

Lotte Travel Retail Australia Pty Ltd

Modern Slavery Statement

Financial Year 1 January – 31 December 2025

About this Statement

This Modern Slavery Statement (**Statement**) is made in accordance with section 13 of the *Modern Slavery Act 2018* (Cth) (**Act**). This Statement is made by Lotte Travel Retail Australia Pty Ltd ACN 628 207 367 (**Lotte Australia**), and outlines the steps Lotte Australia has taken to assess, address, manage and mitigate modern slavery risks in our operations and supply chains during the year ending 31 December 2025. It also demonstrates how we plan to continue to improve our frameworks and processes in the future.

We are committed to identifying, assessing and addressing modern slavery risks in our operations and supply chains in line with the Act. To this end, we are focused on practical improvements to our due diligence, supplier engagement and governance.

This Statement covers the period from 1 January to 31 December 2025.

Our Structure, Operations and Supply Chain

Structure

Lotte Australia is commonly known as Lotte Duty Free Australia, and was incorporated in Victoria and registered on 16 August 2018. It is a subsidiary of Lotte Duty Free Singapore PTE Ltd, which is wholly owned by Hotel Lotte Co., Ltd. Lotte Australia wholly owns Lotte Travel Retail NZ Limited (**Lotte NZ**). However, Lotte NZ ceased trading in February 2025 and is no longer actively operating. Lotte Australia does not own or control any other entities.

Lotte Australia is part of a multinational corporate group called Lotte Duty Free (**Lotte Duty Free Group**). Lotte Duty Free Group has a further network of global subsidiaries, however, no corporate entities other than those outlined above have operations in Australia that satisfy the requirements to report under the Act.

Operations

Lotte Duty Free Group is in the business of retail sales of duty-free goods, including but not limited to cosmetics, alcohol and confectionery, at airports and duty-free stores in major cities. It has operations in Australia and New Zealand.

Lotte Australia has approximately 450 employees in Australia. These employees' roles are managerial, finance, administration, sales, legal, IT and retail.

Supply chain

We work with various inventory suppliers in the beauty, food, sunglasses and liquor industries. These suppliers provide the retail products sold by Lotte Australia in duty-free stores, and are sourced from both Australian and overseas entities. Lotte Australia directly procures all of its retail products from its suppliers.

We estimate approximately 40% of Lotte Australia's inventory is imported from overseas suppliers, and we have over 108 overseas suppliers. The majority of beauty products are supplied from France, but also the United Kingdom, United States of America, Switzerland, Belgium, South Korea and Hong Kong. Lotte Australia imports food predominantly from European countries and sunglasses from Italy and China. The majority of liquor is procured from within Australia.

We also utilise logistics providers, building contractors and cleaning service providers in Australia. Our shopping bags are also purchased from an Australian company, although we understand that the shopping bags are manufactured in China.

Risks of Modern Slavery Practices

Retail Products

Due to the nature of our business, Lotte Australia's primary modern slavery risks are from its extensive product range. Whilst a large portion of our inventory purchases are from overseas, with 28 of our inventory suppliers being based in China, our Tier 1 suppliers are predominantly large, multi-national brand companies and established distributors who are also subject to compliance with the Act.

Notwithstanding the above, Lotte Australia recognises that there may be risks of modern slavery practices present from our sourced materials (e.g. retail inventory as well as ancillary products such as packaging materials). Such risks may include the use of slavery or forced labour in overseas countries from which we source inventory.

Identifying and addressing these potential risk scenarios is part of our continuous improvement initiative and will be the priority of our supplier engagement activities over the next reporting year.

Lotte Australia's Staff

Most of Lotte Australia's employees are covered by one of three modern awards under the *Fair Work Act 2009* (Cth) - the Clerks Award 2020, Storage Services and Wholesale Award 2020 or the General Retail Industry Award 2020. All of Lotte Australia's employment contracts clearly outline the company's obligations to its employees consistent with the standards in any applicable awards, such as remuneration and leave.

Lotte Australia's Potential Modern Slavery Risks

The Lotte Duty Free Group was the first duty-free operator to obtain ISO 37001 certification for its Anti-Bribery Management System and has also achieved ISO 37301 certification for its Compliance Management System. Together, these certifications provide a structured framework for managing anti-corruption and compliance risks, enhancing transparency, accountability, and ethical conduct across the organisation. In addition, the Lotte Duty Free Group has implemented an integrated compliance management system combining ISO 37001 and ISO 37301, reinforcing a more systematic and consistent approach to ethical and compliant business practices.

Policies and procedures

Lotte Australia has formal policies and procedures in place to promote ethical, open and transparent business conduct for our employees.

In particular, Lotte Duty Free Group's Code of Conduct applies to Lotte Australia and outlines our commitment to prevent violations of human rights, including modern slavery. The Code of Conduct

governs the expectations that all entities in the Lotte Duty Free Group have for their employees regarding lawful and ethical conduct. The relevant sections of the Code of Conduct are also included in our employees' employment contracts. Among other things, the Code of Conduct establishes standards and expectations with respect to:

1. Equal opportunity, fair treatment, and safe working environment for employees;
2. Selection of business partners based on transparent, objective criteria which include integrity and social responsibility;
3. More broadly, the promotion of human rights with respect to employees, business partners and local communities (in which the Lotte Duty Free Group operates), including active monitoring and prevention of coercion, confinement, child labour, or other forms of forced labour. The Lotte Duty Free Group supports and respects the United Nations Guiding Principles on Business and Human Rights, and ensures compliance with local labour laws and minimum working-age requirements across operations.

We will continue to review and update our policies to ensure that they include processes to address the risk of modern slavery in our operations and supply chains. We ensure that our employees are aware of the Act, the definitions of slavery and human trafficking and that they know what to do should they suspect a case of slavery or human trafficking.

Our governance

Lotte Duty Free Group has compliance and governance programs underpinned by the Code of Conduct. Lotte Australia is committed to the Code of Conduct, and also has the Senior Leadership Team as the governance body responsible for identifying, addressing and mitigating or remedying modern slavery risks in our operations and supply chain. This team is also responsible for ongoing monitoring of legislation and regulation changes, and to update internal policies accordingly.

Concerns can also be raised via People & Culture or the Lotte Duty Free Group's whistleblowing channel (called "Sinmungo"). We maintain a strict non-retaliation policy and will work with affected parties and suppliers to remediate harm.

Managing suppliers

Lotte Australia is committed to taking further actions to make sure that modern slavery laws and regulations are complied with. In accordance with Lotte Group's Human Rights Statement, Lotte Group seeks to foster strong, collaborative relationships with its business partners to support mutual growth and development, and to encourage and cooperate in the implementation of effective human rights management practices.

To assess and address potential modern slavery risks, we have reviewed how we engage with new suppliers and assessed whether our current suppliers have a modern slavery statement and are otherwise meeting our expectations and standards.

Assessing Effectiveness

During this reporting period, Lotte Australia focused on establishing the fundamentals for our modern slavery risk profile and governance framework in Australia. We aim to further enhance and build upon this baseline in the next reporting cycle by defining and tracking key performance indicators, which we expect to include:

- Percentage of suppliers that acknowledge and contractually commit to our modern slavery expectations; and
- Percentage of employees who complete annual review of the Code of Conduct and this Statement; and
- Preparation of an initial assessment for higher-risk supplier categories and follow-up engagement actions.

The Senior Leadership Team will also continue to review Lotte Australia's action plans and undertake regular internal governance and external assurance processes.

Next Steps

Lotte Australia is committed to strengthening our modern slavery risk management framework. Our planned actions for the next reporting period include:

1. **New Supplier Protocol** – Lotte Australia aims to incorporate a new protocol whereby we request and review any new supplier's modern slavery statements to ensure compliance with a satisfactory standard; and
2. **New Supplier Onboarding Package** – Lotte Australia aims to develop and implement a supplier onboarding package which incorporates modern slavery obligations, the Code of Conduct and Lotte Australia's values.
3. **Training our Staff** – this Statement and Lotte Australia's modern slavery obligations will be introduced to all of our corporate and retail employees to ensure they are equipped with a comprehensive understanding of our obligations.
4. **Mitigate Risk** – if any modern slavery risks are identified, we will engage with our suppliers to implement measures to mitigate such risks.

Other Matters

We are committed to ongoing improvement to ensure we can better assess and address modern slavery risks. We are committed to taking the necessary steps to prevent modern slavery from occurring within our operations and supply chains.

This Statement has been approved by the Board of Lotte Australia, and is signed by Jaeha Kim in his role as Managing Director.



Jaeha Kim
Managing Director
30 June 2026