Previous year's data has been corrected due to errors in direct and indirect energy classification and aggregation.  
 (\*) Data has been corrected to include solar power self-generation (consumption) in indirect energy consumption.

## Water

Classification		Unit	2023	2024
Water	Water usage	Tons	62,336	<b>64,189</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.  
 (\*) Data from previous years has been corrected due to errors in aggregation of some business sites.

## Waste

Classification		Unit	2023	2024
Waste	Waste disposal	Tons	519.3	<b>512.2</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.  
 (\*) Data from previous years has been corrected due to errors in aggregation of some business sites.

## Greenhouse Gas Emissions

Classification		Unit	2023	2024
Greenhouse Gas (GHG) emissions	Subtotal	tCO <sub>2</sub> eq	7,030	<b>6,339</b>
	Direct (Scope 1) GHG emissions	tCO <sub>2</sub> eq	1,977	<b>2,212</b>
	Indirect (Scope 2) GHG emissions	tCO <sub>2</sub> eq	5,053	<b>4,127</b>
Greenhouse Gas (GHG) emission intensity	Subtotal	tCO <sub>2</sub> eq/Sales (KRW 1 billion)	2.5	<b>2.3</b>
	Scope 1	tCO <sub>2</sub> eq/Sales (KRW 1 billion)	0.7	<b>0.8</b>
	Scope 2	tCO <sub>3</sub> eq/sales (KRW 1 billion)	1.8	<b>1.5</b>

(\*) The data disclosed for comparison may differ due to changes in the method of aggregation compared to electricity.  
 (\*) Data from previous years has been corrected due to changes in the classification of direct and indirect energy.

## Renewable Energy

Classification		Unit	2022	2023	2024
Solar energy production		kWh	62,462	36,304	<b>160,487</b>
Solar energy usage		GJ	600	349	<b>1,541</b>

(\*) The data from previous years has been corrected by changing the aggregation method from predicted data to actual data.  
 (\*) All self-generated electricity is consumed at the business site.

## ESG Data Societal Performance

### Status of All Employees

Classification	Unit	2022	2023	2024	
No. of employees	Total <sup>1)</sup>	Persons	1,192	1,250	<b>1,317</b>
	Subtotal <sup>1)</sup>	Persons	1,192	1,250	<b>1,317</b>
By region	Workers in Korea	Persons	1,185	1,244	<b>1,308</b>
	Overseas workers	Persons	7	6	<b>9</b>
	Subtotal <sup>1)</sup>	Persons	1,192	1,250	<b>1,317</b>
Gender	Male	Persons	806	868	<b>915</b>
	Female	Persons	386	382	<b>402</b>
By age	Subtotal <sup>1)</sup>	Persons	1,192	1,250	<b>1,317</b>
	Under 30	Persons	330	294	<b>259</b>
	30 - 39 years of age	Persons	459	515	<b>565</b>
	40 - 49 years of age	Persons	323	346	<b>388</b>
	50 or older	Persons	80	95	<b>105</b>
By contract type	Subtotal <sup>1)</sup>	Persons	1,192	1,250	<b>1,317</b>
	Executives	Persons	14	17	<b>17</b>
	Regular employees	Persons	949	997	<b>1,085</b>
	Contract workers	Persons	211	223	<b>203</b>
	Dispatched workers	Persons	18	13	<b>12</b>
Executive details	Subtotal <sup>1)</sup>	Persons	14	17	<b>17</b>
	Male	Persons	13	16	<b>16</b>
	Percentage	%	93%	94%	<b>94%</b>
	Female	Persons	1	1	<b>1</b>
Regular employee details	Subtotal <sup>1)</sup>	Persons	949	997	<b>1,085</b>
	Male	Persons	652	685	<b>744</b>
	Percentage	%	69%	69%	<b>69%</b>
	Female	Persons	297	312	<b>341</b>
Contract employee details	Subtotal <sup>1)</sup>	Persons	211	223	<b>203</b>
	Male	Persons	138	164	<b>153</b>
	Percentage	%	65%	74%	<b>75%</b>
	Female	Persons	73	59	<b>50</b>
Length of service (Regular employees)	Total (average)	Years	9.9	10.1	<b>10.1</b>
	Male	Years	10.2	10.3	<b>10.3</b>
	Female	Years	9.2	9.7	<b>9.6</b>

(\*) This is based on rental (separate).

1) This is the number of persons including overseas subsidiaries and invested employees.

### Employee Changes (Recruitment, Transfer, Retirement)

Classification	Unit	2022	2023	2024	
Number of new hires	Total	Persons	316	237	<b>232</b>
	Subtotal	Persons	89	49	<b>71</b>
Regular employee hiring <sup>1)</sup>	Male	Persons	53	39	<b>52</b>
	Percentage	%	60%	80%	<b>73%</b>
	Female	Persons	36	10	<b>19</b>
	Percentage	%	40%	20%	<b>27%</b>
Non-regular employee hiring <sup>2)</sup>	Subtotal	Persons	227	188	<b>161</b>
	Male	Persons	167	150	<b>115</b>
	Percentage	%	74%	80%	<b>71%</b>
	Female	Persons	60	38	<b>46</b>
Youth intern hiring <sup>3)</sup>	Subtotal	Persons	26	17	<b>-</b>
	Male	Persons	23	15	<b>-</b>
	Percentage	%	88%	88%	<b>0%</b>
	Female	Persons	3	2	<b>-</b>
Employee turnover <sup>4)</sup>	Subtotal	Persons	138	103	<b>101</b>
	Number of job changers (regular employees)	Persons	43	29	<b>28</b>
	Turnover Rate <sup>5)</sup>	%	12%	8%	<b>8%</b>
	Turnover rate (regular employees) <sup>6)</sup>	%	5%	3%	<b>3%</b>
Retirement status <sup>7)</sup>	Subtotal	Persons	262	178	<b>172</b>
	Regular employees (excluding executives) <sup>8)</sup>	Persons	62	35	<b>36</b>
	Non-regular employees (excluding part-time and contract workers)	Persons	200	143	<b>136</b>
	Retirement rate (regular employees) <sup>9)</sup>	%	6%	4%	<b>3%</b>

(\*) This is based on rental (separate).

1) This figure includes executive appointments.

2) This figure includes interns.

3) This is the number of persons hired as of the date of intern employment.

4) This number excludes mandatory retirement, disciplinary dismissal, voluntary retirement, and voluntary turnover.

5) Calculation method: Total number of job changers ÷ Total number of employees (excluding part-time, contract, local hires, and local employees)

6) Calculation method: Number of regular employees changing jobs ÷ Total number of permanent employees (excluding local hires and local employees)

7) This number includes involuntary retirement.

8) This number excludes local hires and local employees.

9) Calculation method: Total number of regular employee retirees ÷ Total number of regular employees (excluding local employees and local hires)

## ESG Data Societal Performance

### Employee Diversity

Classification		Unit	2022	2023	2024
Persons with disabilities	No. of employees with disabilities	Persons	20	23	<b>25</b>
	Percentage of employees with disabilities	%	1.5%	1.8%	<b>1.9%</b>
Female	Number of female directors	Persons	38	55	<b>62</b>
	Ratio of female directors	%	3.2%	4.4%	<b>4.7%</b>
	Number of female managers <sup>1)</sup>	Persons	62	67	<b>78</b>
	Ratio of female managers	%	5%	5%	<b>6%</b>

(\*) This is based on rental (separate).

1) The calculation was made by defining positions above the level of manager as managers.

### Salary and Compensation Status of Executives and Employees

Classification		Unit	2022	2023	2024
Male compensation	Male average	KRW	51,801,461	54,237,457	<b>56,830,252</b>
	Regular employees	KRW	56,808,178	60,151,473	<b>62,317,009</b>
	Contract workers	KRW	28,073,977	29,499,561	<b>30,149,551</b>
Female compensation	Female average	KRW	44,502,927	49,013,075	<b>51,686,880</b>
	Regular employees	KRW	49,456,488	53,310,730	<b>55,240,078</b>
	Contract workers	KRW	24,349,394	26,286,492	<b>27,454,066</b>
Current management compensation	Male average	KRW	75,744,586	79,047,095	<b>80,765,259</b>
	Female average	KRW	73,425,735	79,284,792	<b>81,381,703</b>
Male to female salary ratio	Based on annual salary contract	%	86%	90%	<b>91%</b>
Retirement pension management amount	DB type	KRW 1 million	72,182	79,286	<b>82,407</b>
	DC type	KRW 1 million	261	358	<b>453</b>

(\*) This is based on rental (separate).

### Current Status of Welfare

Classification		Unit	2022	2023	2024
Total amount of welfare benefits		KRW 1 million	22,800	24,084	<b>26,185</b>
Number of persons who have used parental leave	Subtotal	Persons	59	44	<b>62</b>
	Male	Persons	28	19	<b>29</b>
	Female	Persons	31	25	<b>33</b>
Percentage of employees who returned to work after parental leave	Subtotal	%	98%	97%	<b>98%</b>
	Male	%	100%	100%	<b>100%</b>
	Female	%	96%	94%	<b>95%</b>
Number of persons returning from childcare leave	Subtotal	Persons	46	27	<b>32</b>
	Male	Persons	27	17	<b>23</b>
	Female	Persons	19	10	<b>9</b>
After parental leave Long-term employees <sup>1)</sup>	Subtotal	Persons	27	40	<b>25</b>
	Male	Persons	19	23	<b>15</b>
	Female	Persons	8	17	<b>10</b>
Employment retention rate after returning from childcare leave		%	-	87%	<b>93%</b>
Number of persons using maternity leave	Subtotal	Persons	46	45	<b>60</b>
	Male	Persons	33	32	<b>43</b>
	Female	Persons	13	13	<b>17</b>

(\*) This is the data rental (separate) standard excluding the total welfare expenses.

1) This refers to persons who have worked for more than 12 months after returning from childcare leave as of the end of the year.

## ESG Data Societal Performance

### Current Status of Employee Training

Classification	Unit	2022	2023	2024	
Employee training	Hours of education	Hours	97,102	95,003	<b>92,699</b>
	Number of persons targeted for training	Persons	1,194	1,251	<b>1,317</b>
	Number of participants (who completed) in training	Persons	1,175	1,147	<b>1,107</b>
	Training hours per employee	Hours	81.3	75.9	<b>70.4</b>
Investment in education	Education investment per person	KRW 1 million	1.1	1.2	<b>1.2</b>
Frequency of training	Number of training courses conducted per year	Times	17,169	22,354	<b>20,308</b>
Curriculum evaluation	Education satisfaction	%	98.0%	95.8%	<b>95.2%</b>

(\*) Data has been corrected to correct errors and omissions in previous years' statistics.

### Performance Evaluation

Classification	Unit	2022	2023	2024	
Employees receiving regular performance evaluation	Number of persons	Persons	1,013	1,069	<b>1,154</b>
	Percentage	%	85%	86%	<b>88%</b>

(\*) This is based on rental (separate).

### Health and Safety

Classification	Unit	2022	2023	2024	
Accident Rate	Korean business sites	%	0.05	-	-
	Overseas business sites	%	-	-	-
Lost Time Incident Rate (LTIR)	%	0.07	-	-	

(\*) This is based on rental (separate).

### Labor-Management Relations

Classification	Unit	2022	2023	2024	
Labor union	Number of target employees	Persons	597	601	<b>655</b>
	Number of union members	Persons	597	601	<b>655</b>
	Registration ratio	%	100%	100%	<b>100%</b>

(\*) This is based on rental (separate).

### Partners

Classification	Unit	2022	2023	2024	
Partner Company Committee	No. of events held	Times	16	22	<b>35</b>

(\*) This is based on rental (separate).

## ESG Data Societal Performance

### Social Contribution

Classification	Unit	2022	2023	2024	
Employee volunteer activities	Total service hours	Hours	1,932	1,912	<b>1,109</b>
	Number of participants	Persons	624	414	<b>341</b>
	Service hours per person	Hours	1.6	1.5	<b>0.8</b>
	Total number of beneficiaries	Persons	647	800	<b>160</b>
	Total investment cost	KRW 1 million	79	73	<b>114</b>
Donations	Company donations	KRW 1 million	1,319	1,622	<b>1,681</b>
	Employee donations	KRW 1 million	23	23	<b>20</b>
Social Contribution Group	Social Contribution Group pure budget	KRW 1 million	78.1	83.0	<b>73</b>
Hands-on volunteer activities for employees	No. of beneficiaries	Persons	557	700	-
	Cost of investment	KRW 1 million	10.9	16.0	-
Eco-friendly Donation Driving Campaign	No. of beneficiaries	Persons	22	10	<b>5</b>
	Cost of investment	KRW 1 million	50	50	<b>50</b>
Employee Love Fund	Number of participants	Persons	311	283	<b>272</b>
	Cost of investment	KRW 1 million	22.9	23.0	<b>20.0</b>
Regular facility for children with disabilities volunteer work	Number of participants	Persons	30	80	<b>58</b>
	Cost of investment	KRW 1 million	1.3	2.6	<b>1.0</b>
Making 10,000 heads of kimchi	Number of participants	Persons	3	3	-
	Cost of investment	KRW 1 million	4.5	4.0	-
MyCar Happy Drive	Number of participants	Persons	-	-	<b>14</b>
	Cost of investment	KRW 1 million	-	-	<b>25.0</b>
Sharing of coal briquettes	Number of participants	Persons	-	-	<b>75</b>
	Cost of investment	KRW 1 million	-	-	<b>17.0</b>
Jeju plugging volunteer activity	Number of participants	Persons	-	-	<b>26</b>
	Cost of investment	KRW 1 million	-	-	<b>0.9</b>

(\*) This is based on rental (separate).

(\*) Due to changes in the method of calculating volunteer hours per person, the data presented for comparison may differ.

(\*) Corrected errors in company donation data.

### Customers

Classification	Unit	2022	2023	2024	
Customer satisfaction score	Long-Term	Points	96	96	<b>97</b>
	Short-Term rental	Points	92	95	<b>95</b>
Customer satisfaction coverage	Long-Term	%	67%	79%	<b>77%</b>
	Short-Term rental	%	40%	37%	<b>39%</b>
Customer satisfaction survey	Number of investigations	Cases	12	13	<b>13</b>
External awards	External Customer Satisfaction Number of awards	Cases	3	3	<b>3</b>

### Information Security and Security

Classification	Unit	2022	2023	2024	
Information Security violations	Number of information security breaches or cybersecurity incidents	Cases	-	-	-
	Number of personal information violations-leaks	Cases	-	-	-
	Number of customers affected by data leak incidents	Persons	-	-	-
	The total amount of fines or penalties paid due to information security violations or cybersecurity incidents	KRW	-	-	-
Security	Number of security personnel	Persons	174	180	<b>189</b>

(\*) This is based on rental (separate).

## ESG Data Governance Structure Performance

### Board of Directors

Classification	Unit	2022	2023	2024	
Board of Directors configuration	Total number of directors <sup>1)</sup>	Persons	7	7	6
	No. of internal directors	Persons	2	2	2
	Ratio of internal directors	%	29%	29%	33%
	No. of external directors	Persons	4	4	3
	Ratio of external directors	%	57%	57%	50%
	Non-executive directors	Persons	1	1	1
	Ratio of non-executive directors	%	14%	14%	17%
	Number of female directors	Persons	1	1	1
	Ratio of female directors	%	14%	14%	17%
Board of Directors operation	Total Board of Directors agenda items	units	46	63	78
	Average attendance rate of Board of Directors meetings	%	88%	97%	97%
	Average tenure of directors	Years	1.9	2.4	2.0
Remuneration of directors	Actual payment rate compared to remuneration limit	%	32.0%	50.0%	60.5%

1) Based on the date of the Annual General Meeting of Shareholders for each fiscal year.

### Current Stock Holdings

Classification	Unit	2022	2023	2024	
Current stock holdings	CEO multiple stock holding vs. base salary	Times	N/A	50%	54%
	Average multiple of stock holdings for internal directors compared to base salary	Times	N/A	N/A	N/A
	Stock holder ratio for founder and family 5% or more	%	N/A	N/A	N/A

### Ethical Management

Classification	Unit	2022	2023	2024	
Ethical management training	Number of programs	units	1	1	1
	Times	Times	1	1	1
	Number of participants	Persons	871	873	975
	Ratio of persons completing the course	%	94%	91%	94%

(\*) This is based on rental (separate) regular employees.

### Compliance Management

Classification	Unit	2022	2023	2024	
Anti-corruption	All corruption and bribery cases	Cases	-	-	-
Anti-competitive practices	Anti-competitive and anti-monopoly lawsuits	Cases	-	-	-
Compliance pledge	Number of participants	Persons	1,159	1,190	1,232
Compliance education	Number of programs	units	4	4	5
	Times	Times	4	11	11
	Number of participants	Persons	1,362	2,552	1,429

(\*) This is based on rental (separate) regular employees.

(\*) Corrected errors in the anti-corruption electrical data.

(\*) Corrected errors in the data regarding the number of compliance training sessions and the number of graduates.



## GRI Standards 2021 Index

Classification	Unit
Statement of use	LOTTE rental has prepared the "2024 Sustainability Report" in accordance with the GRI Standards, covering our ESG performance from January 1, 2024 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standard(s)	As of June 2025, when LOTTE rental published our report, there are no applicable GRI Sector Standards published through GRI. Accordingly, LOTTE rental has reviewed various external sources to determine the material issues applicable to the industry, selected material issues, and reported the related performance. For a detailed explanation of this, please refer to the 'Materiality Analysis' section of this report.

### General Disclosures (GRI 2) and Selection of Material Topics (GRI 3)

No.	Metrics	Reporting Location	Remarks
General Disclosures			
GRI 2: General Disclosure 2021			
2-1	Organization composition details	6-8	Key Issue
2-2	List of corporations included in the Sustainability Report	6	
2-3	Contact information regarding reporting periods, cycles, and reports	2	
2-4	Disclosure regarding restatements of information	87-94	
2-5	External certification of report	101-102	
2-6	Organizational activities, value chains, and other business relationships	9-14	
2-7	Employee employment status	90	
2-8	Employment status of non-employee workers	90	
2-9	Details of the governance structure	71	
2-10	Recommendation and selection of the highest governance body	72-73	
2-11	Chair of the Highest Governance Body	71-73	
2-12	Role of the highest governance body in overseeing the management of impacts	71, 73	
2-13	Delegation of responsibility for managing impacts	71-77	
2-14	Role of the highest governance body regarding sustainability reports	17, 18, 73, 75-77	
2-15	Conflicts of interest	72, Business Report 319p, Corporate Governance Report Core Principles 4	
2-16	Communication on key concerns	75-77, Business Report 321-324p, Corporate Governance Report Core Principles 7	
2-17	Competence and knowledge of the highest governance body	71, 73, Business Report 328p, Corporate Governance Report Core Principles 5	

No.	Metrics	Reporting Location	Remarks
2-18	Evaluation of the performance of the highest governance body	72, 74, Corporate Governance Report Core Principles 6	Key Issue
2-19	Highest governance body and senior management remuneration policy	74, Business Report 346-349p, Corporate Governance Report Core Principles 8	
2-20	Compensation calculation process for top decision-making bodies and senior management	74	
2-21	Current status of annual total compensation ratio	91	
2-22	Statement on sustainable development strategy	4-5, 17	
2-23	Management Policy Declaration	38	
2-24	Internalization of Management Policy Declaration	42-43	
2-25	Procedures to address negative impacts	39, 79	
2-26	Procedure for requesting advice and raising concerns	78-79, 82, 84-85	
2-27	Legal and regulatory compliance	82-85, 94	
2-28	Status of affiliated associations	104	Key Issue
2-29	Stakeholder engagement methods	22, 69, 70	
2-30	Employee collective bargaining agreement	48, 92	
Material Topic			
GRI 3: Key issue 2021			
3-1	Important topic decision process	23-25	
3-2	List of important topics	23-25	
3-3	Management of material topics	23-25	

## GRI Standards 2021 Index

### Economy (GRI 200)

No.	Reports	Reporting Location	Remarks
<b>GRI 201: Economic performance</b>			
201-1	Direct economic value generation and distribution (EVG&D)	9, 87	Key Issue
201-2	Financial impacts and other risks and opportunities resulting from climate change	27-31, 35	
201-3	Defined benefit pension obligations and other retirement pension plans	91	
201-4	Government financial support	Business Report 160p	
<b>GRI 202: Market position</b>			
202-1	Ratio of starting wages to the minimum wage in the area where the business is located (Identified by gender)	38, 91	
202-2	Ratio of senior executives employed in the communities where the business site is located	-	
<b>GRI 203: Indirect economic impact</b>			
203-1	Support for social infrastructure investment and services	11, 61-65	
203-2	Important indirect economic impact	22, 60, 126	

No.	Reports	Reporting Location	Remarks
<b>GRI 204: Procurement practices</b>			
204-1	Share of money spent on local suppliers	-	
<b>GRI 205: Anti-corruption</b>			
205-1	Business site corruption risk evaluation	78-80	
205-2	Communication and training about anti-corruption policies and procedures	81-83	Key Issue
205-3	Confirmed corruption cases and actions	79-80, 94	
<b>GRI 206: Anti-competitive practices</b>			
206-1	Litigations related to anti-competition and anti-trust violations	94	Key Issue No Litigation Cases
<b>GRI 207: Tax</b>			
207-1	Access to taxes	-	
207-2	Tax-related governance, management and risk management	-	
207-3	Stakeholder engagement and tax grievance management	-	
207-4	Reporting between countries	-	

## GRI Standards 2021 Index

### Environment (GRI 300)

No.	Reports	Reporting Location	Remarks
<b>GRI 301: Materials</b>			
301-1	Weight or volume of raw materials used	34	Key Issue
301-2	Renewable input raw materials	33	
301-3	Recycled products and packaging materials	33	
<b>GRI 302: Energy</b>			
302-1	Energy consumption within the organization	88-89	Key Issue
302-2	Energy consumption outside of the organization	88-89	
302-3	Energy intensity	88-89	
302-4	Reduction of energy consumption	36	
302-5	Reductions in energy requirements of products and services	29, 36	
<b>GRI 303: Water</b>			
303-1	Interactions with water as a shared resource	32	
303-2	Management of water discharge-related impacts	-	
303-3	Water Intake	-	
303-4	Discharge	-	
303-5	Water consumption	88-89	
<b>GRI 304: Biodiversity</b>			
304-1	Businesses owned, leased, or operated within or near protected areas and areas of high biodiversity value	-	N/A
304-2	Material impact of the organization's activities, products, and services on biodiversity	-	N/A
304-3	Protected or restored habitat	-	N/A
304-4	IUCN Red List and list of nationally protected species within areas affected by the organization's projects	-	N/A

No.	Reports	Reporting Location	Remarks
<b>GRI 305: Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	36, 88-89	Key Issue
305-2	Indirect (Scope 2) GHG emissions	36, 88-89	
305-3	Other indirect (Scope 3) GHG emissions	36, 103	
305-4	GHG emissions intensity	36, 88-89	
305-5	GHG emission reduction	35	
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable (no use of ozone depleting substances)	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable (not applicable to manufacturing and production industries)	
<b>GRI 306: Water and effluents</b>			
306-1	Impact from wastewater and waste	34	
306-2	Management of significant waste-related impacts	34	
306-3	Waste produced	88-89	
306-4	Undisposed waste	33	
306-5	Waste disposed of	34	
<b>GRI 308: Supplier environmental assessment</b>			
308-1	New suppliers that were screened using environmental criteria	-	
308-2	Negative environmental impacts of the supply chain and actions taken	-	

## GRI Standards 2021 Index

### Society (GRI 400)

No.	Reports	Reporting Location	Remarks
<b>GRI 401: Recruitment</b>			
401-1	New hires and turnover	42, 90	
401-2	Welfare benefits for regular employees that are not provided to non-regular employees	48, 91	
401-3	Parental leave	46, 91	Key Issue
<b>GRI 402: Labor-management relations</b>			
402-1	Minimum notice period for operational changes	48	
<b>GRI 403: Occupational health and safety</b>			
403-1	Workplace health and safety management system	50-51	Key Issue
403-2	Hazard identification, risk assessment, accident investigation	50-52	
403-3	Workplace medical services	-	Key Issue
403-4	Workplace health and safety communication, advice and worker participation	50-52	
403-5	Workplace health and safety worker training	51-52	
403-6	Promotion of worker health	46, 48, 49	
403-7	Prevention and mitigation of workplace health and safety impacts directly linked to business relationships	50-52	
403-8	Workers covered by the workplace health and safety management system	50-52	
403-9	Work-related injuries	92	
403-10	Work-related disease	92	
<b>GRI 404: Training and education</b>			
404-1	Average hours of education per employee	92	Key Issue
404-2	Employee capacity building and career transition support program	43-45, 47	
404-3	Percentage of employees receiving regular performance and career development reviews	49, 92	
<b>GRI 405: Diversity and Equal Opportunity</b>			
405-1	Diversity of governance bodies and employees	38-42, 90, 91	Key Issue
405-2	Percentage of base pay and remuneration between female and male employees	91	
<b>GRI 406: Anti-Discrimination</b>			
406-1	Discrimination cases and corrective actions	42-43	

No.	Reports	Reporting Location	Remarks
<b>GRI 407: Freedom of association and collective bargaining</b>			
407-1	Business sites and suppliers at risk of damaging the right to association and collective bargaining	48	No business sites and suppliers
<b>GRI 408: Child labor</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	42-43	No business sites and suppliers
<b>GRI 409: Forced labor</b>			
409-1	Operations and suppliers at significant risk for incidents of forced labor	42-43	No business sites and suppliers
<b>GRI 410: Security practices</b>			
410-1	Security personnel educated in human rights policies or procedures	38-39	
<b>GRI 411: Indigenous rights</b>			
411-1	Cases of violation of indigenous rights	No violations	
<b>GRI 413: Local Communities</b>			
413-1	Operation of local community engagement, impact assessments, and development programs	61-65	
413-2	Business sites that have a significant actual or potential negative impact on the local community	No applicable business sites	
<b>GRI 414: Supplier social impact assessment</b>			
414-1	New suppliers that were screened using social standards	-	
414-2	Negative social impacts in the supply chain and actions taken	58	
<b>GRI 415: Public policy</b>			
415-1	Political donations	-	N/A
<b>GRI 416: Customer health and safety</b>			
416-1	Assessment of the health and safety impacts of products and services	100	Key Issue
416-2	Violations related to health and safety impacts of products and services	No violations	
<b>GRI 417: Marketing and Labeling</b>			
417-1	Product/service related information and labeling requirements	-	N/A
417-2	Violations related to product/service information and labeling	No violations	
417-3	Violations related to marketing communications	No violations	
<b>GRI 418: Customer personal information</b>			
418-1	Substantiated complaints regarding violation of customers' personal information security and loss of customer information	93	Key Issue

## TCFD Index

	Recommendation	Reporting Location
Governance	a) Management and supervision of BOD regarding climate-related risks and opportunities	17-18, 28
	b) Management's role in assessing and managing climate-related risks and opportunities	17-18, 28

	Recommendation	Reporting Location
Strategy	a) Climate-related risks and opportunities identified over the short, medium, and long-term	29-31, 35
	b) Explanation of the impact of climate-related risks and opportunities on the organization's business, strategy and finances	29-31, 35
	c) Climate change-related risks and organizations	28

	Recommendation	Reporting Location
Risk Management	a) The organization's process for identifying and assessing risks related to climate change	35
	b) The organization's processes for managing risks related to climate change	35
	c) How the organization's processes for identifying, assessing and managing climate change-related risks are integrated into its overall risk management	35

	Recommendation	Reporting Location
Metrics and targets	a) The organization's indicators for evaluating climate-related risks and opportunities together with its strategy and risk management processes	30, 34, 35, 88-89
	b) Scope 1, 2, and 3 greenhouse gas emissions and related risks	35-36, 88-89
	c) Objectives used within the organization to manage climate change-related risks, opportunities, and performance against targets	35

# SASB Index

## Customer Safety

Percentage of rental cars that received the highest safety rating (KNCAP) by region (TR-CR-250a.1)

\* Region: Korea

Classification		Unit	2022	2023	2024
KNCAP certification	Subtotal	Cars	31,217	28,132	<b>26,094</b>
	Class 1 (5-Star)	Cars	28,944	25,826	<b>23,348</b>
	Class 2 to 5	Cars	2,273	2,306	<b>2,746</b>
	5-Star ratio	%	92.7%	91.8%	<b>89.5%</b>

Number of vehicles recalled (TR-CR-250a.2)

Classification		Unit	2022	2023	2024
Recalled cars		Cars	56,175	34,672	<b>34,594</b>

(\*) The electrical data has been corrected due to aggregation errors.

## Fleet Fuel Economy & Utilization

Weighted average rental vehicle fuel economy by rental days (TR-CR-410a.1)

\* Region: Korea

Classification		Unit	2022	2023	2024
Average fuel efficiency of owned vehicles (internal combustion engine vehicles)		km/L	13.0	13.1	<b>13.3</b>
Average fuel efficiency of owned vehicles (electric vehicles)		Km/kWh	5.4	5.3	<b>5.2</b>

Vehicle operating rate (TR-CR-410a.2)

Classification		Unit	2022	2023	2024
Car utilization rate		%	81	77	<b>77</b>

(\*) Total rental days based on pure short-term vehicles/Total available rental days

## Activity Metrics

Average vehicle life (TR-CR-000.A)

Classification		Unit	2022	2023	2024
Average vehicle life (average sale year)		Month	47	49	<b>49</b>

(\*) Average number of months in which used car sales are conducted

Total available rental days (TR-CR-000.B)

Classification		Unit	2022	2023	2024
Total available rental days		Day	1,522,780	1,824,635	<b>2,047,282</b>

(\*) Based on pure short-term vehicle

Average number of vehicles (TR-CR-000.C)

Classification		Unit	2022	2023	2024
Average number of cars		Cars	255,875	254,694	<b>254,871</b>

(\*) Average number of cars owned per year



# Third-Party Assurance Statement

To readers of LOTTE rental Sustainability Report 2024

## Introduction

Korea Management Registrar (KMR) was commissioned by LOTTE rental to conduct an independent assurance of its Sustainability Report 2024 (the "Report"). The data and its presentation in the Report is the sole responsibility of the management of LOTTE rental. KMR's responsibility is to perform an assurance engagement as agreed upon in our agreement with LOTTE rental and issue an assurance statement.

## Scope and Standards

LOTTE rental described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR's assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team.

Confirmation that the Report was prepared in accordance with GRI standards 2021 was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards which were identified in the materiality assessment process.

- GRI Sustainability Reporting Standards 2021
- Universal standards
- Topic specific standards
  - Economic Performance: GRI 201-1
  - Anti-Corruption: GRI 205-1~205-3
  - Anti-competitive Behavior: GRI 206-1
  - Materials: GRI 301-3
  - Energy: GRI 302-2~302-5
  - Emissions: GRI 305-1~305-7
  - Employment: GRI 401-3

- Occupational Health and Safety: GRI 403-1~403-2, 403-4~403-9
- Training and Education: GRI 404-1~404-3
- Diversity and Equal Opportunity: GRI 405-1~405-2
- Customer Health and Safety: GRI 416-1~416-2
- Customer Privacy: GRI 418-1

As for the reporting boundary, the engagement excludes the data and information of LOTTE rental's partners, suppliers and any third parties.

## KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- reviewed the overall Report;
- reviewed materiality assessment methodology and the assessment report;
- evaluated sustainability strategies, performance data management system, and processes;
- interviewed persons in charge of preparing the Report;
- reviewed the reliability of the Report's performance data and conducted data sampling;
- assessed the reliability of information using independent external sources such as Financial Supervisory Service's DART and public databases.

## Limitations and Recommendations

KMR's assurance engagement is based on the assumption that the data and information provided by LOTTE rental to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

## Third-Party Assurance Statement

### Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with LOTTE rental on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

### Inclusivity

LOTTE rental has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

### Materiality

LOTTE rental has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

### Responsiveness

LOTTE rental prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of LOTTE rental's actions.

### Impact

LOTTE rental identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

### Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

### Competence and Independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021:2015 – Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with LOTTE rental and did not provide any services to LOTTE rental that could compromise the independence of our work.

June 2025 Seoul, Korea



CEO *E. J. Hwang*

# GHG Emissions Verification Statement



KMR+GRI+23-076

## LOTTE rental co., ltd.

The Korea Management Registrar Inc. (hereinafter "KMR" ) has conducted the verification on the greenhouse gas (hereinafter "GHG" ) emission of LOTTE rental co., ltd.

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- SCOPE**

Verification of places of business and emission facilities under the control of LOTTE rental co., ltd.
- STANDARDS**

  - ISO 14064-1:2018, ISO 14064-3:2019
  - IPCC Guidelines for National Greenhouse Gas Inventories (2006)
  - WRI/WBCSD GHG Protocol (2013)
- PROCEDURE**

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation. The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.
- INDEPENDENT**

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.
- LIMITATION**

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.
- OPINION**

  - The assurance engagement was performed to satisfy a limited assurance level, and no significant distortions were found in the verification results
  - According to KMR's approach, nothing was found that would lead to a finding that LOTTE rental co., ltd. failed to disclose data and information that was accurate and reliable in all material respects.

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KMR+GRI+23-076

### GHG emissions

Category	Contents	Other indirect emissions(SCOPE 3)	Total (tCO <sub>2</sub> e)
Category 13)	Downstream leased assets	760,945	760,945

\* Note : Scope 1 and Scope 2 emissions are the figures in the statements submitted to the Ministry of Environment. Total amounts are the sum of the emissions after decimal point subtraction at the verification unit.

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### RESULTS

Based on the above assurance criteria, we did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

\* The abovementioned company is responsible for preparing verification data in accordance with the "Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading System (Ministry of Environment Notice No. 2021-276)", and KMR's responsibility is limited to the party in the verification contract according to the agreed contract terms, and is not responsible for other decisions, including investment decisions based on this verification statement.

\* The abovementioned company must comply with the use of the certification and logo marks under the contract entered into with KMR.

May 14<sup>th</sup>, 2025

Authorized By 

CEO Eun Ju, Hwang

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National Institute of Environmental Research

## Affiliated Associations

UN Global Compact	The Credit Finance Association
TCFD (climate change-related financial information disclosure council)	Federation of Korean Industries
Korea TCFD Alliance	National rental Car Mutual Aid Association
K-EV100 (Korean zero-emission vehicle conversion 100)	Korea CISO Council
Industrial Climate Crisis Adaptation Council	Korea Defense Industry Association
Seoul Car rental Association	Korea Listed Companies Association
Gangseo Automobile Sales Business Association	Korea Fire Safety Institute
Korea Auto Auction Association	The Korean Institute of Electromagnetic Engineering and Science
Korea Enterprises Federation	CONsortium of CERT (CONCERT)
Korea International Trade Association	Korea Standards Association (KSA)
Gyeonggi-do Automobile Sales Association Southern Branch	Korean Standards Association, Korea Service Forum
Korea Chamber of Commerce and Industry	The Korean Society for Aeronautical and Space Sciences
The Institute of Electronics and Information Engineers	

## Awards 2024

December	"50 Million Dollar Export Tower" at the 61st Trade Day
November	Ranked 1st in the 2024 Korea Service Quality Index (KS-SQI) for 13 consecutive years
October	Ranked 1st in the 2024 National Brand Competitiveness Index (NBCI) for 13 consecutive years
September	Ranked 1st in the 2024 Korean Customer Satisfaction Index (KCSI) for 9 consecutive years
September	Ranked 1st in the 2024 National Customer Satisfaction Index (NCSI) for 10 consecutive years
July	Ranked 1st in the 2024 Premium Brand Index (KS-PBI) for 16 consecutive years
March	Ranked 1st in the 2024 Korea Brand Power Index (K-BPI) for 22 consecutive years
January	Ranked 1st in the 2024 Korea First Brand Awards for 20 consecutive years

### Report Production Oversight

ESG External Cooperation Team	Hyung-geun Jin, Seo-hee Choi, Jun-hyung Kim, Young-hoon Seo, Shin-ae Lee, Byung-woo Jeong
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### Persons Who Helped With Production (In Alphabetical Order)

Biz Product Planning Team	Seon-yeong Noh	Logistics Support Team	Geon-hee Eom
CRM Team	Seung-hee Hong	Corporate Marketing Team	Soo-bin Lim
CS Team	Kang-hyuk Yoo	Insurance Team	Sang-min Lee
HR Innovation Team	Chang-yoon Im	Brand Management Team	Hye-rim Jo
IR Team	Hong-bi Kim	Export Business Team	Kang-seon Lee
Branch Development Team	Sang-hyun Park	Safety Management Office	Sang-yoon Park
Auction Operation Team	Seo-hwi Kim	Sales Support Team	Jun-su Moon
Management Planning Team	Min-gyu Lee	LOTTE auto lease	Ji-yeon Yoo
Management Support Team	Tae-hyun Lim	LOTTE auto care	Hyun-jin Kang
Purchasing Team	Gyung-shik Son	Ethical Management Team	Yong-jae Lee
Greencar	Seon-ho Go	HR Development Team	Ui-joo Shim
Short-term Planning Team	Heon-taek Lee	Information Security Team	Han-min Park
Risk Management Team	Seon-mi Peng	Jeju Business Group	Sang-jin Lee
Lift Team	Sang-hyun Park	Compliance Management Team	Hye-rin Kim
My car Planning Team	So-jin Jung	Overseas Business Team	Han-jong Joo