

Code of Conduct Policy

Human Resource Department



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Introduction

Why do we have the Code of Business Ethics and Conduct?

This Code of Business Conduct (“Code”) is a document that helps us identify right from wrong at workplace. It serves as a guide to provide us with resources and assistance to help us comply with the ethics, laws and integral principles of our company. Whenever we face an ethical dilemma or witness a violation of a code, this manual can be referred to, to address the problem and seek effective resolution on the same.

What is the Lotte India’s Code of Business Conduct and why must we follow it?

At Lotte India Corporation Limited. (referred to as LOTTE INDIA), we do what’s best for our company, our people and our external partners and stakeholders by ensuring a fair conduct all the way.

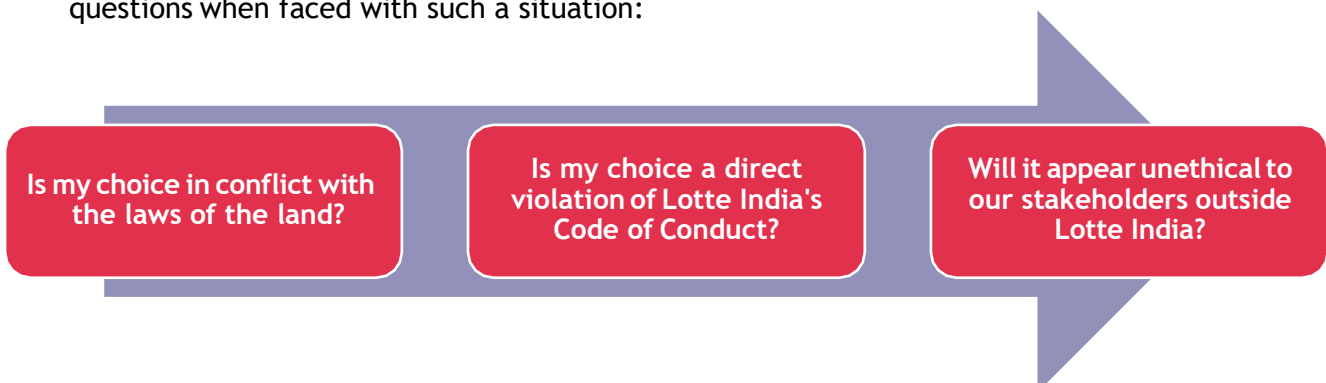
This Code, which is designed by upholding all of LOTTE INDIA’s values and principles while complying with the laws of the land, introduces us to behaviours that make LOTTE INDIA a just, honest and an objective organization. It sets out how we conduct our affairs with our employees, our stakeholders - suppliers, distributors, partners, government officials - and ultimately, all our valued customers.

Who must follow the Code?

We at LOTTE INDIA believe our employees to be leaders who inspire and serve as role models to one another. Thus, the Code applies to all employees of LOTTE INDIA and are expected to read, understand and comply with the Code, the policies mentioned therein and the laws applicable to it. We urge each one of our employees to help each other understand and apply the Code.

A Guide to Right Decision-Making

Making decisions at workplace is an integral part of your role at LOTTE INDIA. Here, we recognise that not all decisions are and can be a walk in the park. It is often a grey-zone that we are dealing with. So, to equip you with a better decision-making ability, ask yourself the following questions when faced with such a situation:



If the answer to any of the above questions is “Yes”, seek advice and guidance from your immediate senior/manager.

Whom should I contact for advice on the code?

Don’t forget, we are all in this together. Should you face a legal or ethical concern while deciding, there are various points of contact at LOTTE INDIA who you could reach out to for effective resolution and guidance on your issue. Avenues available for the same include:

- Immediate Line Manager
- Human Resources Business Partner
- Legal Manager

Human Resources Business Partner Details:

Business Unit	HRBP Name	Contact Number	Email Id
Corporate	Khyati Handa	9769192202	khyati.handa@havmor.com
Sales and Alternate Channels	Nishit Tuli	9898000575	nishit.tuli@havmor.com
Plant - GIDC	Rakesh Sharma	9327931487	rakesh.sharma@havmor.com
Plant - Pune	Sagar Khairnar	9586491588	sagar.khairnar@havmor.com

Legal Manager Details:

Name	Contact Number	Email Id
Karan Shah	9892233519	karan.shah@havmor.com

These offices are well-equipped to address issues related to company guidelines, workplace conduct, employment practices, company policies, and interpretation of the legalities involved in the said issue.

At the same time, we also encourage our employees to report any violation of the Code that is not in sync with the values of the company to either of the above-mentioned channels. It is every employee’s responsibility, whether reported anonymously, to dispense as much information as possible in good faith and with utmost authenticity so that prompt and just actions can be taken. LOTTE INDIA assures to each employee that bringing an issue of misconduct/violation to light will not affect the conditions of employment in any sense whatsoever.

The logo features a dark teal circle with the text "Business Conduct" in white. This circle is partially enclosed by a dark teal shape that resembles a stylized 'C' or a hand holding the circle from below. The entire logo is set against a light pink background.

Business Conduct

Compliance to Laws of the land and Lotte India Policies

Our organization is governed by a set of local, state, and national laws which all of us at LOTTE INDIA are expected to be aware of and abide by. All laws and regulations pertaining to our industry, products and processes must be upheld by everyone at LOTTE INDIA. This includes complying to manufacturing, packaging, distributing, selling, product safety standards and principles.

Under any circumstance, we must never engage ourselves in a conversation with our competitors in the industry to discuss about LOTTE INDIA's existing products, innovations, pricing policies, discounts, upcoming products, terms of sale, profit margins, costs, customers, target and potential market, existing and potential partnerships or any other proprietary information. In an event like this, we are to simply decline to divulge any information and report the incident to the legal team/HR.

Honest Marketing

LOTTE INDIA strongly upholds the value of correctly representing itself in the industry at large. This means that as members of LOTTE INDIA, we must never report any inaccurate information on the public domain. We must be cognizant at work to not, intentionally or unintentionally, infringe on the Intellectual Property Rights of the company.

When producing marketing materials to promote our products, using vague words can confuse the consumers and can also cause problems due to violations of laws. Thus, we must try to use words with clear meanings as much as possible.

It does not fit well in LOTTE INDIA's culture to demean any of our competitors while marketing and promoting our own company's products. While representing LOTTE INDIA on public platforms, or while representing ourselves as a member of LOTTE INDIA, we must bear in mind to not criticise or comment negatively on our competitors' products or processes.

Usage of Company Assets and Facilities

Company resources are meant to help us all successfully achieve LOTTE INDIA's long-term and short-term strategic and business goals alike. Resources and infrastructure, such as electronic devices - mobiles, laptops, desktops, hardware and software, internet connection, machinery, raw-materials, inventory, intellectual property, confidential data, technology, air-conditioning, pantry equipment, are placed in our care in good faith and rightly so. Misuse or abuse of company assets and facilities severely hamper us all and negatively impacts the financial and business performance of LOTTE INDIA.

Thus, it is our collective duty to ensure that the company resources are protected against theft, damage and waste amongst one another. Company assets must be used to meet and serve business interests only.

Additionally, we are also entrusted to use company's network and wireless devices ethically, legally and morally. This is to say that we must not access third party websites and assets which are banned/unapproved at LOTTE INDIA for personal or professional use. Company's internet and intranet systems must never be used to access, store, send or publish any material which is inconsistent with the LOTTE INDIA values and ways of working and which goes against the respect and integrity of the other person/s. This includes pornographic or sexually explicit images, political or religious humor and content, racist or sexist comments/forwards or anything and everything that promotes violence, hatred, disgust or intolerance.

Should you find yourself having any suspicion or concern about or facing a misuse or abuse of company assets, company information and technology, we urge you to speak it out to your Line Manager or HR Team and seek immediate and appropriate action on the same.

Protecting Intellectual Property Rights and Trade Secrets

Some of us may also be entrusted with LOTTE INDIA's Intellectual Property. Intellectual Property is one of the most precious, unique and irreplaceable assets of a company. This includes copyrights, patents, trademarks, designs, logos, brands, packaging and product design, research and development, product inventions and innovations, trade secrets and all other company-related information.

At all times, we must take it up on ourselves to protect and preserve the intellectual property and confidential business information. Confidential business information includes sales information, business targets, product strategies, consumer markets, pricing strategies, manufacturing and development plans, pricing policies, personnel changes.

We must ensure to not accidentally or intentionally slip out confidential information in our business dealings as well as day to day affairs both while at work as well as outside work (public settings like restaurants, airports, theatres, parks, etc.)

In the era of digital transformation, when the value of intangible assets is as high as tangible assets, the need to protect intellectual property rights has increased. Thus, we must bear in mind that the know-how and technology that employees have produced while working at the company are the property of the company, not the individuals. IPR infringement, such as unauthorized use, reproduction, distribution, or alteration of intellectual property is, therefore, subject to disciplinary action and criminal punishment.

As an organization that values honesty and integrity, it is our prime responsibility to maintain and safeguard any confidential or proprietary information that our external stakeholders or partners have entrusted us with. This goes a long way for us to showcase our marketplace integrity. In this regard, we also respect the trade secrets and confidential information of other companies. To seek details from

the industry, we refer to information available on public domains like internet, business literature or other public documents.

When we recruit manpower from our competitors or partner companies and vice versa, we must thoroughly check for any infringement of the intellectual property rights of others or our company. Accordingly, we must verify and manage the entrance/resignation procedures of the company for this.

Anti-Corruption and Anti-Bribery

LOTTE INDIA has a strict stance towards corruption and bribery where these practices are unacceptable and are not in line with LOTTE INDIA's values. We strictly forbid offering, accepting and authorizing bribes, kickbacks, facilitation, and illegal payments in an attempt to gain or provide an unfair advantage or inappropriately influence with a customer or a stakeholder.

It is our duty to abide by laws and regulations that apply to our area of conducting business. Grants and donations to outside parties may only be authorized and provided if LOTTE INDIA does not receive anything of value (material or non-material) in return.

Political Activity and other contributions

LOTTE INDIA fully respects the liberty and rights of our employees to involve in political processes, activities, and practices on a personal front. We are all free to believe in a particular political system, support a political party/candidate/group and engage in contributions and advocacies on a personal front. However, we encourage our employees to not use company assets, facilities, and worktime in their personal, political pursuits. Furthermore, individual employees shall not endorse their own political beliefs and affirmations on any platform whatsoever as a representative of the Company.

Additionally, LOTTE INDIA upholds the spirit of giving back to the society and conducts activities under CSR. However, each employee of LOTTE INDIA is free to participate in other voluntary causes on their personal discretion if it doesn't make unauthorized use of company assets and time.



Representing Lotte India in public forums

We, as employees of LOTTE INDIA, represent ourselves as a part of the company on public platforms and people may look at us as a source of information about the company. Thus, we must understand that our views and opinions expressed in public, be it via online or offline mediums (about any issue related or unrelated to company affairs) may create a direct or an indirect perception of what we stand as a company. Additionally, LOTTE INDIA employees' words and actions are the image of the organization. We must, at all times, exhibit utmost care to not mention any confidential information regarding the company's business processes or any such related information outside the organization. This is true to not only about our own company, but also about our other stakeholders such as customers, suppliers, competitors, etc. It doesn't sit well with our culture to slander our stakeholders or our company's reputation in any way. Many of our senior employees may have to address the press or media on behalf of the company on an occasional basis. In such a case, we must consult with a PR officer before scheduling any interview with media or posting about the organization on social media. Nevertheless, it's always a good idea to reflect on the below mentioned ground rules:

- Think twice before posting anything on behalf of the company
- Be responsible for any post on your social media or networking handle/s
- Use your personal computer for personal work
- Be responsible for your own post even when you are using your personal computer
- Pay extra attention to your privacy settings
- Be aware of social media policies

Use of Social Media

We live in a digital age where almost all of us are connected with each other and with the world outside on some platform or the other. Social Media platforms enable anyone and everyone to create, share and post content online for others to view it and seek information. LOTTE INDIA also has its own social media handles on Facebook, LinkedIn, Instagram where we post content with the intent of fulfilling certain business strategies.

We must be mindful while sharing information related to LOTTE INDIA. Appropriate permissions must be secured while sharing company-related content. Statements made on social media handles on behalf of the Company must also come with required authorizations.

Additionally, we must also bear in mind that other stakeholders like our fellow employees, external partners and business associates should not take offense in any manner about the content that we post either about those stakeholders or about company's products and processes.

Lawful information collection

During our tenure at LOTTE INDIA, there may be times when we need to refer to some external data or internal employee data, either for benchmarking purposes or for improvement in our systems. Thus, we must be aware of the local and national laws about information collection and observe strict adherence to those laws. This goes to say that we must seek details from the external environment,

including our stakeholders, only from the channels that are freely available to us on the public domains. Similarly, it is in prohibition to unlawfully ask our partners and associates of their technical, procedural or operational data as it may lead to infringement of their property rights. Additionally, any unlawful acts for immediate gains or results are prohibited at LOTTE INDIA, including any acts among competitors related to mutual agreement or connivance which disturb the reasonable choice of customers and limit the actual competition among companies.

Similarly, we must never discuss with the competitors the price, details of bidding, costs, profits, market share, sales region, distribution of product family, business conditions, and boycott of specific supplier and customer, which can be against the Fair-Trade practices.

We must refrain from collecting sensitive data like ethnic origin, religious beliefs, political leanings and inclinations, sexual orientation, etc. which the consumers might take an offense for. Additionally, such data should be collected only if there is an explicit need to do so, like for when required by law, with prior consent of the consumer.

Sharing our consumers' personal information with any stakeholder outside the company unless there is a legal requirement to do so is considered a serious infringement of privacy. We must also refrain from accessing personal data of consumers, and other stakeholders in general, without prior authorisation and a business need of the same. Whenever we receive customer information from our trusted partners, it is our duty to treat it as if it were our own data. In the event of entrusting our customer information to a partner company, we must check if that partner company has physical, administrative and technical capabilities enough to protect the customer information, and that such information is completely destroyed responsibly after use.

The leakage of personal information has become a major social problem, including serious damages such as voice phishing, information collection without user consent, and unauthorized use in marketing. Information can leak in a moment of carelessness. Therefore, to prevent such unwanted information leakage, LOTTE INDIA has set internal standards regarding customer information protection above legal standards and shall collect and manage customer information in accordance with such standards.

Creation of social values and social contribution

LOTTE INDIA supports active participation of its members in the society and community. We encourage our members' participation in social service activities and activities for welfare of the public interest. Additionally, we must also look for ways and means to bring in the element of creating social values in our business processes. This includes creative innovations and transformational ideas pertaining to our business that can benefit the society at large.

The logo features a teal circle with the text "Marketplace Integrity" inside, set against a teal background that resembles a stylized cup or bowl.

Marketplace Integrity

Providing the best products and services

Our business is built on years of efforts, and it is growing every day. Habits are very important to customers. At LOTTE INDIA, we believe that the power to make customers choose our products out of habit lies in creating a powerful and trustworthy brand. We already do and must continue to put our best foot forward to ensure that trust becomes a strong motivating factor for our customers to ensure LOTTE INDIA's sustainable growth.

While we continually serve our customers to be the best in business, it is easy to be tempted to deceive them and make an unconscientious attempt to pursue short-term profits. Even if short-term profits are gained through an unconscientious act, it will eventually come to the fore and be nothing less than a fatal blow to the company's reputation resulting in eventual decrease of sales and profits. Concealing product defects, compromising standards of safety, hygiene and quality in our products, failure to report such intolerable acts, are all typical instances of unconscientious acts that can lead to consumer complaints and lawsuits. As a part of LOTTE INDIA, it is our duty to ingrain customer-centricity in our work and make act to the best of our judgment accordingly.

Utmost Product Hygiene

Being a customer-centric organization, Acchai, Sacchai and Safai have been an integral part of all our practices. The quality of our products, its uniqueness and the spirit of dedication and commitment that goes into manufacturing these products is what helps LOTTE INDIA build and maintain its reputation in the industry. Thus, each one of us involved in the end to end process of product development, i.e. conception, manufacturing, distributing, selling, marketing, etc., has to ensure utmost loyalty to the product quality and safety standards established by LOTTE INDIA.

We must ensure utmost implementation of hygiene standards right from manufacturing till distribution. It is our foremost duty to abide by all the safety protocols and guidelines set by local and state governments.

We must also strive to ensure that our suppliers, distributors, and other external stakeholders who are directly or indirectly involved in product processes comply to the required safety standards.

Respect for Our Partners

As LOTTE INDIA expands its horizons, the relationship with all our partners (franchiser and the franchise business operators/Dealers/ Distributors/Vendors) is becoming more important for us. Keeping this in mind, the executives and employees of our partners should be treated respectfully and fairly, the way we would want them to treat us. LOTTE INDIA does not discriminate in maintaining its relations with the partners based on their market size either. This is imperative as the driving force of our growth is dependent on the improvement of the competitiveness in the industry.

Fair dealings with Customers

LOTTE INDIA greatly believes and strives to attain maximum trust, satisfaction and loyalty of its customers. We always have and will continue to put our best foot forward in order to cater to differing needs of differing

customers and markets. Thus, it goes without saying for all of us at LOTTE INDIA that as a brand ambassador of the company, it is our duty to tend to customer's demands and ensure that our products and services add value to the customer experience. At the same time, we aim to attract and retain our customers on the basis of our product quality, service and value and not by providing unfair advantages to anyone. Thus, it is our foremost duty to stand by our principles and treat all our customers fairly, barring any discrimination on the grounds of region, customer type, customer channel, etc.

Fair dealings with Suppliers

Our relations with our suppliers are that of a long term one which stretches beyond the timely fulfilment of product deliverables and services. We take pride in demonstrating impartial and fair conduct while selecting and finalising our suppliers. We must ensure that we select suppliers not based on favouritism but on the factors like quality, service, commitment, and price. All suppliers must be considered and evaluated carefully through the established processes of LOTTE INDIA. Again, a thing to note here is to not let our relations come in the way of our expected outcomes from our suppliers (i.e. the quality, service, etc.). We must also pay our suppliers on time as stated in the supplier contracts unless there is a reason not to. We must also be aware of protecting our supplier's confidential data (if any) as it were our own. This helps LOTTE INDIA build trust and integrity with one of its most important stakeholders - The Suppliers.

Fair dealings with Competitors

- LOTTE INDIA has utmost respect for its stakeholders, including its competitors. We should and do treat our competitors the way we would want to be treated which helps us gain a respectable reputation in the industry. Thus, it is in our and the competitor's best interest that we must refrain from practices that will hurt the brand name and image of a competitor and avoid favoring any false claims/degrading comments about our competitors

Protecting Customer Information

Respecting our customer's privacy and creating a safe space for them to share essential information with us is one of our topmost concerns. Hence, we must remain committed to respect the confidentiality of such sensitive data. While collecting any data from our customers, we must confirm that it is being collected for business purposes related to LOTTE INDIA only.

While collecting the essential, personal information, we must inform people why are we collecting the data, what do we intend to do with it, how will it affect them and whom should they contact in case of any further concerns with respect to their data. Upon collecting the data, it must be stored securely and should only be accessed by people who have the need to do so.



Financial Integrity

Spending Lotte India's money

During our tenure at LOTTE INDIA, while making expenses in the name of company, we must consciously remind ourselves to spend money wisely and cautiously. A good way to start would be to look at it as your own money and make the best expenditure decisions possible. We must maintain a record of all the details when we avail the company-sponsored benefits such as travel & transportation, telephone & internet, etc. Apart from the company-sponsored benefits, any expenses to be reimbursed must be supported by relevant documents/proofs such as bills or receipts.

We are obliged to accurately inform the stakeholders of the company's management situation. No matter how small they are, minor adjustments or intentional modification in financial sheets can lead to a false decision making for both employees and shareholders. Preparation standards for financial statement should be done as per International Financial Reporting Standards (IFRS).

Improvement of Accounting Transparency

We at LOTTE INDIA are required by law to maintain accounting transparency in our business processes. All business transactions and related data must be recorded within the proper accounting period. These records must be uniformly recorded to be able to prove all costs and expenses incurred by the firm in the given time period. Manipulating or forging accounting data is a criminal offence as stated by law. If the person-in-charge manipulates the accounting documents according to the instruction of his/her supervisor, both he/she and his/her supervisor shall face civil/criminal responsibilities. If the supervisor instructs the manipulation of documents and data, the person in charge must immediately consult with the compliance officer.

Striving to achieve accounting transparency covered previously is applied not only to us LOTTE INDIA members but also to all the partners we trade with. When we notice or suspect that our counterparty in the transaction may be manipulating the accounting documents or suspected as an individual, company or country having untransparent business practices, we must promptly consult with the director on such a case and reconsider our decisions to continue such a transaction. In addition, the director should thoroughly check everything in accordance with principles to provide accurate and transparent information and should monitor the data on a regular basis to prevent the manipulation of accounting documents.

While transacting internationally, we must also educate ourselves and our fellow members involved in the transaction about the latest accounting rules and standards of that country. We must take utmost care to ensure that such standards are met and upheld.

Accuracy of Lotte India Books of Records

Maintaining accurate financial and business records always, is a way to build trust, respect, and fairness in our dealings with our customers and other stakeholders. Moreover, the laws, guidelines and bodies like government regulatory agencies require us to truthfully record our financial dealings and business transactions. Thus, it is each one of our responsibilities to maintain integrity in keeping accurate and complete financial records and submit it whenever prompted. It is our duty to ensure that

the information made available on public domains on behalf of LOTTE INDIA is entirely truthful timely and non- confidential.

Additionally, we must not accept cash transactions unless there is no way out and the transaction is so authorized, recorded and documented correctly. We must never destroy, forge or falsify any document for our own vested interests. Inaccurate or dishonest financial reporting could cost the company its reputation in the market and trust among the stakeholders. If you have a concern with respect to maintaining financial records, don't keep it to yourself. Speak to your finance team and/or HR representative and seek clarity on the same.



**Standing by
Each Other**

Respect for Human Rights

As part of our commitment to our larger global community, LOTTE INDIA complies with employment laws, including those addressing individual human rights. We, anywhere at any time, regarding business, uphold our values and standards regarding respect for human rights and make our partners aware about the same.

At LOTTE INDIA we must strictly adhere to the minimum working age norms as prescribed by the laws of the country that we are operating our business in. LOTTE INDIA has a strict no-tolerance policy towards child labour, forced labour and human trafficking and we only do business with partners who meet the same standards. Workers facing extended labour, delayed payments, unfair dismissal, illegal strikes, or poor working conditions such as dangerous work sites due to ignorance of safety and health regulations is taken seriously at LOTTE INDIA. We must endeavour to prevent a negative impact on human rights, which may be caused by our business.

We are committed to providing an effective resolution where we find human rights of our employees getting infringed upon while at workplace. Consultation with a Compliance Officer at LOTTE INDIA is the grievance mechanism available to all employees and business partners. This offers a secure channel for anonymous reporting of suspected concerns or potential violations of Human Rights standards at LOTTE INDIA or as established by the law. We support individuals who, in good faith, provide information relating to reports of potential misconduct and will not tolerate threats or acts of retaliation in any circumstance.

Mutual respect among our members

It is crucial to LOTTE INDIA's success and empowerment that we treat all our fellow colleagues and partners with utmost respect. We are to treat each one the way we would want to be treated at workplace. As proud employees of LOTTE INDIA, it is our duty to make for a safe, constructive, and nurturing work environment.

Respect and care for your colleagues like your family

Authoritarianism is a major factor infringing organizational diversity and impeding corporate growth. Recklessly talking down on anyone or exhibiting disrespectful attitude do not fit the culture at LOTTE INDIA. This includes treating everyone at work with respect, barring any parameters like age, gender, race, religion, etc.

Providing a support to competency improvement

LOTTE INDIA promotes a culture of personal and professional development where organizational competency is the synergy of members' capabilities and internal and external resources. A department head shall be entrusted to strengthen the capabilities of the department members. It is because the department members possess skills and abilities who are entrusted to our managers to nurture our future carefully. Hence, the department head shall do his or her best to support them.

Balancing work and life

The balance between work and life is getting blurred owing to the situations like COVID-

19. Work-life balance is one of the major items to lead a better Life, in addition to housing, income, education, job, subjective well-being, environmental quality, health conditions, and social relationships. In addition, major factors in determining work and life balance include the ratio of workers who work long hours, break time at work, and enough time for personal development. Thus, it is the managers' responsibility to support their team members in striking a balance between work and life so as to sustain better at work.

Refrain from using inappropriate language when hosting a thread or sending emails

We must also be mindful of respecting our employees while communicating, either virtually or in person. This goes to say to refrain from using language that is offensive to any race, culture, gender, religion, etc. or to any individual employee.

Respecting Cultural Diversity

At LOTTE INDIA, we have an active presence of members coming in from varied cultures and countries who follow different traditions and customs. As responsible and open-minded employees, we must never discriminate on the grounds of belongingness to a particular culture or ethnic group. At the same time, we must make conscious efforts to overcome any barriers such as communication hurdles arising due to cultural diversity at work. It goes a long way in understanding the differences by proactively communicating them to the person in question. This leads to building of a supportive work environment.

Fair conduct towards all employees

It is crucial to LOTTE INDIA's success and empowerment that we treat all our fellow colleagues and partners with utmost respect. We are to treat each one the way we ourselves would want to be treated at workplace. As proud employees of LOTTE INDIA, it is our duty to make for a safe, constructive, and nurturing work environment. This means looking from a lens free of any bias pertaining to race, gender, background, religion, etc. LOTTE INDIA thrives on the productive use of its people's competencies which are our biggest assets.

Fair employment practices

LOTTE INDIA values talent and it only fits in our best interest to recruit, retain and develop the best talent available at our disposal. This goes to say that LOTTE INDIA maintains fairness in employment and employment related decisions. We are committed to extend employment opportunities to the available talent pool if it fits the standards and protocols set by the company. We take pride in saying that we are not prejudiced towards a specific race, gender, sexual orientation, colour, caste, marital status, age, disability, and nationality and that our hiring decisions are based on skills, achievements, qualifications, and fitment to our culture. Similarly, whenever a new position opens at LOTTE INDIA, we are committed to provide equal employment and career advancement opportunities to employees on the criteria of merit, required competencies for the role and performance.

Harassment and bullying-free workplace

LOTTE INDIA believes in creating and maintaining a positive and respectful work environment which extends to our relations with external stakeholders too. Hence, LOTTE INDIA values strongly condemn harassment and bullying of any nature at workplace. In simplest of terms, harassment is exhibiting conduct which is inappropriate, hampers the honour and dignity of a person, creates a hostile and intimidating environment or is otherwise downright offensive.

Harassment on the basis of race, colour, creed, gender, religion, age, sexual orientation, disability, nationality, socio-economic status, ancestry is highly looked down upon at LOTTE INDIA and, as a consequence, attracts disciplinary action.

Forms of harassment on above mentioned aspects which are prohibited at LOTTE INDIA include the following but are not limited to:

- Verbal kidding or teasing
- Use of negative slangs and stereotypical comments
- Intimidating or violence-provoking acts like threatening, blackmailing, bullying
- Physical harassment or violence
- Visual harassment (photographs, videos, posters, etc.)
- Sexual advances, requests, favours, language

Should anyone face a discrimination or harassment of any kind, we urge them to speak up to their HR team and seek immediate relief and assistance through the committees that are established to investigate matters like these.

Alcohol and Drug-free workplace

As responsible employees of LOTTE INDIA, we must, always, dispense our duties and deliverables towards our customers and other stakeholders. This requires total focus and attention at work. To maintain decorum at workplace, LOTTE INDIA prohibits the use, sale, distribution, possession of alcohol, drugs, or any other controlled/prohibited substance/material of all kinds. On similar lines, we must also not report to work under the influence of alcohol or drugs as it may seriously hamper our ability to effectively serve our purpose at work. Should any of us require consume/possessing such substance under medical conditions and prescriptions, we must immediately notify our Line Manager or HR Team about the same to avoid future conflicts.

Free of child - labour and worker exploitation

LOTTE INDIA is vigilant of the issues covered by Laws of the land and is committed to respecting and promoting Human Rights. We do not engage in child or forced labour in any of our company's operations, including LOTTE INDIA's manufacturing units. Our business is defined by qualitative relationships that we maintain with our employees and workers. Thus, we do not tolerate or practice worker exploitation, physical abuse or ill-treatment, or involuntary servitude across the company.

Should any of us bear witness to any such unfortunate incident wherein worker exploitation or child labour is evident, we must bring it to the attention of our HR team who would take it further up to concerned authorities.

Religious and Racial Harmony

LOTTE INDIA celebrates and takes pride in its diverse workforce. We have people coming in from various ethnic and racial backgrounds, who are followers of different beliefs and religions. Thus, we must respect this diversity and co-exist peacefully and harmoniously.

We do not practice or tolerate discrimination of any kind, especially based on race and religion. Any conduct that provokes hatred or ridicules a particular race or religion is considered as harassment by LOTTE INDIA. Such behaviour is unacceptable and will be dealt with in the similar way as is the case for other kinds of discrimination.

Gender Equality

LOTTE INDIA practices and policies promote gender equality at workplace. This goes to highlight two of our important practices related to gender equality.

Improve the awareness of maternity and paternity benefits

We shall welcome, congratulate, and protect the maternity and paternity benefits of our colleagues with compliant leave structures and an additional paternity leave benefit at LOTTE INDIA.

Prohibit sexual harassment

Each of us has the right to respect and human dignity. At LOTTE INDIA, that principle is fundamental to the way we work. Any behaviour or action likely to infringe this right, and in particular any form of sexual harassment, is not acceptable. At all times, we must support and promote LOTTE INDIA's commitment to a workplace free from all sexual harassment. At the same time, we must also abstain from any sexual harassment, both internally and externally, with regards to third parties with whom we conduct our business.

Respecting privacy of our employees

Safeguarding confidentiality and privacy of the data we collect from our employees sits well within our duty. By the virtue of working at senior management positions, some of us at LOTTE INDIA may have access to a lot of confidential data, like personal details, compensation-related data, feedback, etc., which we are expected to respect and safeguard. Additionally, while collecting any personal data from the employees, it is our duty to disclose the intention and purpose of doing so. Furthermore, such data should not be collected without the said employee's consent unless required by law to do so. While sharing such employee data with any third party, (including employees who are not allowed the access to such information) we must consult our HR team and Legal team and seek appropriate guidelines to do so.

Safe working environment

Safety in the company as well as in the home is of utmost importance. The members of LOTTE INDIA shall prioritize safety more than other values, and do not hesitate to address or correct safety-related problems due to costs, delivery date and practice, etc. Despite executives thoroughly implementing safety management, outsiders can enter the company's workplace and cause safety accidents which may lead to serious damage to life and property. Thus, unauthorized persons must not be allowed to access the workplace equipment and facilities. Additionally, we must proactively inform our partners and stakeholders of the significance of safety and hygiene standards and protocols at workplace and request them to follow the same.

Safe Healthy workplace

At LOTTE INDIA, we strive to maintain a safe and healthy working space for our employees, visitors, and guests. We all are primarily required to report any unsafe or hazardous unattended substance/package/material to the appropriate authorities. We must be in total compliance of the safety and health guidelines and procedures, including those applicable to the manufacturing units, pre-established by LOTTE INDIA. Keeping in mind the novel situation posed by COVID-19, we must also abide by the rules and regulations imposed by the State and National Governments; comply with the LOTTE INDIA guidelines established for battling COVID-19 at workplace and encourage others in our vicinity to follow the same.



Conflict of Interest

What is Conflict of Interest?

A “Conflict of Interest” exists when an employee’s private interest, financial or otherwise, interferes, in any way, with the interests of LOTTE INDIA.

When does it occur?

A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her company work objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits (including personal loans, services or payment for services that the person is performing in the course of Company business) as a result of his or her position in the Company or gains personal enrichment through access to confidential information or benefits from a business serving the Company. A potential example of Conflict of Interest could be where our employees are involved in the development of an NGO premises and later sell our products to this entity. Employees are encouraged to seek clarification of, and discuss questions about, potential conflicts of interest with someone in our Legal Department. Any employee who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate persons within the Company.

Personal Investments

We encourage our employees to remain active in the industry. However, to avoid sound decision making at LOTTE INDIA and to remain free from influencing the business affairs at LOTTE INDIA, we must not engage in personal investments in an enterprise or an entity that would hamper our objectivity on behalf of LOTTE INDIA. An investment of not more than 1% of the total outstanding shares of a publicly traded company is permitted by LOTTE INDIA without approval. However, an investment above 1%, that you may already have or wish to make, in a public company or a private company that is a current or a potential competitor, supplier or a customer of LOTTE INDIA must be declared to the HR team.

Outside Employment

LOTTE INDIA encourages its employees to take active participation in the industry. This may come in as instances where we serve on the board of directors or advisory boards of any organization or entities. In such cases where we are offered opportunities outside our terms of employment at LOTTE INDIA, we are required to get approval from the senior management at LOTTE INDIA (MD and others) before accepting any such opportunity.

Additionally, using LOTTE INDIA’s facilities, infrastructure, brand name or relations for charitable purposes or on a pro-bono basis requires us to get prior written consent from the management.

Inventions and Innovations

At LOTTE INDIA, we develop and sustain by continuous improvement in terms of introducing new flavours, finding new and optimum ways of conducting operations of our manufacturing unit or improvising our affairs with better technology. These are all a part of the efforts that our research and development wing bring to the table. As a part of LOTTE INDIA, we may have access to sensitive and confidential information pertaining to the company's inventions and innovations. It is our duty to not disclose these details outside of work including our family members, close personal associates, LOTTE INDIA's stakeholders, competitors, etc. Posting about it on personal social media handles, directly or indirectly and without approval, may be considered as a violation of company policies and a part of conflict of interest.

Personal and family-oriented relationships

Professional interactions and relationships with close and family members may impair our objectivity while making decisions for and at LOTTE INDIA. These relationships, pertaining to our parent/s, children, siblings, cousins, fiancé/ fiancée, in-laws, grandparent/s, grandkids, aunt/s, uncle/s or any other familial relations, may make up for a potential conflict of interest.

To avoid this, should we come across any professional interaction with someone who is closely associated to us in any way, it is imperative for us to declare it to our HR team.

Lotte India does not encourage its employees or relatives, close friends to have dealings with LOTTE INDIA as this results in Conflict of interest. Any relationship with LOTTE INDIA stakeholders such as suppliers, vendors, distributors, dealers, wholesaler, sellers etc warrants an immediate disclosure in the in-Annexure A. Any discoveries of un-disclosed relationships post the stated date in declaration will be treated as a violation of code of conduct.

Although LOTTE INDIA does not prohibit relatives from working at or on behalf of LOTTE INDIA, it serves in the best interest of the company that such employees should refrain from participating in the hiring process of their relatives. This will ensure a fair and a just procedure to attract and retain the best talent. Also, such employees must avoid holding prime knowledge access with respect to the performance appraisal, salary and other confidential information that they wouldn't otherwise have access to.

Additionally, if two employees who are closely related to each other, fall in the same chain of command, then the HR and the management may take a decision to reassign their roles and tasks or transfer them to other locations/teams so as to avoid partial behaviour, future conflicts and favouritism.

It is also possible that we may have a close relative working for LOTTE INDIA as a stakeholder (supplier, vendor, etc.). In such cases, it is expected that we would disclose such relations to the HR to avoid ourselves from the decision-making roles pertaining to these external stakeholders.

Co-Worker Relations

LOTTE INDIA does not encourage employing two people related through blood relations or family relations or marriage since such relations can be perceived as influencing judgement and can hamper workplace productivity, confidentiality, and employee morale. Thus, such relations must be declared to the HR so that future conflicts of interest can be avoided.

Gifts, Entertainment and other business courtesies

Exchanging gifts and goodies are considered a way of improving business relations and are a common practice. In most places where our presence is actively evident, such courtesies reflect the cultural and traditional mannerisms of doing business in that area. LOTTE INDIA respects such cultural and societal sensitivities but beyond a certain limit, these activities must not violate the code. Since it can cause a potential conflict of interest and can pave way for a plethora of misunderstandings and disruption of professional relations, it is our duty to promptly disclose to our management whenever we receive a gift or entertainment from a third party.

We must only accept gifts or entertainment from a third party if it is modest, not cash or cash equivalents, does not bias our decision-making ability and does not provide any personal benefit or gain.

Only those gifts which are customary and modest in nature must be accepted by us. Although it is difficult to put a boundary around what is customary and modest, we must put our best judgement to use and define if the said gift is acceptable or not.

Courtesies that are acceptable:

- Meals - with those who we do business regularly, celebratory meal with a business partner, provided that the meal cost for you is borne by you.
- Gifts - modest gift baskets, and gifts of nominal value up to INR 500/-

Courtesies that are unacceptable:

- Illegal gifts as stated by law
- Cash or cash equivalents like stocks, gift certificates, loans
- Something that is way above and beyond nominal value of INR 500/-
- Something that would have to be repaid in any manner.
- Something that is offensive indecent, malicious.
- Travel expenses/Trips, etc.
- Something that benefits your family or close relatives.

In a situation where we are in a dilemma whether a particular gift is acceptable, we must raise the doubt to the Legal Manager

Prohibition of actions against the interest of the stakeholders

The competition-related practices are governed by 3 major principles that are prohibited at LOTTE INDIA.

- Contracts and practices that limit free trades and competition between companies are prohibited.
- Anti-competition practices to maintain abuse of power or dominant status of the market-dominating entrepreneurs.

Approval required from the company in advance in the event of inevitable conflict of interest.

In the growing business processes, we may be tempted to put the interest of individuals before that of our stakeholders such as the company itself, partners, suppliers, customers, etc. However, we must be mindful that we are participating in management as agents of stakeholders. If we act unreasonably, we will end up losing the trust of our stakeholders resulting in larger losses than gains. At any point in time, we must not act against the interests of the stakeholders and stockholders, including deriving personal gains directly or indirectly by leveraging the position of LOTTE INDIA executives, family members, friends, acquaintances, or agents. If there is a conflict of interest, we shall work to meet the interest of the stakeholders and not individuals.

Consultation with Legal Manager in case of conflict of interest

In the event of a potential or an at-hand case of Conflict of Interest, it is advised to consult with the Legal Manager to seek advice and further guidelines on the same. Even if we are unsure of whether a particular incident falls in the gamut of Conflict of Interest, we must speak to the Legal Manager to seek clarity on the same. This could help LOTTE INDIA prevent any major losses or damage to the company reputation and brand name.

Responsibility towards Society and Environmental Protection

Lotte India respects the environment that it operates in and seeks to minimise its environmental impact which is a result of our business processes. LOTTE INDIA is proudly striving for environmental protection through product innovation and shall continue to encourage our partners to join our effort in protecting the environment. Members of LOTTE INDIA are required to implement and maintain the Company-wide programs, and to be familiar and comply with environmental laws and regulations that relate to our specific work responsibilities. We communicate environmental principles that guide LOTTE INDIA and what we expect from our workforce to uphold the same. In addition, we recognize the importance of educating our stakeholders. We must educate our fellow members, suppliers, contractors, and customers of our policies. We are also welcome to new ideas to improve our efforts to reduce our environmental impact and make our workplace a green and sustainable one.

The Introduction of Global Lotte Whistle Blowing Policy

The Company is committed to the highest possible standards of transparency, honesty, and accountability in all its affairs and providing a workplace conducive to open discussion relating to its business practices. This policy reinforces the Company's approach by setting out the ways in which employees and business partners can voice their concerns about suspected unethical or improper practice, or violation of Company's Code of Conduct (available on company's website) or complaints regarding accounting, auditing, internal controls, or disclosure practices of the Company.

Safeguarding the Interest of the Whistle Blower:

1. The Company will do its best to protect whistle blower's identity when s/he makes a complaint. It must be appreciated, however, that the investigation process may require a statement by the whistle blower as part of the evidence.
2. The Company recognizes that the decision to report a complaint can be a sensitive one. The Company will not tolerate harassment or victimization and will take action to protect the whistle blower. The Company assures every Whistle Blower, protection against unfair termination or any other disciplinary action or unlawful discrimination or retaliation in any manner for blowing the whistle under this policy.

Harassment or Victimization:

The Company will ensure that there is no harassment or victimization of the Complainant. If there is any victimization, the Company will take very strong steps including dismissal of the employee concerned.

Malicious Allegations:

The intent of the policy is to bring genuine and serious issues to the fore. Allegations based not on reality but due to malicious intent will result in serious consequences and strong disciplinary action against the complainant concerned.

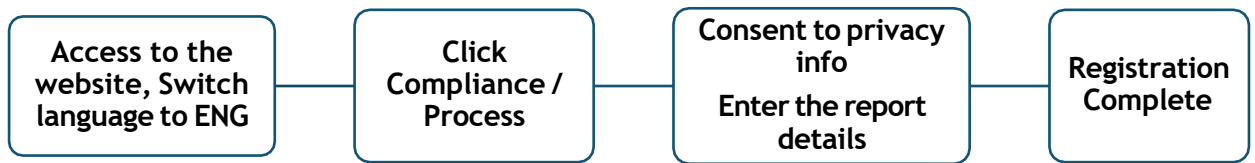
Procedure:

1. One can raise the complaint using:

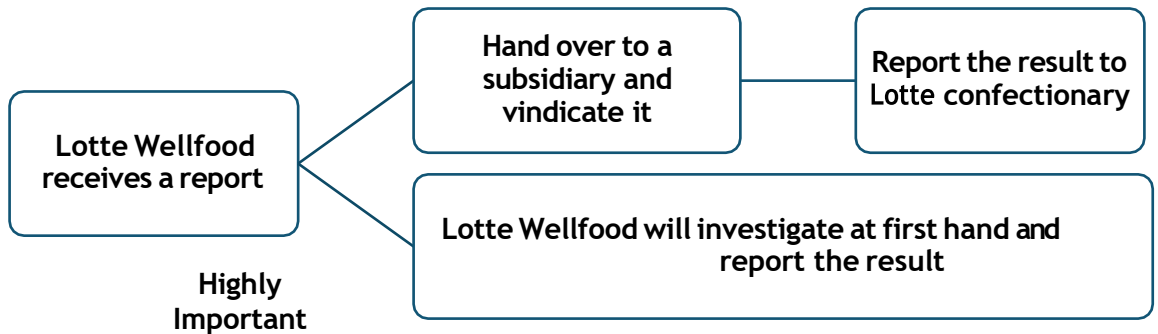
<https://www.lottewellfood.com/en/operation/compliance/complaint/view>

2. The process of raising a complaint is as follows:

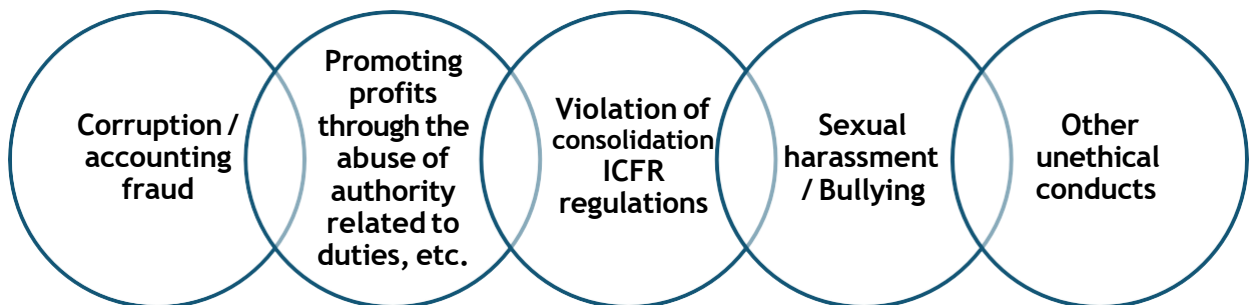
- Registration process:



- Process



3. Reporting Target



*In case of POSH, Internal Committee (IC) will address the complaint.

4. Alternatively, a complaint can also be lodged by writing an email at whistleblower@havmor.com.
5. The Whistle Blowing procedure is extended to be used for serious and sensitive issues and the complaint should be specific in nature containing sufficient details to permit investigation without need for direct contact. The complaint shall include:
 - The nature and facts of the complaint.
 - People involved in the complaint.
 - The impact/effect either monetary or otherwise on the Company.
 - The name and work location of the Whistle Blower.
6. For any complaint, the Company will ensure:
 - The proceedings are carried out in a fair and unbiased manner
 - Ensure thorough fact finding.
 - Maintain strict confidentiality.
7. The deliberations shall be incorporated in the minutes and documented as part of the final report.

Annexure -1 (Internal)

The email id whistleblower@havmor.com will be accessible to the following:

1. Chief Operating Officer
2. Deputy - Chief Finance Officer