

2026

SUSTAINABILITY REPORT



About this Report

Report Overview

LOTTE Biologics is publishing its first Sustainability Report to transparently disclose sustainability information—including environmental, social, and governance (ESG) performance—and to actively communicate with stakeholders. This Sustainability Report presents LOTTE Biologics' sustainability strategy and goals, as well as its implementation efforts and key achievements. Through the annual publication of this report, LOTTE Biologics aims to strengthen communication with stakeholders and continue its journey toward sustainable growth and development.

Reporting Period

This report covers LOTTE Biologics' activities from January 1, 2025 to December 31, 2025. To enhance comparability, selected quantitative data are presented for the period 2022-2025. Where relevant, the report also includes significant information from prior to 2024.

Reporting Principles

This report has been prepared with reference to the GRI (Global Reporting Initiative) Standards 2021 and also references guidelines and standards such as SASB (Sustainability Accounting Standards Board).

Among the sustainability information disclosed in this report, financial information has been prepared in accordance with K-IFRS (Korean International Financial Reporting Standards). Quantitative financial and non-financial information has been prepared on a fiscal-year basis.

Reporting Scope

The scope of this report covers ESG management activities and performance across all domestic and overseas operations. Financial information is prepared on a consolidated basis in accordance with K-IFRS, while non-financial information includes the domestic operations of LOTTE Biologics and LOTTE Biologics America. In line with the Company's disclosure framework, non-financial information is also reported on a fiscal-year basis.

www.lottebiologics.com

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Inquiries Regarding This Report

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<https://www.lottebiologics.com/ko/contactUs>



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CEO Message



LOTTE Biologics aims to enrich people's lives through our capabilities.

Dear Valued Stakeholders,

We would like to extend our sincere appreciation to all stakeholders for your continued support and encouragement of LOTTE Biologics.

Guided by our mission to advance human health, LOTTE Biologics entered the biopharmaceutical CDMO market with a clear sense of purpose. This Sustainability Report, our first official publication, reflects our management philosophy and our journey toward sustainable growth, grounded in our commitment to contributing to a healthier and more prosperous life for humanity.

Built upon our four core values — Collaboration, Excellence, Accountability, and Transparent Communication — we are committed to delivering the highest standards of service to our customers. In addition, we have established our ESG vision, "Contributing to a More Prosperous Life for Humanity Through Our Technology" underscoring our commitment to going beyond financial growth and fulfilling our broader social responsibilities.

In recent years, the global pharmaceutical industry has faced increasing expectations not only to address environmental issues such as climate change and biodiversity, but also to implement rigorous sustainability management practices across the entire value chain. In response, since its establishment

in 2022, LOTTE Biologics has been embedding sustainability throughout its overall management framework by strengthening relevant policies and internal regulations.

We have expanded the use of renewable energy at the Syracuse Bio Campus and proactively incorporated eco-friendly design elements into the construction of the Songdo Bio Campus, thereby laying a solid foundation for environmental management.

In addition, we are fostering a corporate culture that respects human rights and diversity while strengthening our ethics and compliance management systems to establish a transparent and responsible business framework.

Going forward, LOTTE Biologics will continue to advance its ESG management practices in alignment with globally recognized standards and international benchmarks, leveraging the operational expertise of the Syracuse Bio Campus and the state-of-the-art facilities of the Songdo Bio Campus.

We sincerely ask for your continued interest and support as LOTTE Biologics strives to emerge as a global top-tier CDMO.

Thank you.

James Jong Eun Park

Chief Executive Officer, LOTTE Biologics



Company Profile



LOTTE Biologics is dedicated to improving the lives of patients worldwide as a leading global CDMO.

LOTTE Biologics is growing as a trusted partner to clients and patients, supported by robust manufacturing infrastructure and adherence to global quality standards.

Company Overview

LOTTE Biologics is a global contract development and manufacturing organization (CDMO) established in 2022 and headquartered in Seoul, Republic of Korea, with key manufacturing hubs in Syracuse, United States, and Songdo, Korea.

The Company currently operates a bio campus in Syracuse with a biomanufacturing capacity of 40 kL and is expanding its production capacity through the development of a 360 kL-scale bio Campus in Songdo.

Based on a two-track strategy encompassing both acquisition and greenfield construction, LOTTE Biologics continues to strengthen its competitiveness in the global CDMO market.

Company Name

LOTTE Biologics Co., Ltd.

Chief Executive Officer

James Park (James Jong Eun Park)

Date of Establishment

June 7, 2022

Sales

KRW 196.1 billion (consolidated basis, as of December 2025)

Address

Korea HQ: 30F, 300 Olympic-ro, Songpa-gu, Seoul, Korea
Korea: 418 Songdo-dong, Yeonsu-gu, Incheon, Korea
United States: 6000 Thompson Rd, East Syracuse, NY 13057, USA

Number of Employees

Total 969 (Korea: 483, U.S.: 486, as of December 2025)

2022

May Signed agreement to acquire the BMS biologics facility in Syracuse, NY
June Established LOTTE Biologics Korea



Overview of the Syracuse Bio Campus Production Facilities

2023

January Completed acquisition of the Syracuse Bio Campus
October Signed a land purchase agreement for the Songdo Bio Campus



Acquisition of Syracuse Bio Campus Completed

2024

March Ground breaking for Songdo Bio Campus Plant 1
June Opened the Boston Sales Office



Ground Breaking Ceremony for Songdo Bio Campus

2025

March Opened the ADC Process Development Laboratory
June Completed a GMP-ready ADC manufacturing facility at the Syracuse Bio Campus



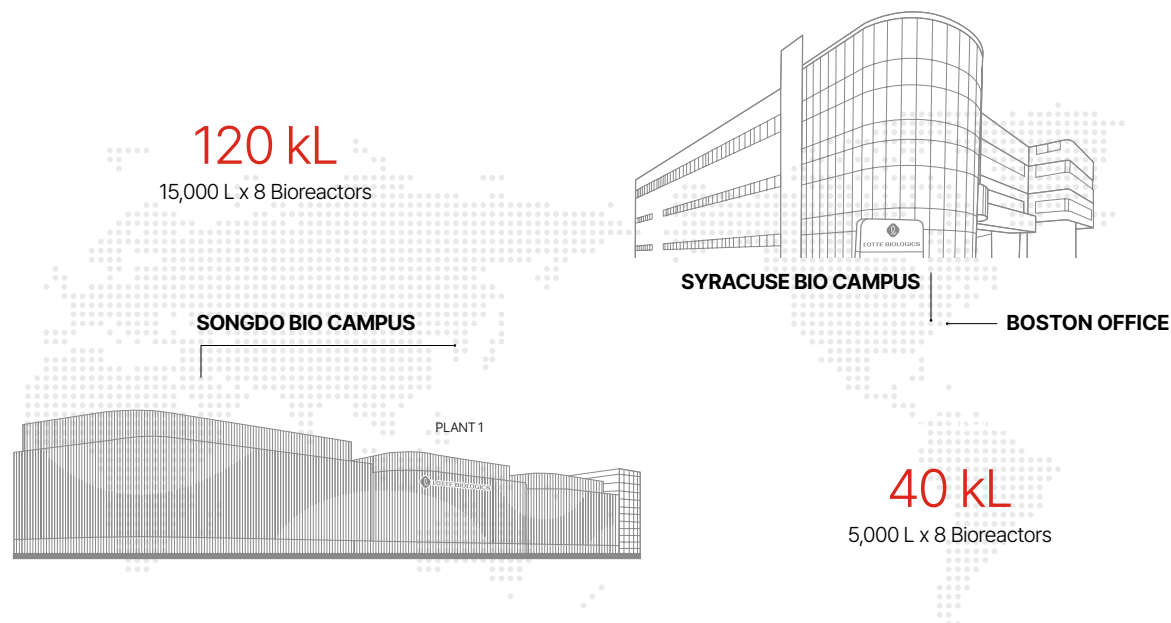
Ribbon-Cutting Ceremony for the Completion of the Syracuse Bio Campus ADC Manufacturing Facility

Company Profile

Leveraging its Syracuse Bio Campus in the United States and Songdo Bio Campus in Korea as strategic manufacturing hubs, LOTTE Biologics provides optimized production solutions tailored to meet diverse customer needs, ranging from small-scale projects to large-scale commercial manufacturing.

GLOBAL LOCATIONS

LOTTE Biologics is strategically expanding its global manufacturing network through its Bio Campuses in Syracuse, United States, and Songdo, Korea. The Syracuse Bio Campus operates a 40 kL-scale manufacturing facility, providing stable production of biopharmaceuticals in compliance with global quality standards. The Songdo Bio Campus is currently under construction, with Plant 1 targeted for completion in 2026 and an initial capacity of 120 kL. Upon completion, it is expected to serve as a core growth engine for LOTTE Biologics. In addition, through its sales office located within the Cambridge Innovation Center (CIC), LOTTE Biologics continues to strengthen engagement and communication with prospective global clients.



GLOBAL PARTNERSHIPS

LOTTE Biologics continues to strengthen its market competitiveness through strategic collaboration with global partners.

The Company works closely with leading global cell line development specialists to provide CDO (Cell Line Development and Optimization) services for antibody production. In the field of ADC (Antibody-Drug Conjugate) manufacturing, LOTTE Biologics is pursuing portfolio diversification through close collaboration with technology platform developers, linker and payload manufacturers, and drug product (DP) manufacturing partners.

In addition, the Company remains focused on enhancing its business competitiveness by establishing strategic partnerships with a diverse range of global companies.



Vision and Mission

Delivering Therapies that Enable a Healthier World.

By upholding the highest standards of quality and leveraging innovative technologies to reliably deliver benefits to patients worldwide, LOTTE Biologics aims to become the most trusted partner in the industry.

Core Values

"As a global partner delivering reliable, high-quality biopharmaceuticals, we lead the future of the bio industry through sustainable manufacturing capabilities and innovative technologies."



**Inspired by
Science**

Driven by scientific discovery and innovation, we are committed to delivering high-quality and effective biopharmaceuticals to patients worldwide by leveraging advanced technologies and continuous advancements.



**Embracing
Diversity**

We respect and embrace diversity in all forms and foster a culture that recognizes and values differences. Through open communication and collaboration among our employees, we strive to build an inclusive and healthy organizational culture.



**Fostering
Talent**

We are committed to developing and nurturing the capabilities and talents of our employees, supporting them in realizing their full potential through training, mentoring, and career development opportunities.



**Connecting
Lives**

We are dedicated to improving the health and well-being of patients and their families, while creating a positive impact on society by fostering meaningful connections and collaboration among individuals and communities.

Innovation

Change begins with innovation. Talented individuals harness their creativity to create new opportunities.

Tenacity

We do not give up, as perseverance defines our path to success. Resilient individuals confront challenges with courage and continuously strive toward their goals.

Diligence

We uphold our principles and act with integrity. We continuously pursue self-improvement and take proactive ownership of our responsibilities.

Ethics

Quality begins and ends with trust. We strictly adhere to GMP regulations and are committed to always doing what is right.

Diversity

We embrace the world with openness and inclusivity. Through open dialogue with diverse stakeholders, we seek collaborative solutions.

Philosophy

01.

Our management practices aim to achieve best-in-class performance through close collaboration with partners who share our core values. We embrace and support our partners by adopting cutting-edge technologies and the latest standards in manufacturing, including sustainable clean energy, automation, artificial intelligence, and quality management systems, and by maintaining long-term relationships.

02.

When we recognize the need for change and innovation, we act with boldness, decisiveness, and agility.

03.

We are committed to fostering a safe working environment where individual rights are respected, while striving to enhance the quality of life of our employees and their families. The Company provides stable and fulfilling employment opportunities, and in return, our employees take ownership of their roles and consistently deliver high standards of performance.

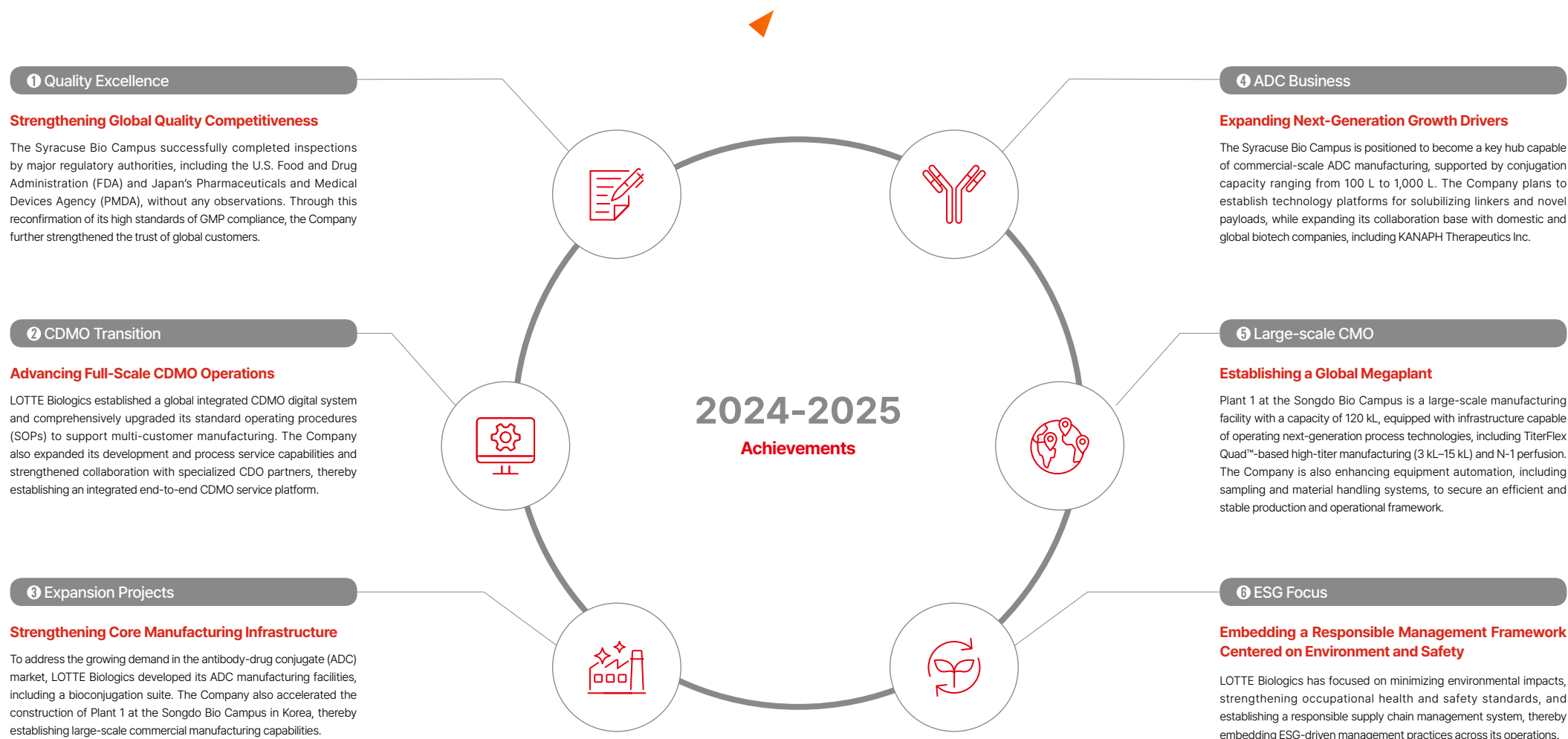
04.

To protect the rights of our partners and customers, we apply stringent information security and confidentiality standards. By delivering products that meet the highest standards of quality, we strive to achieve the highest level of customer satisfaction.

Sustainable Growth Strategy

LOTTE Biologics is building a stable and sustainable growth portfolio by strengthening its core business capabilities and securing new growth drivers

In 2024, LOTTE Biologics focused on strengthening its quality competitiveness, completing its transition into a full-fledged CDMO, and expanding its core manufacturing infrastructure to firmly establish itself as a global CDMO by expanding its business portfolio, particularly in the areas of ADC and large-scale commercial manufacturing.



Business Sites Overview

Mid-Scale Drug Substance



Syracuse Bio Campus, New York, United States

The Syracuse Bio Campus in New York State includes a 40 kL-scale facility with robust monoclonal antibody manufacturing and quality control capabilities, providing clinical and commercial drug substance production services. The site has obtained more than 62 regulatory approvals from global authorities, demonstrating a proven track record of manufacturing excellence.

Recently, the Company established cGMP-compliant ADC manufacturing facilities, further advancing its integrated one-stop ADC service offering. Leveraging over 18 years of antibody manufacturing expertise, the Company delivers customized solutions optimized to meet customer needs, spanning from clinical development to commercial-scale ADC production.

- Rapid entry into the Bio CDMO business
- Securing highly qualified talent with a strong GMP mindset

Large-Scale Drug Substance



Songdo Bio Campus, Incheon, Korea

Plant 1 at the Songdo Bio Campus in Incheon is currently under construction. Housing 120 kL-scale manufacturing, the facility is set to commence operations in 2027. The facility will be equipped with 8x 15 kL stainless steel bioreactors, securing large-scale commercial manufacturing capabilities.

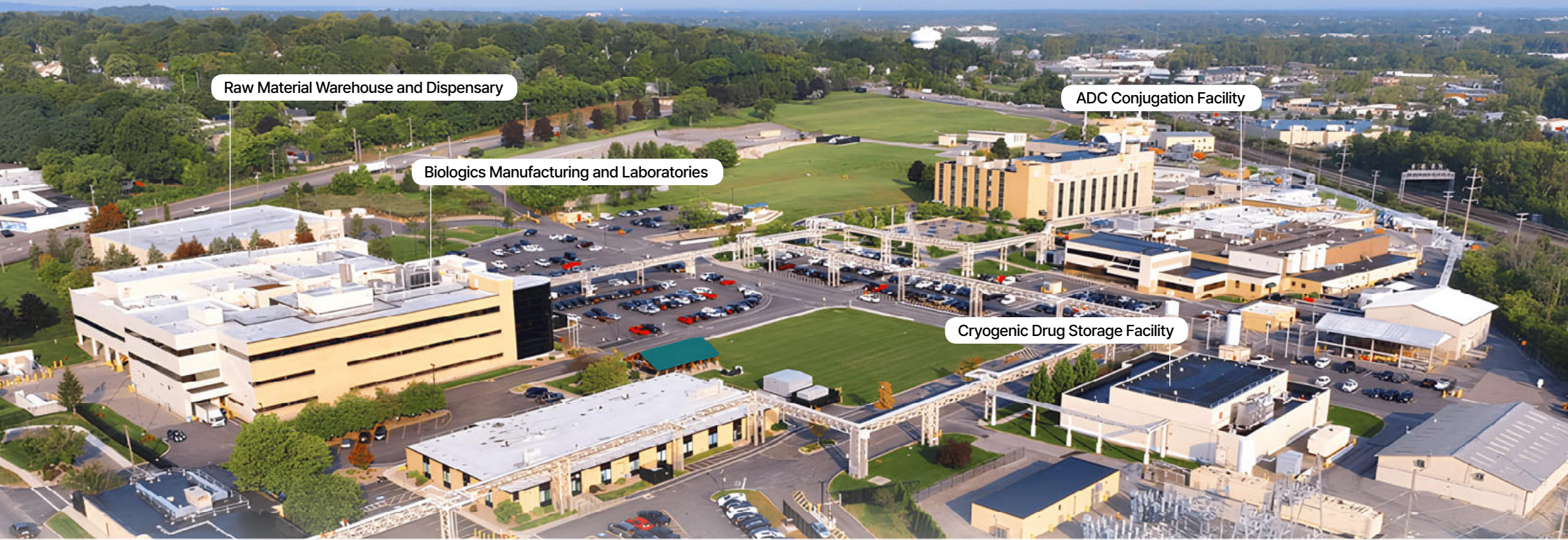
To flexibly respond to diverse customer requirements, the Company is incorporating equipment that reflects the latest process trends, including high-titer manufacturing and N-1 perfusion, thereby enhancing technological excellence. By combining advanced manufacturing innovation with large-scale production capacity, the Company aims to further solidify its position as a global megafacility.

- Achieving cost competitiveness through economies of scale
- Applying state-of-the-art design based on advanced technologies



Syracuse Bio Campus

A Legacy of Reliability. A Partner for the Future.



Monoclonal Antibody Manufacturing Capabilities



40 kL

Bioreactor Capacity

(8x 5kL Bioreactors)



62+

Regulatory Approvals

Completed Pharmaceuticals and Medical Devices Agency (PMDA)
inspection with zero observations (March 2024)
Completed U.S. Food and Drug Administration (FDA)
inspection with zero observations (September 2024)



99%

Employee Retention
at Acquisition



KRW **230** Billion

Average Annual Revenue

(2023-2024)



Up to **1,000** L

Conjugation Reactor Capacity



June 2025

Achieved GMP Readiness

Songdo Bio Campus

Science with Scale You Can Count On

2023.10

51-Acre Site Purchased

2024.03

Groundbreaking

Second Half of 2026

Target Mechanical
Completion of Plant 1

First Half of 2027

Start GMP Manufacturing



Plant 1 Construction Status

**120** kLBioreactor Capacity
(8x 15kL Bioreactors)March **2024**

Construction Started

First Half of **2027**

GMP Operational Target

Strengths

Automated Biopharmaceutical
Manufacturing FacilityFlexible, Multi-product
Manufacturing Enabled by Optimized
Facility DesignStrategic Location in a Bio Cluster,
with Access to an International
Airport

LOTTE Biologics Business



Trusted and Innovative CDMO Solutions

LOTTE Biologics provides customized biopharmaceutical manufacturing solutions as a global CDMO trusted by major regulatory authorities. The Company combines innovative technologies, specialized expertise, and an integrated quality management system to deliver differentiated value to its customers.

1

Unique Reliability + Innovation Mix

The Syracuse Bio Campus has secured more than 62 regulatory approvals from authorities worldwide and recently completed inspections by the U.S. Food and Drug Administration (FDA) and Japan's Pharmaceuticals and Medical Devices Agency (PMDA) without any observations, thereby demonstrating its strong credibility as a CMO. The Company has also expanded its CDO capabilities, further strengthening its expertise and market responsiveness as a fully integrated CDMO.

2

Dual Hubs. One Seamless Quality System

LOTTE Biologics is establishing an integrated quality and operational system under the "Dual Site – One Company" strategy through the operation of the Syracuse Bio Campus in New York, United States, and the construction of the Songdo Bio Campus in Korea.

3

Seamless Antibody & ADC Production in One Convenient U.S. Location

The Syracuse Bio Campus has expanded to include ADC manufacturing capabilities by establishing dedicated ADC production facilities in addition to its monoclonal antibody manufacturing operations. The Company has also developed ADC technology platforms, expanding technical collaboration with biotech companies and pharmaceutical firms engaged in ADC drug development.

4

Embedded Expertise from Specialists

LOTTE Biologics secured core expertise by retaining more than 400 experienced professionals with a strong GMP mindset following the acquisition of the Syracuse facility from Bristol Myers Squibb (BMS).

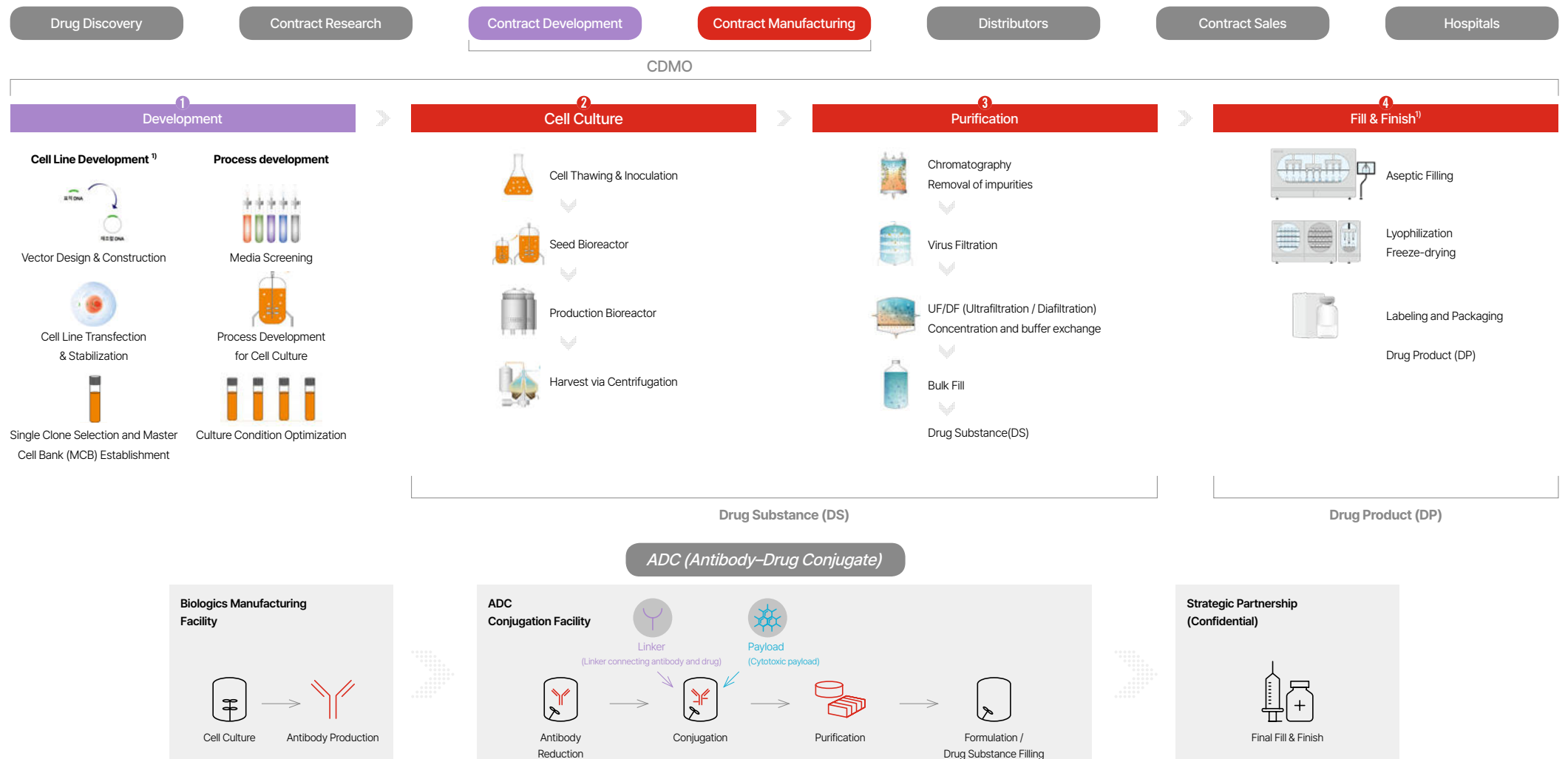
5

No Fixed Boxes. Tailored Solutions

LOTTE Biologics has established a collaborative partnership framework to address the diverse needs of its customers. The Company delivers customized solutions capable of responding to a wide range of requirements through close cooperation with its partners.

Business Model

As a global CDMO, LOTTE Biologics provides high-quality services tailored to customer requirements, spanning contract development (CDO) through contract manufacturing (CMO) for biopharmaceuticals. The Company possesses cGMP drug substance manufacturing capabilities to cater to both clinical and commercial stages, supported by state-of-the-art facilities and a best-in-class quality system. In addition, through the Syracuse Bio Campus in the United States, the Company delivers an integrated one-stop ADC service encompassing cell line development, antibody manufacturing, and conjugation. Leveraging its specialized expertise and advanced technologies, the Company continues to strengthen its competitiveness in the next-generation biopharmaceutical market.



¹⁾ Strategic Partnership: Cell line development and aseptic fill/finish are performed by strategic partners.

Business Portfolio

LOTTE Biologics is a global contract development and manufacturing organization (CDMO) providing end-to-end services for the production of high-quality biopharmaceuticals. Leveraging its manufacturing infrastructure across the United States and Korea, the Company delivers integrated solutions covering the full lifecycle from development to commercial manufacturing of high-value biopharmaceuticals, including monoclonal antibodies and antibody-drug conjugates (ADCs).



Development Services (CDO)

LOTTE Biologics provides contract process development and manufacturing services based on scale-up/scale-down capabilities and technology transfer, covering the entire product development lifecycle.



Manufacturing Services (CMO)

LOTTE Biologics provides cGMP-compliant manufacturing services for clinical and commercial drug substance production of biopharmaceuticals.



Analytical Testing Services

LOTTE Biologics provides comprehensive analytical services, including analytical method transfer, in-process testing, release testing, and stability testing.



Regulatory Support

LOTTE Biologics supports the successful market entry of its customers through quality assurance systems and support services that meet the standards of global regulatory authorities.

2022-2025 Highlights

2022.05 Acquisition of the Syracuse Bio Campus in New York

Agreement signed to acquire the biopharmaceutical manufacturing facility of Bristol Myers Squibb (BMS) located in Syracuse, New York, USA.



2022.06 Establishment of LOTTE Biologics Korea

Establishment of LOTTE Biologics Korea and entry into the biopharmaceutical business.



2023.08 ESG Management Declaration

Declaration of commitment to human rights and environmental management, establishment of a mid-to-long-term ESG roadmap, and strengthening of environmentally responsible policies.



2023.10 Execution of Land Purchase Agreement in Songdo

LOTTE Biologics signed a land purchase agreement with the Incheon Free Economic Zone Authority (IFEZ), laying the foundation for its future presence in Songdo.



2024.03 Groundbreaking for the Songdo Bio Campus

LOTTE Biologics held a groundbreaking ceremony for the Songdo Bio Campus in July.



2024.03 Opening of the Boston Sales Office, USA

LOTTE Biologics strengthened its global customer network through the opening of a sales office within the Cambridge Innovation Center (CIC) in Cambridge, Boston, USA.



2024.04 Grand Prize at the 2024 Korea Biotechnology Awards

Awarded at the Spring Conference and International Symposium of the Korean Society for Biotechnology and Bioengineering (KSBB)



2024.10 Industry-Academia Collaboration with Syracuse University

Providing comprehensive education on biomanufacturing and production processes to develop talent for the biomanufacturing industry.



2025.06 Syracuse ADC Facility Commences Operations

Providing ADC one-stop services through its cGMP manufacturing facility.



2025.06 Compliance Commitment Ceremony

Strengthening the Company's commitment to ethical management and the desired direction for compliance during the 3rd anniversary celebration.



2025.09 Prime Minister's Commendation for Job Creation

Awarded the Prime Minister's Commendation at the 2025 Government Awards Ceremony for Distinguished Contributions to Job Creation.



2025.10 Best Biologics CDMO

Awarded the Best Biologics CDMO award at the IMAPAC Asia Pacific Biologics CDMO Excellence Awards 2025 in Singapore.



2024-2025 Global Partnerships

Strengthening Competitiveness

LOTTE Biologics operates manufacturing hubs in the United States and Korea and continues to expand its global customer base, including leading pharmaceutical companies and biotech firms, based on its extensive monoclonal antibody manufacturing expertise and proven regulatory inspection readiness. In its inaugural year, LOTTE Biologics acquired the Syracuse facility in the United States, securing infrastructure capable of immediate commercial production. Subsequently, by commencing construction of a large-scale manufacturing facility in Songdo, Incheon, the Company has further strengthened its capacity to provide high-quality biopharmaceutical manufacturing services to a broader range of customers.

LOTTE Biologics' continued expansion of its manufacturing infrastructure provides a strong foundation for achieving sustainable growth and creating customer value as a global CDMO.

In June 2025, the Company entered into a supply agreement with Ottimo Pharma at BIO International and has since continued to secure multiple strategic partnerships. Through ongoing discussions with a diverse range of global customers, the Company continues to expand its business foundation.



Partnership Activities

LOTTE Biologics has entered into strategic partnerships with global biotech companies such as KANAPH Therapeutics Inc., Asimov, and NJ Bio to strengthen its capabilities in delivering differentiated end-to-end services to clients.

In 2025, the Company signed a strategic partnership LOI with SK Pharmteco at CPHI Frankfurt, further expanding its collaborative framework to provide integrated development and manufacturing services in the field of antibody therapeutics and antibody-drug conjugates (ADCs). Building on this global partnership network, the Company continues to respond to diverse client needs across development and manufacturing, while advancing a sustainable CDMO business model.

Participation in Exhibitions and Conferences

LOTTE Biologics has consistently participated in major global biopharmaceutical exhibitions, including BIO International, CPHI Europe, and Bio Japan, throughout 2025.

At each event, the Company hosted a dedicated booth, actively showcasing its differentiated competitiveness and sustainable CDMO capabilities built upon its dual manufacturing sites in the United States and Korea.

At CPHI 2025, LOTTE Biologics introduced new in-booth presentations to reach a broader range of potential clients and clearly convey its commitment as a responsible partner that addresses diverse client challenges through innovation. At World ADC San Diego, the Company effectively communicated its differentiated value to the global market through booth operations and a speaking session. The Company introduced its integrated manufacturing infrastructure—enabling end-to-end capabilities from antibody production to conjugation based on its Syracuse Bio Campus—along with its experience in responding to global clients and its capability to successfully pass FDA inspections with no observations.

LOTTE Biologics will continue to expand collaboration and partnerships with global clients and further solidify its position as a sustainable CDMO partner built on trust and transparency.



2024-2025 Global Partnerships



Media Network

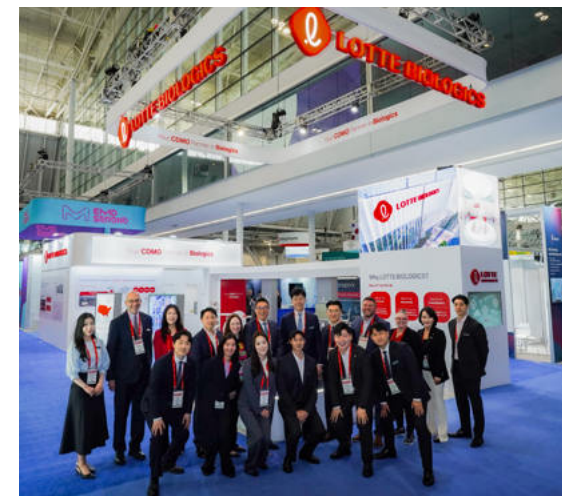
LOTTE Biologics unveiled detailed plans for the Songdo Bio Campus at the J.P. Morgan Healthcare Conference in January 2024, expressing its ambition to advance as a global CDMO based on a flexible and efficient design. In July, the Company hosted a press conference to mark the groundbreaking of the Songdo Bio Campus, introducing the campus scale, production capacity, and future development plans, while sharing its vision to set a new standard for K-bio alongside the official commencement of construction.

At the 2025 J.P. Morgan Healthcare Conference, the Company introduced its next-generation ADC platform, SoluFlex Link™, and presented its technological innovation roadmap, including the target of initiating commercial production at the Songdo Bio Campus in 2027. In June, at BIO International Convention 2025, LOTTE Biologics announced the expansion of the capabilities at its Syracuse Bio Campus to include ADC manufacturing and the award of new contracts, signaling the continued expansion of its commercial track record.

The Company also outlined its plan to proactively address

growing global demand for large-scale manufacturing through its “Dual Site” strategy, linking its production bases in Syracuse and Songdo.

In October, at Bio Japan 2025, LOTTE Biologics shared its key achievements over the past three years and its future growth strategy, emphasizing the synergy between the Songdo Bio Campus as a large-scale manufacturing hub and the Syracuse Bio Campus, which provides a one-stop service from antibody production to ADC manufacturing. Through these press briefings, LOTTE Biologics has consistently communicated a wide range of updates—from its early-stage corporate vision and mid- to long-term growth strategies to its achievements in the global market. Through these efforts, the Company has transparently communicated its transformation and growth, further solidifying its position within the CDMO industry. Going forward, the Company will continue to reinforce a trust-based communication framework grounded in transparent and timely media engagement, effectively delivering its strategy and vision to stakeholders.





Sustainability Management Framework

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ESG Management Framework

ESG Management

Decision-Making Structure

LOTTE Biologics plans to establish and operate an ESG Management Committee starting in 2026 to strengthen ESG management and build a foundation for sustainable growth. Chaired by the CEO and composed of senior executives, the ESG Management Committee will systematically identify and manage non-financial risks, review mid- to long-term ESG strategies, and enhance the Company's overall ESG management framework.

In addition, the dedicated ESG organization, the Sustainability Team, oversees company-wide ESG initiatives. Through the ESG Working-Level Council, composed of one to two middle managers from relevant departments, the Company advances key ESG initiatives and oversees their implementation and performance.



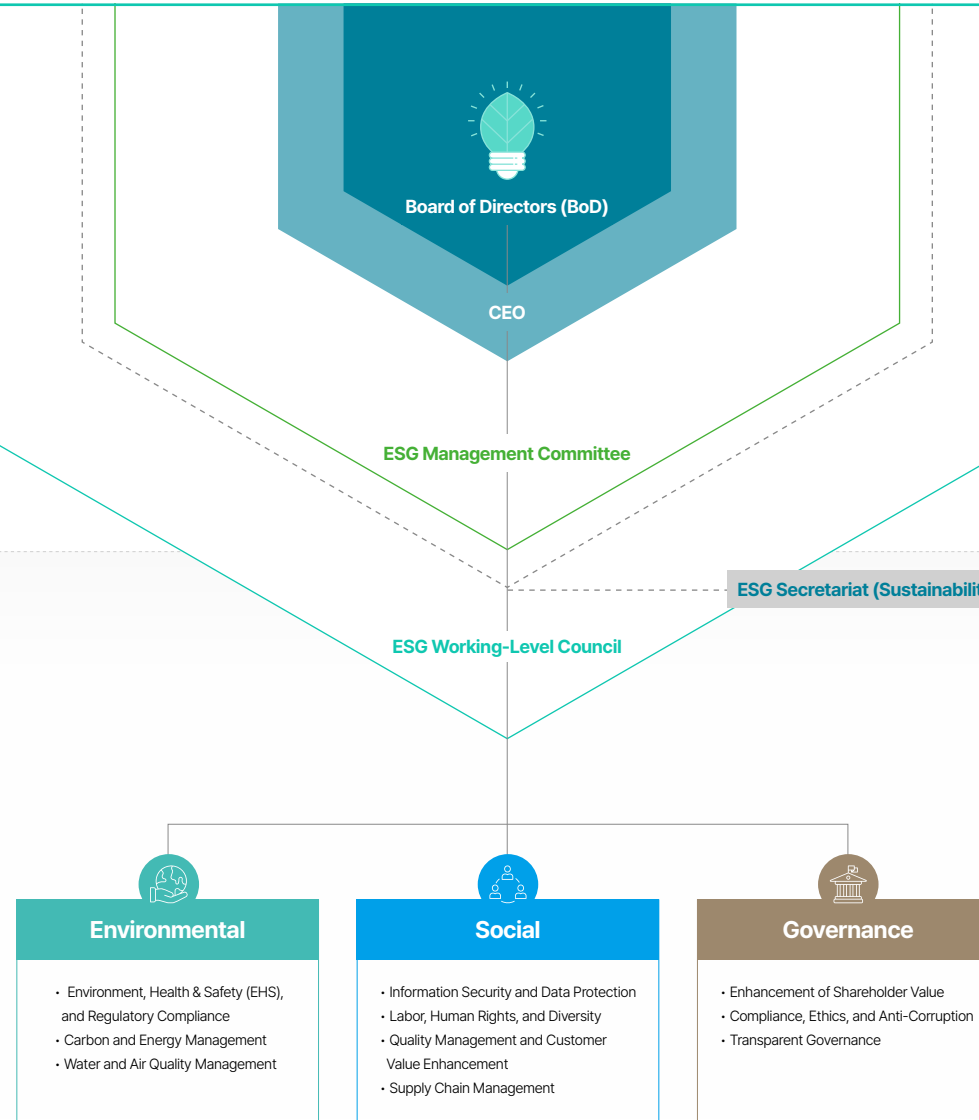
**BOARD
LEVEL**



**MANAGEMENT
LEVEL**



**WORKING
LEVEL**



[ESG Management Committee]

- Serves as the Company's internal ESG decision-making body, deliberating and determining ESG policies and strategies
- Composed of the CEO and executive officers, and convened twice per year

[ESG Secretariat]

- Operates the ESG Management Committee
- Reports to management and the Board of Directors and responds to external assessments
- Develops company-wide ESG strategies and sets and manages ESG implementation initiatives
- Oversees sustainability reporting, disclosures, and related communications

[ESG Working-Level Council]

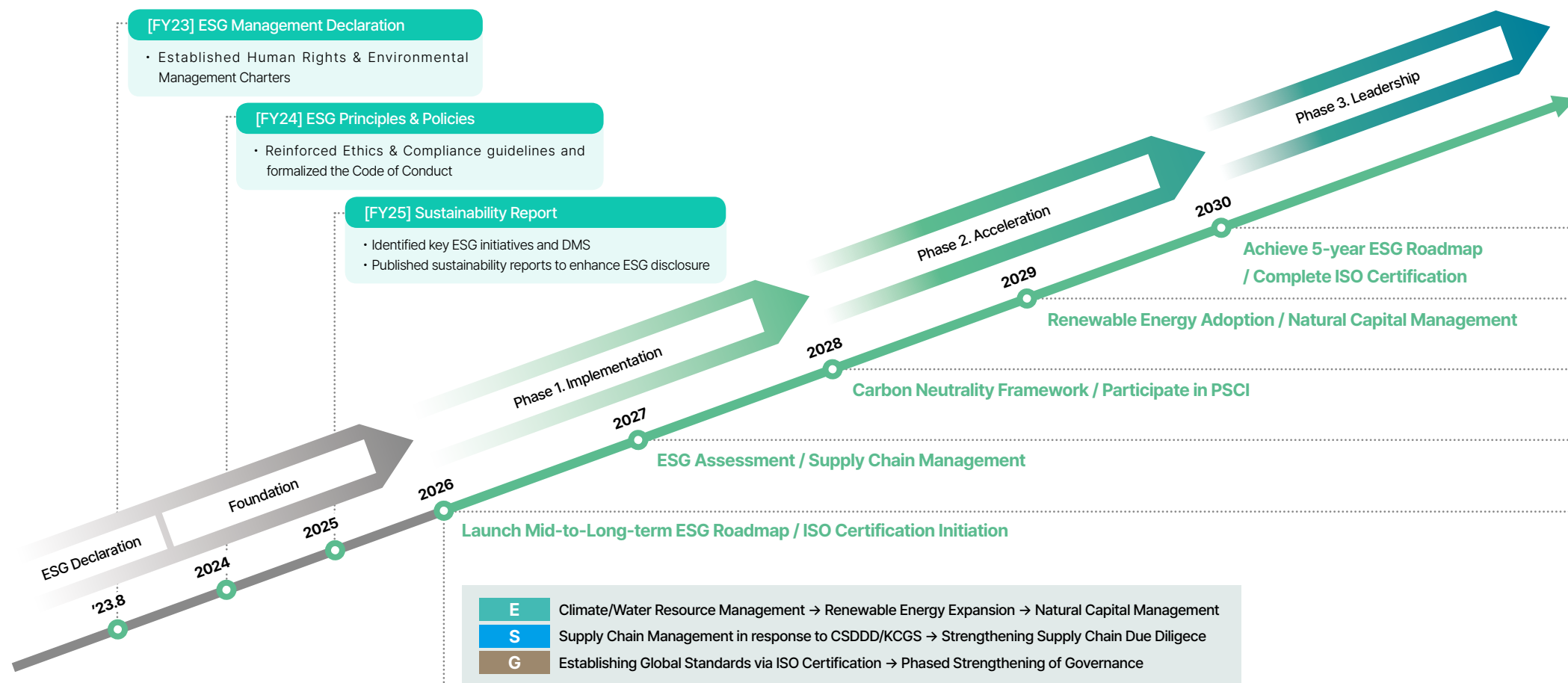
- Advances and implements key ESG initiatives
- Composed of one to two middle managers from each relevant department

ESG Management Framework

ESG Vision and Strategic Framework

LOTTE Biologics is establishing and implementing a phased mid- to long-term ESG roadmap through 2030 to realize its vision of “Delivering Excellence for a Sustainable World.”

Following the ESG Management Declaration in 2023, the Company established the “Foundation” phase of its ESG journey by enacting a Human Rights and Environmental Management Charter and strengthening its Code of Ethics, thereby building the fundamental framework for responsible corporate operations. Beginning in 2026, the Company publishes a Sustainability Report to formalize its data management system and systematically respond to the requirements of global clients. With the completion of Plant 1 expected in 2026, the Company will enter the implementation (Phase 1) and acceleration (Phase 2) stages, strengthening climate and water management as well as supply chain due diligence systems, while expanding ESG disclosures. In particular, the Company intends to enhance its environmental management capabilities in alignment with international standards such as RE100 and the Science Based Targets initiative (SBTi) by establishing a carbon neutrality framework and expanding the use of renewable energy. Furthermore, by 2030, the Company aims to complete company-wide ISO certifications and further advance its capacity to respond to global initiatives, thereby advancing to “Sustainable Leadership (Phase 3)” as a global CDMO.



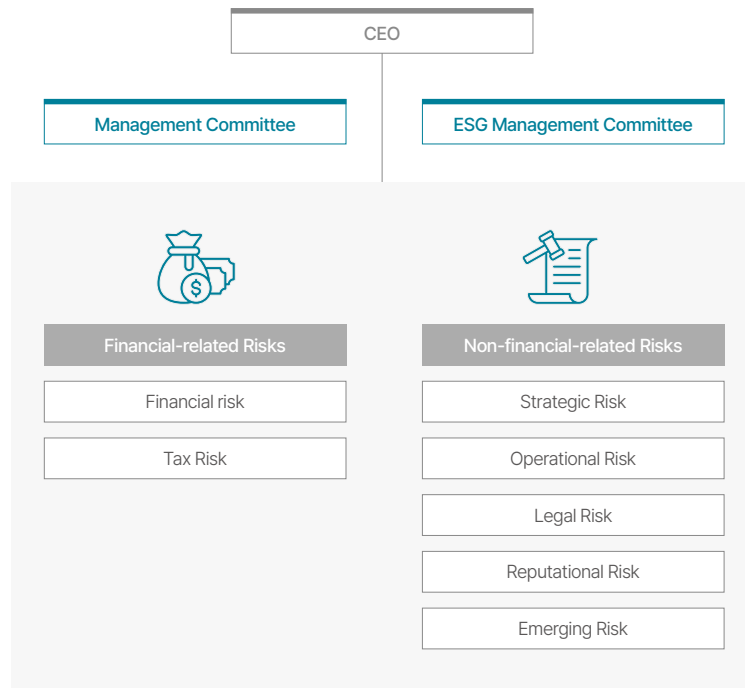
ESG Management Framework

Integrated Risk Management

Risk Management System

LOTTE Biologics' integrated risk management framework operates as a foundation within its ESG management system, linking non-financial risks with financial considerations. The Company identifies and evaluates risks and opportunities arising from climate change and key ESG issues at the enterprise level through the CEO-led ESG Management Committee, and reflects the results in executive decision-making and the development of mid- to long-term strategies.

Through this approach, the Company systematically manages the financial impacts of ESG-related risks as well as their implications for business operations, and plans to further strengthen its information disclosure capabilities in alignment with evolving global reporting standards. For more details on integrated risk management, please refer to pp. 61-62.



Metrics and Targets

ESG Data Management System

LOTTE Biologics manages approximately 250 ESG data points by incorporating major disclosure standards (IFRS and CSRD), industry-specific disclosure guidelines (SASB), and key rating and assessment indicators (PSCI and MSCI) to effectively oversee its sustainability performance and targets. In addition, through the ESG Working-Level Council, the Company regularly monitors and reviews relevant ESG data.

Key ESG Management Indicators

LOTTE Biologics incorporates key ESG indicators into the MBOs of relevant executives and manages them as company-wide targets.

Category	Key Indicators
Environmental	Energy and GHG emissions
	Water consumption
	Air emissions, water discharge, waste, etc.
Social	Social contribution
	Occupational health and safety investment
	Talent acquisition and retention, human resource development
	Labor relations
Governance	Supply chain management, etc.
	Employee anti-corruption and ethical management, etc.
ESG Data Management	Management of indicators aligned with IFRS/KSSB, CSRD, SASB, etc.

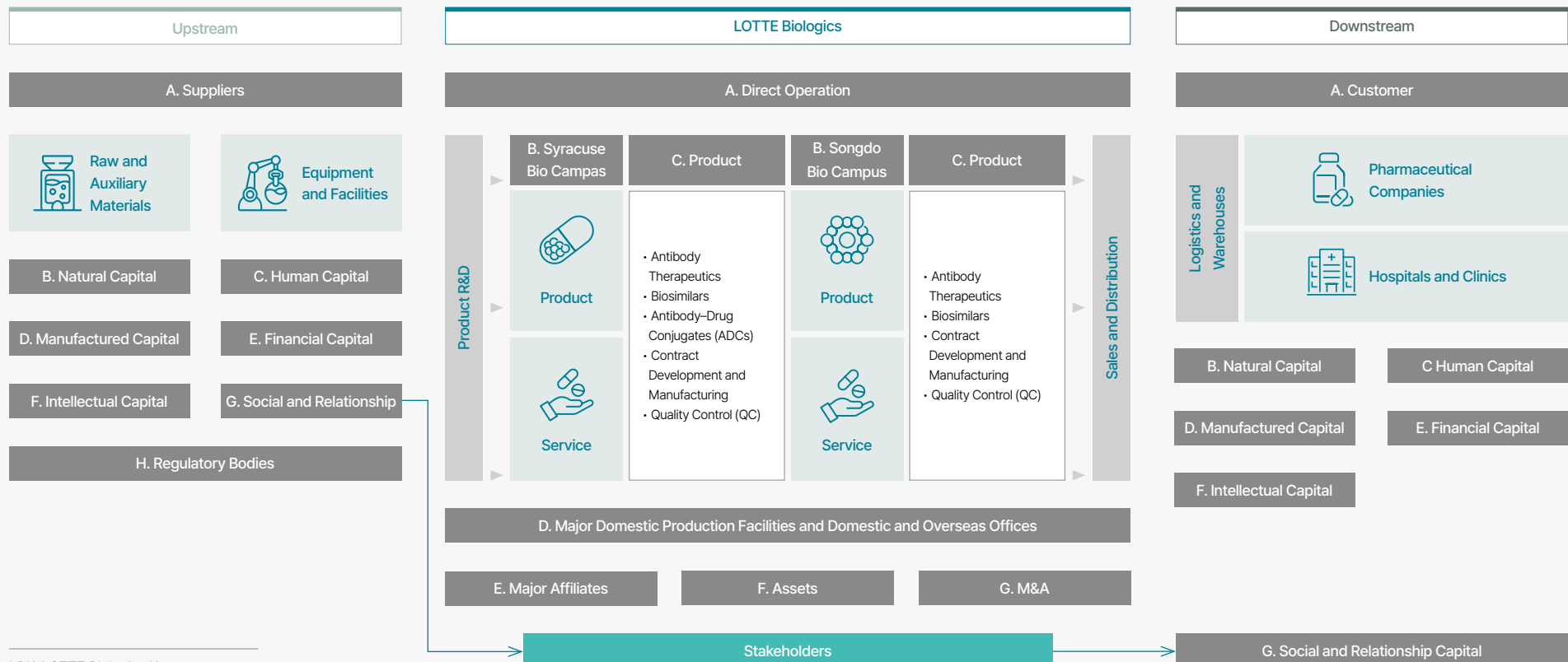


Stakeholder Engagement

Value Chain Analysis

LOTTE Biologics has structured its value chain into three stages—upstream, direct operations, and downstream—and systematically identified the key resources and stakeholders at each stage. This analysis serves as a proactive step toward the future adoption of a double materiality assessment, with a focus on identifying major impact points across the entire value chain.

As demands for supply chain transparency and value chain-wide carbon emissions management continue to expand within the global pharmaceutical industry, improving environmental performance across the full operational lifecycle has become essential. The Company plans to further enhance its carbon emissions management framework and continuously strengthen supplier evaluation and regulatory compliance capabilities to align with its clients' carbon neutrality commitments and risk management standards.



LBK: LOTTE Biologics Korea

LBA: LOTTE Biologics America

Stakeholder Engagement

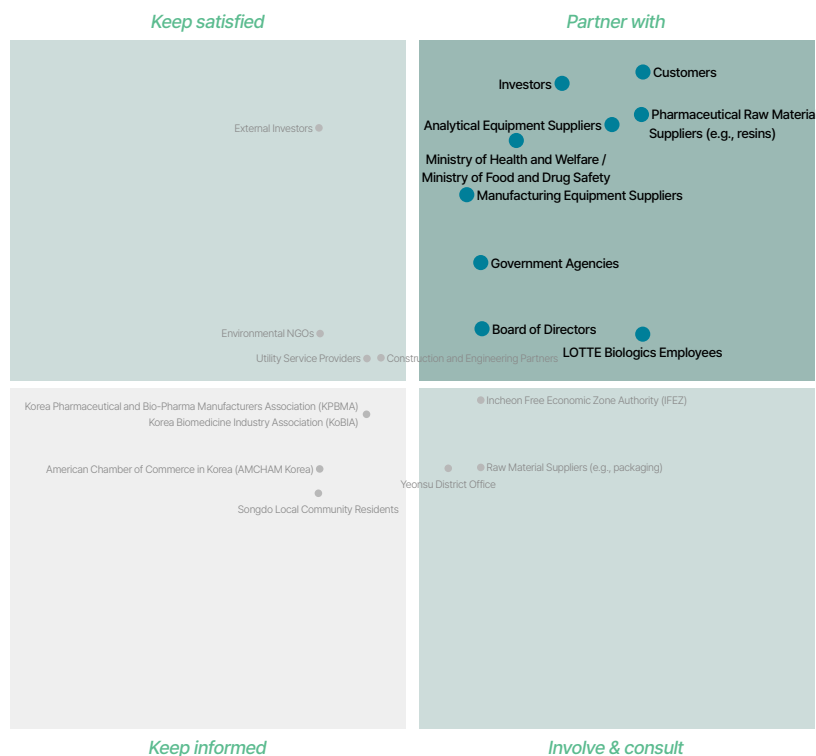
Stakeholder Analysis

LOTTE Biologics has identified and categorized key stakeholders who either influence the Company's sustainability management or are impacted by its business activities. The stakeholder analysis serves as a critical process to understand how ESG issues arise and are transmitted, and to strategically manage the expectations and requirements of each stakeholder group. It also provides a foundational basis for future materiality assessments and the development of sustainability strategies.

In this analysis, stakeholders were systematically classified based on their level of influence and degree of impact. As a result, a "Partner with" group comprising stakeholders with both high influence and high impact was identified. The Company plans to prioritize engagement and enhanced dialogue with this group going forward.

Stakeholder Mapping

How much influence does the stakeholder have over LOTTE Biologics?
(Influence)



Strategic Partners ("Partner with" Group)

Stakeholders in this group not only influence LOTTE Biologics' sustainability management activities but are also directly impacted by them, making it essential to actively listen to and incorporate their perspectives.

The analysis identified investors, clients, employees, key raw material and equipment suppliers, and regulatory authorities as members of the "Partner with" group, characterized by both high impact and high influence.

Category	Stakeholder Group	Key Interests
Strategic Partners	Investors	- Climate change response, biodiversity, and the environmental and social sustainability of supply chains and raw materials - Enhancement of corporate value, sound governance, risk management, transparent disclosure, long-term growth strategy, and financial outlook
	LOTTE Biologics Employees	- Progressive organizational culture, employee welfare, and cooperative labor-management relations - Workplace health and safety, and strengthening Diversity, Equity and Inclusion (DEI) capabilities - Career development, and fair evaluation and compensation
	Board of Directors	- Business performance and enhancement of corporate and shareholder value, and sound governance - Compliance and ethical management, and environmentally responsible management
	Government licensing and permitting authorities	Compliance with domestic and international laws, policies, and regulations; and development of the biopharmaceutical industry ecosystem.
	Government Agencies	Mid- to long-term business expansion, job creation, industry trends, and contribution to local communities
	Customers	- Sustainability, product quality, services, and business operations; continuous communication and collaborative partnerships; innovation and research and development (R&D) - Carbon neutrality, life cycle assessment (LCA), ESG ratings and evaluations, participation in global initiatives, and low-carbon products - Business continuity, protection of customer information, and ethical management
	Production Facility Partners	Procurement-related policies and standards, including the Supplier Code of Conduct; fair trade practices, shared growth, and occupational health and safety
	Analytical Purchasing Partners	Procurement-related policies and standards, including the Supplier Code of Conduct; fair trade practices, shared growth, and occupational health and safety
	Contract Raw Material Partners	Procurement-related policies and standards, including the Supplier Code of Conduct; fair trade practices, shared growth, and occupational health and safety

Materiality Assessment

Materiality Assessment Process

LOTTE Biologics conducted its first materiality assessment this year to analyze stakeholder interests, areas for improvement, and the impacts arising from its business activities.

The assessment was carried out through a comprehensive review of international standards and guidelines, including the GRI Standards, SASB, TCFD, PSCI, and EcoVadis, as well as broader social issues and ESG management disclosures of industry peers. Based on this review, the Company derived priorities by integrating the results of social relevance analysis and business impact analysis for the selected issues.

This report discloses the Company's approach and key performance related to the material issues identified through the materiality assessment.

Step 1. Issue Identification

- Internal ESG issues are identified based on the results of the Company's ESG status assessment.
- ESG issues and stakeholder priorities are analyzed through a review of international standards and guidelines, external ESG ratings and assessments, and media analysis.
- An issue pool is established by consolidating industry benchmarking results and stakeholder-related ESG issues.

Step 2. Prioritization

- An analysis of the Company's supply chain and stakeholders is conducted.
- The business impact¹⁾ and stakeholder interest²⁾ of each issue are evaluated, and priorities are determined by integrating the results of the supply chain and stakeholder analyses.

Step 3. Review & Validation

- The ESG Working Group reviews the alignment of high-priority issues with management activities and selects the material issues.
- The selected material issues are translated into specific action plans or KPIs and are continuously monitored by the ESG Working Group.

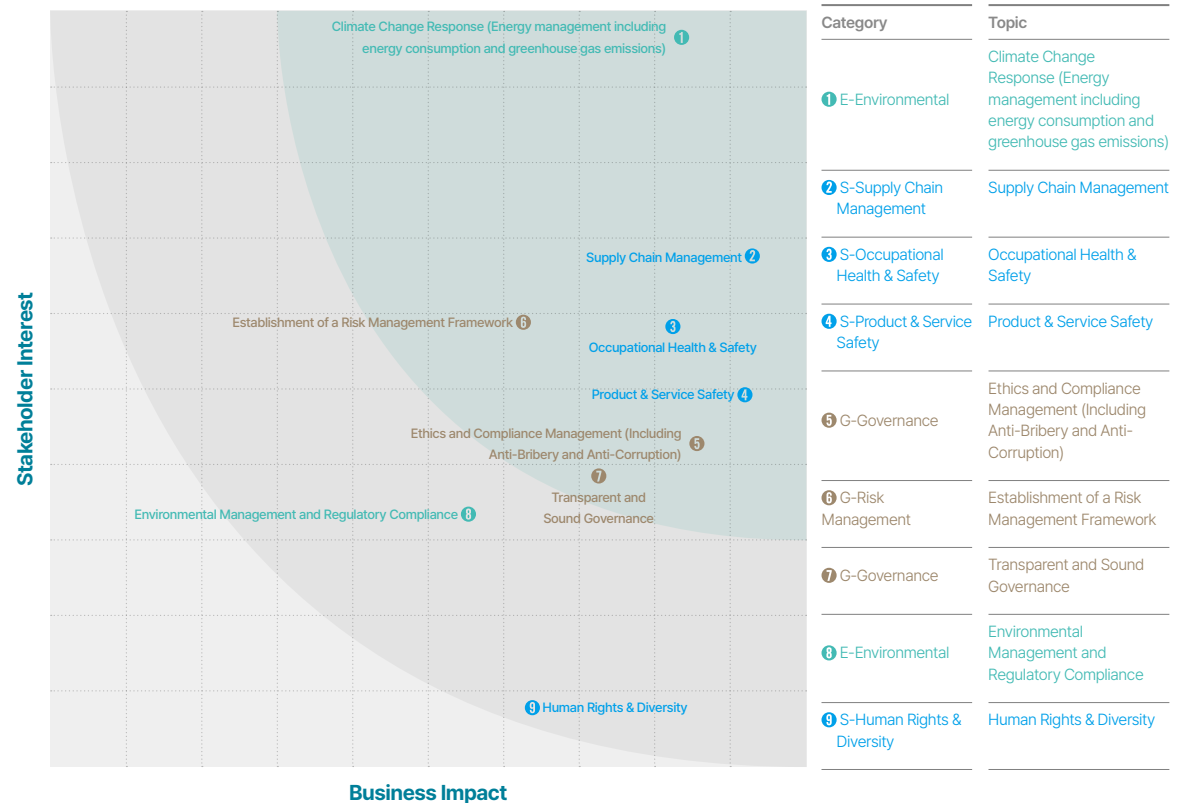
1) Business Impact: Based on management strategy, executive perspectives, and industry and peer trends.

2) Stakeholder Interest: Based on global standards and media analysis.

Materiality Assessment Result

As a result of the materiality assessment, LOTTE Biologics identified ten key issues requiring strategic management and, considering the level of sustainability reporting, ultimately selected nine material issues.

The nine material issues identified will be prioritized and systematically managed across the Company's overall business operations going forward.



ESG Material Issues and Response Strategies

LOTTE Biologics reviews the potential risks and opportunities arising from external environmental factors for the nine key issues identified as having high business importance and strong societal interest through the single materiality assessment, and presents the Company's strategic direction for addressing each issue.

Category	Topic	Issue Description	Potential Risks and Opportunities	Future Direction	Report Page
Environmental 	Environmental Management and Regulatory Compliance	Environmental management and regulatory compliance in biopharmaceutical manufacturing processes are essential requirements for business operations.	Failure to comply with environmental regulations may result in operational risks. Conversely, proactive environmental management can enhance operational efficiency and strengthen regulatory compliance capabilities.	The Company plans to strengthen its environmental management system and proactively respond to relevant laws, regulations, and evolving global regulatory requirements.	p. 28-33
	Climate Change Response	Increasing regulatory requirements and energy transition pressures driven by climate change may affect operational costs and the long-term competitiveness of CDMO businesses.	Strengthened carbon regulations may lead to increased costs and potential supply chain disruptions. However, improvements in energy efficiency and the adoption of low-carbon processes may enhance operational efficiency and strengthen customer trust.	In the short term, the Company will establish a greenhouse gas management system and enhance disclosure capabilities for Scope 1 and Scope 2 emissions. In the mid- to long-term, it plans to develop a carbon neutrality strategy and a Net Zero roadmap that includes Scope 3 emissions.	p. 33
Social 	Human Rights and Diversity	Respect for human rights and the promotion of diversity are key elements supporting corporate sustainability in the global business environment.	Human rights issues may lead to reputational risks, while an inclusive organizational culture can strengthen talent acquisition and organizational competitiveness.	The Company will strengthen policies and systems related to human rights and diversity and continue to implement initiatives to raise awareness among employees.	p. 36-37
	Occupational Health and Safety	Due to the nature of biopharmaceutical manufacturing processes, ensuring worker health and safety and preventing industrial accidents are critical to sustainable operations.	Safety incidents may lead to human injury and operational disruptions. Strengthened safety management can improve production stability and organizational credibility.	The Company will establish occupational health and safety management systems aligned with international standards and gradually expand ISO certifications across its sites. In the mid- to long-term, it aims to establish a preventive safety culture to continuously improve safety levels across biopharmaceutical manufacturing operations.	p. 39-44
	Product and Service Safety	As a CDMO, product and service safety are core issues directly linked to customer trust and regulatory compliance.	Inadequate safety management may result in regulatory and reputational risks, while maintaining high standards can support customer acquisition and long-term contracts.	The Company will strengthen safety management systems in line with global regulatory standards and enhance product and service safety management tailored to the characteristics of the CDMO business. Through these efforts, it aims to expand long-term partnerships based on customer trust.	p. 49-53
	Supply Chain Management	Due to the CDMO industry's high dependence on raw materials and external partners, ensuring supply stability and responsible supplier management has become an increasingly important issue.	Supply disruptions and non-compliance with ESG requirements may pose transaction risks. Strengthening collaboration with partners presents opportunities to build a more stable supply chain.	The Company will systematically identify and manage supply chain risks and gradually strengthen ESG management and monitoring of suppliers.	p. 54-55
Governance 	Transparent and Sound Governance	Transparent governance is a key element for responsible decision-making and building trust with stakeholders.	Weak governance structures may undermine stakeholder trust, whereas sound governance contributes to long-term corporate value creation.	The Company will enhance transparency in governance operations and strengthen accountability and independence in management decision-making processes.	p. 57-58
	Ethics and Compliance Management (Including Anti-Bribery and Anti-Corruption)	As transactions with global clients and regulators increase, ethics and compliance management have become essential elements for maintaining corporate credibility.	Ethical violations may result in legal and reputational risks. Conversely, a robust ethics and compliance framework contributes to building trust with global clients.	The Company will strengthen its ethics and compliance management system and promote responsible management through employee training and internal control mechanisms.	p. 59-60
	Establishment of a Risk Management Framework	An integrated approach to managing financial and non-financial risks provides the foundation for business stability and strategic decision-making.	Insufficient risk management may increase management uncertainty, while a systematic risk management framework enables proactive responses and strategic opportunities.	The Company will further advance its enterprise-wide risk management system and strengthen the linkage between risk management and executive-level decision-making processes.	p. 61-62

Material Issues and Response Strategies



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LBA LOTTE Biologics America

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Environmental Management and Regulatory Compliance

Environmental Management System

Environmental Governance

LOTTE Biologics has declared the following environmental management policy to uphold sustainable development and environmental protection as its core values and to minimize its environmental impact.

The Company prioritizes environmental protection and sustainability across all management activities, striving to minimize environmental impacts and comply with applicable domestic and international environmental laws and regulations. In addition, the Company establishes and enforces internal environmental standards that exceed legal requirements to proactively prevent environmental pollution.

The Company also endeavors to conserve resources and energy, utilize environmentally friendly raw materials, and continuously improve processes to minimize greenhouse gas emissions and environmental pollutants. It formulates action plans to achieve environmental management objectives and establishes an optimized environmental management system through periodic monitoring and continuous improvement. LOTTE Biologics aims to obtain ISO 14001 certification by 2026.



Establishment of Environmental Policies and Guidelines

In 2025, LOTTE Biologics established guidelines on water management, air emissions management, environmental incident reporting and response, workplace waste management, and chemical substances management, along with regulations governing the Environmental Management System (EMS).

Guideline / Regulation	Summary of Key Provisions
Water Management Guideline	- Defines the responsibilities and authority of the department head in charge of facility operation and environmental management, as well as environmental engineers - Specifies standards for the operation, management, and inspection of emission and pollution control facilities - Establishes procedures for the installation, expansion, decommissioning, and modification of pollution control facilities - Includes requirements for self-monitoring and compliance with applicable legal standards
Air Quality Management Guideline	- Defines responsibilities of department heads and environmental engineers for the management of air pollutants - Specifies management and inspection procedures for emission and pollution control facilities - Establishes requirements related to facility changes (installation, expansion, decommissioning, and modification) - Includes management standards for specific air-related items such as odor and refrigerants
Environmental Incident Reporting and Response Guideline	- Establishes classification criteria for incident levels (Level 1–3) and legal assessment standards - Clarifies the reporting chain from the initial reporter to the department head and the environmental management department - Specifies procedures for incident investigation, corrective actions, and recurrence prevention planning - Includes response procedures and regulatory reporting requirements for legally reportable incidents

Guideline / Regulation	Summary of Key Provisions
Business Site Waste Management Guideline	- Clarifies the roles and responsibilities of Health, Safety, and Environment (HSE) team members, waste managers, and waste generators - Establishes standards for the classification of general waste, medical waste, and designated waste - Specifies procedures for waste segregation, storage, and retention (within 45 days) - Includes requirements for on-site inspection and proper management of consignment treatment contractors
Chemical Substances Management Regulation	- Defines the roles and responsibilities of HSE team members, purchasing departments, chemical management personnel, and site laboratories - Establishes management requirements for the entire lifecycle of chemicals, including procurement, storage, use, and disposal - Specifies procedures for the preparation, maintenance, and utilization of MSDS - Includes response procedures for chemical spills and emergency situations
Environmental Management System (EMS) Regulation	- Establishes operational procedures and responsibilities for the environmental management system - Defines environmental performance measurement methods and environmental management inspection procedures - Includes operational standards for the Continual Improvement Process (CAP) - Specifies operational procedures for the EMS based on ISO 14001

Environmental Management and Regulatory Compliance

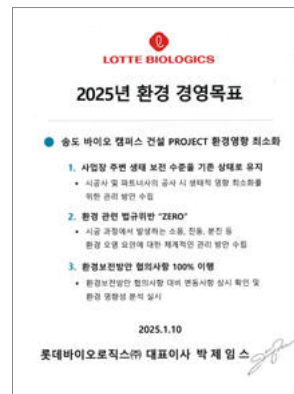
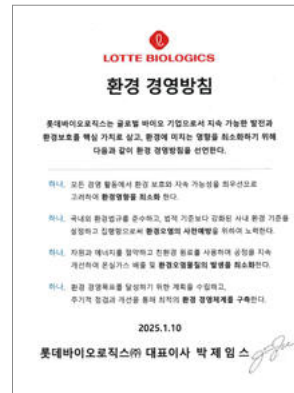
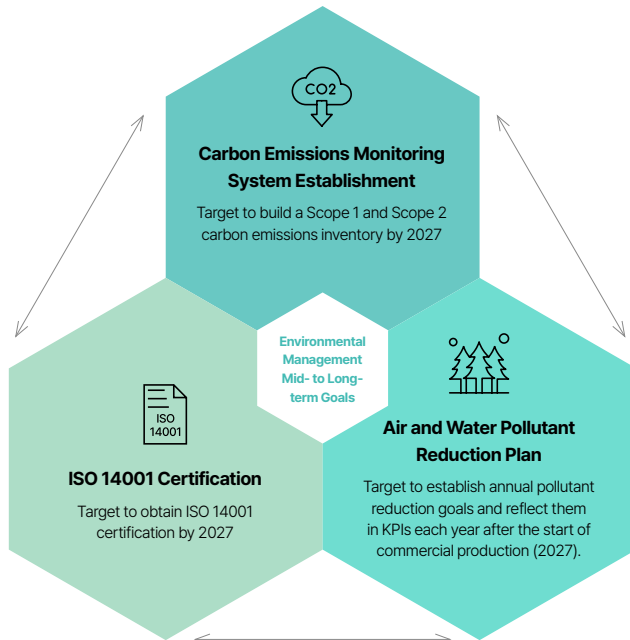
Environmental Management

Environmental Management Goals and Strategies

LOTTE Biologics has established the following three environmental management goals and strategies for 2025.

First, the Company has developed management measures to minimize potential ecological impacts arising from construction activities carried out by contractors and partners, with the objective of maintaining the level of ecological preservation around the project site at its pre-construction condition. Second, the Company has established systematic control measures for environmental pollution factors generated during construction, such as noise, vibration, and dust, with the goal of achieving zero violations of environmental regulations.

Lastly, the Company aims to ensure 100% compliance with agreed environmental conservation commitments by continuously monitoring any changes against consultation agreements and conducting environmental impact analyses.



Environmental Risk Management

LOTTE Biologics has established an environmental data management framework by defining the scope and categories of environmental data to be collected for each operational site as part of its environmental risk management efforts.

As of 2025, the Company has collected quantitative environmental data—including electricity, district heating, water, Liquefied Natural Gas (LNG) consumption, and greenhouse gas (GHG) emissions—from a total of four sites (construction site office Songdo IBS Tower, QC Lab, and Jamsil office).

Environmental Performance Management

To enhance the efficiency and accuracy of environmental data management, LOTTE Group has operated the LETS (LOTTE Environment & Energy Total Service) system since 2018. The system serves as an integrated platform for managing a wide range of environmental data, including GHG emissions and energy management, emissions trading, and environmental pollution indicators.

In 2023, the Group developed standardized ESG indicators integrating global ESG disclosure frameworks and rating metrics. Based on these standards, a system enhancement project for LETS was carried out in 2024 to strengthen global-level indicator management and ensure data reliability. In addition, carbon neutrality roadmap management functions were incorporated to reinforce the monitoring and forecasting of carbon emissions performance, further solidifying LETS as an integrated ESG platform.

LOTTE Biologics manages the environmental performance of the Songdo Bio Campus and the Syracuse Bio Campus in alignment with the Group's performance management system guidelines.

E Environmental Management and Regulatory Compliance

Energy Use Management

Use of District Heating

To systematically manage the environmental impacts associated with energy use, LOTTE Biologics has adopted district heating supplied by Incheon Total Energy as the primary energy source for the Songdo Bio Campus currently under construction. District heating enhances energy efficiency by supplying heat (hot water) produced at a large-scale centralized heat source facility (LNG-based), eliminating the need for individual heat generation facilities in each building. In addition, the application of advanced pollution control systems at the centralized heat source enables effective control of air pollutant emissions.

Introduction of Solar Power Facilities

Lotte Biologics incorporated solar power facilities into the construction plans for its Songdo Bio Campus to support renewable energy procurement. PV systems have been installed on building rooftops and other available spaces, contributing to the increased use of renewable energy across the campus.

Conventional Solar PV Modules (PV)

- Solar PV panels for efficiency-focused power generation
- Generate electricity by converting sunlight into direct current (DC) electricity
- Opaque and require a separate installation space
- Mass-produced products with standardized specifications

Building-Integrated Photovoltaic Modules (BIPV)

- Solar PV panels designed with architectural aesthetics in mind
- Building-integrated power generation system
- Transparent and do not compromise the original architectural design
- Mainly applied to building façades where design considerations are important



Reduced Operating Costs

Because it eliminates the replacement and maintenance costs associated with combustion facilities, it provides cost-saving benefits.



Reduced Impact on Air Quality

By supplying heat from a central heat source equipped with advanced pollution control facilities, emissions of air pollutants and carbon dioxide are reduced, contributing to environmental improvement.



Energy Savings

District heating supplied through a combined heat and power (CHP) system can achieve higher energy utilization efficiency compared with conventional power generation.



Thorough Safety Management

As the system operates without combustion facilities that require the storage and handling of fuels such as natural gas, coal, or oil, the risk of safety incidents is lower.

Green Building

To minimize environmental impacts that may arise during the establishment and operation of the Songdo Bio Campus currently under construction, LOTTE Biologics comprehensively considers environmental impact and energy efficiency from the design and construction stages.

The design incorporates the use of Environmental Product Declarations (EPDs), low-carbon materials, recycled and resource-circulating materials, and low-emission materials, and applies criteria such as the proportion of green building materials, natural ground green coverage ratio, and biotope development.

To further strengthen green building practices, the Company applied more than 10 EPD-certified products, more than 9 low-carbon materials, more than 25 recycled materials, and more than 25 low-emission materials. In addition, more than 10% of the total construction cost was invested in the procurement of green building materials.



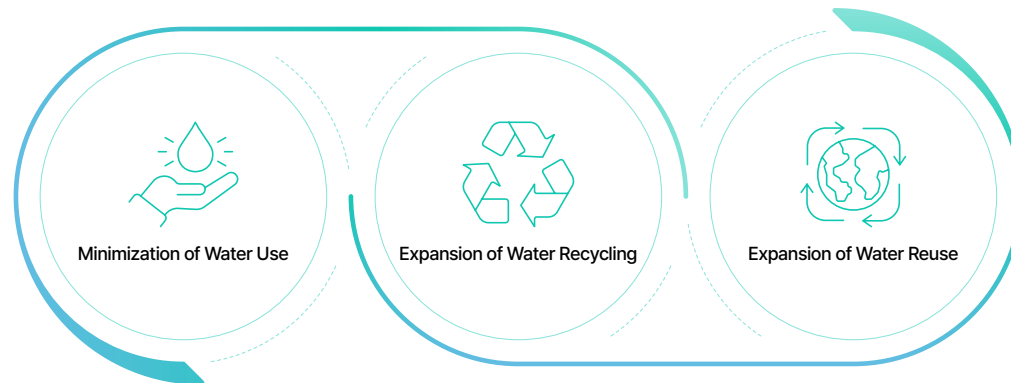
E Environmental Management and Regulatory Compliance

Water Resource Management

Water Resource Management Strategy

Climate change and water scarcity have emerged as critical global issues. Companies are expected not only to address climate-related risks but also to identify and manage water-related risks, thereby contributing to the restoration of natural ecosystems. In response, LOTTE Biologics has established a water resource management strategy and is promoting sustainable water management by enhancing water-use efficiency from the construction stage at both the Syracuse Bio Campus and the Songdo Bio Campus, which is currently under development.

Principles of Water Use



Water Quality Management Direction

To minimize environmental impacts and preserve the natural environment, LOTTE Biologics plans to manage wastewater quality in accordance with stringent internal standards established by the Company. For the Songdo Bio Campus, environmental protection measures have been developed based on the projected volume of wastewater discharge, taking into account potential impacts on the local community where the site is located. In addition, wastewater generated during production processes will be treated and discharged through on-site wastewater treatment facilities in compliance with applicable standards.



Establishment of Stringent Standards to Improve Wastewater Quality

LOTTE Biologics' major production facilities are currently under construction in Songdo, Incheon. Given the geographical characteristics of the site, careful consideration must be given to potential impacts on the surrounding marine ecosystem. In particular, the Songdo tidal flats were designated as a Ramsar Wetland in 2014. To minimize environmental impacts arising from its operations and to preserve local biodiversity, the Company has established stringent internal wastewater quality standards that exceed applicable legal requirements. Under Korea's ¹Water Environment Conservation Act, the Songdo Bio Campus is classified as "Category B (Na Area)." Beyond compliance with the legally permitted discharge limits, LOTTE Biologics has established enhanced internal standards set at 50% or less of the statutory discharge limits.

Water Quality Standards

Category	Effluent Discharge Standard (Zone B)	Clean Area	LOTTE Biologics Standard
Total Organic Carbon (TOC)	≤ 50 mg/L	≤ 25 mg/L	≤ 25 mg/L
Biochemical Oxygen Demand (BOD)	≤ 80 mg/L	≤ 30 mg/L	≤ 40 mg/L
Suspended Solids (SS)	≤ 80 mg/L	≤ 30 mg/L	≤ 40 mg/L
Total Phosphorus (T-P)	≤ 8 mg/L	≤ 4 mg/L	≤ 4 mg/L
Total Nitrogen (T-N)	≤ 60 mg/L	≤ 30 mg/L	≤ 30 mg/L

* Assumption based on cases with daily wastewater generation of 2,000m³ or more

E Environmental Management and Regulatory Compliance

Pollutant Management

Air Pollutant Management

To manage air pollutant emissions from its facilities, LOTTE Biologics is installing ultra-low NOx burners and plans to conduct regular analysis and monitoring of emission concentrations. In addition, Songdo Bio Campus will conduct odor measurements at both the on-site wastewater treatment facility and the site boundary to manage not only air and water pollutants but also odor emissions.

Hazardous Chemical Management

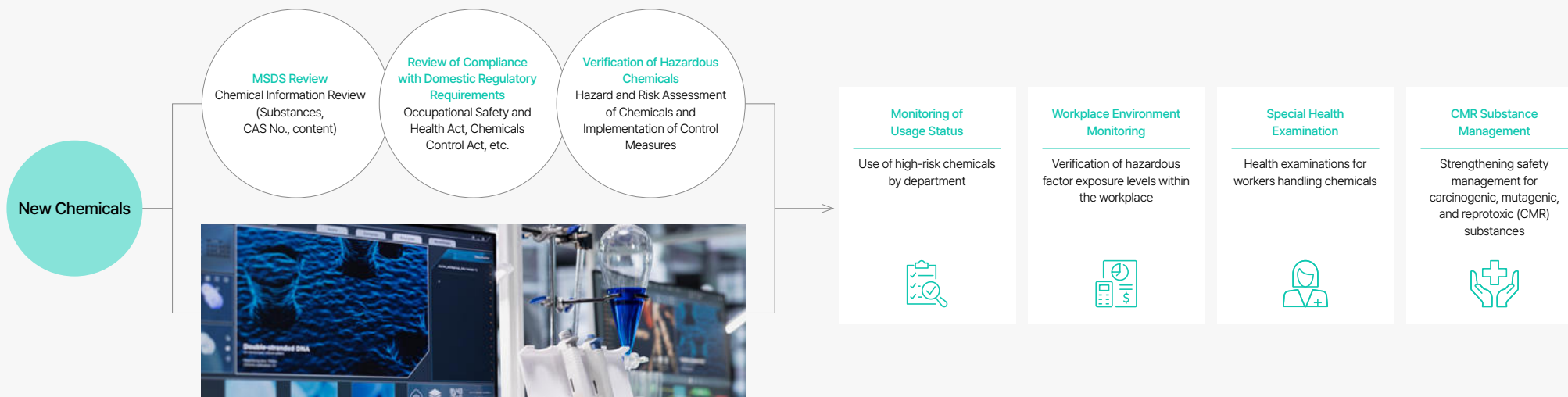
To comply with relevant regulations, including the Chemical Control Act and the Act on the Registration and Evaluation of Chemicals (K-REACH), LOTTE Biologics has established internal chemical management regulations. The Company conducts pre-entry assessments of all chemical substances prior to their introduction to the site and plans to systematically manage the entire lifecycle of chemicals through to the disposal stage.

Chemical Management System

LOTTE Biologics operates a chemical management system to ensure the safe handling of chemicals and compliance with applicable regulations. Through this system, the Company prepares and manages Material Safety Data Sheets (MSDS) for chemicals used at its sites and makes such information readily available and accessible to employees by posting and maintaining the documents at the workplace.

In addition, the Company provides regular MSDS-based training to employees handling chemicals in order to prevent industrial safety and environmental risks associated with chemical use. To prevent chemical accidents at the Songdo Bio Campus, LOTTE Biologics strictly complies with relevant laws and conducts periodic statutory inspections of hazardous chemical handling facilities, thereby reinforcing its commitment to robust chemical management.

Chemical Management System



E Environmental Management and Regulatory Compliance

Waste Management

Waste Management Process

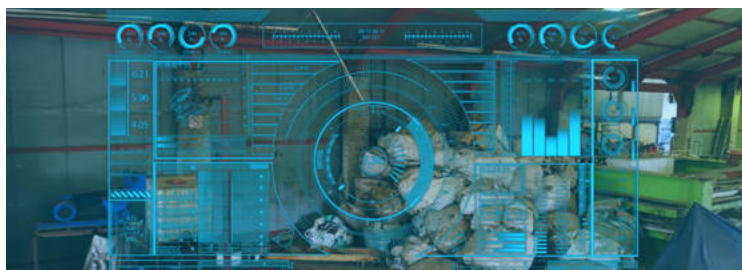
LOTTE Biologics has established management criteria for waste generation and waste treatment contractors and systematically manages waste based on these standards. In accordance with such criteria, the Company selects waste treatment providers capable of prioritizing environmentally friendly treatment methods, including recycling, and seeks to minimize waste generation through procurement volume control.

Waste Risk Management

LOTTE Biologics proactively identifies and manages pollutants, waste, and environmental risks that may arise during the establishment of new production facilities. Beyond compliance with legal requirements—such as obtaining necessary permits and installing pollution prevention facilities—the Company has established appropriate pollution leakage prevention systems that also take into account potential community complaints. The Songdo Bio Campus, currently under construction, is likewise subject to prior review of potential community concerns, and the Company plans to implement various management measures to minimize environmental impacts.

Strengthening Waste Management

LOTTE Biologics manages all waste in accordance with applicable regulations through “Allbaro,” the waste management system operated by the Ministry of Environment. In particular, to enhance control of hazardous waste, RFID readers have been introduced for the management of medical waste. In addition, prior to entering into contracts with waste treatment providers, the Company conducts qualification assessments and on-site inspections to manage risks throughout the entire waste treatment process. LOTTE Biologics will continue to strengthen its waste management practices.



Climate Change Response

Climate Governance and Strategy

LOTTE Biologics plans to establish a climate change response strategy to build a framework aligned with the climate programs and requirements of global pharmaceutical companies and to enhance its competitiveness. Energy efficient design has been incorporated from the construction phase of the Songdo Bio Campus. In consideration of the project completion timeline, the Company intends to present mid- to long-term company-wide carbon neutrality targets and reduction pathways in 2026, along with establishing systems for energy-use monitoring and efficiency improvement. Key climate-related agendas are discussed at the ESG Management Committee, and detailed planning and implementation are advanced through the ESG Working Group.

Climate Risk Management

LOTTE Biologics plans to establish GHG emissions reduction targets aligned with the SBTi criteria by 2028. To this end, the Company established a Scope 1 and Scope 2 inventory in 2025 for its offices in Korea and its U.S. operations. Going forward, the Company will conduct climate risk analyses to systematically assess physical risks, transition risks, and related opportunities

that may affect its operations. The Company will also review participation in RE100 and introduce energy-efficient facilities to expand renewable energy use and improve energy efficiency. In addition, carbon management standards for suppliers will be established to strengthen supply chain carbon management.

Renewable Energy Adoption

As of the end of 2025, approximately 10.3% of total energy consumption at the Syracuse Bio Campus is supplied through hydropower. The Songdo Bio Campus has also introduced solar PV systems in consideration of renewable energy utilization and plans to procure approximately 9% of its annual energy consumption from renewable energy sources.

Performance Management

In 2025, LOTTE Biologics established Scope 1 and Scope 2 inventories for both the Songdo Bio Campus and the Syracuse Bio Campus and is monitoring GHG emissions and renewable energy consumption. As of the end of 2025, approximately 10.3% of total energy consumption at the Syracuse Bio Campus was sourced from renewable energy generated through hydropower.

Category	Indicator		Unit	2023	2024	2025
LBK	GHG Emissions	Total	tCO ₂ eq	95.7	215.1	1,604.3
		Scope 1	tCO ₂ eq	1.8	2.6	165.4
		Scope 2	tCO ₂ eq	93.9	212.5	1,438.8
	Renewable Energy Consumption		GJ	0	0	0
LBA	GHG Emissions	Total	tCO ₂ eq	14,933.0	13,369.8	14,003.9
		Scope 1	tCO ₂ eq	10,945.8	9,317.6	10,351.0
		Scope 2	tCO ₂ eq	3,987.3	4,052.3	3,652.9
	Renewable Energy Consumption		GJ	8,750.0	34,205.0	33,448.0

* LBK: LOTTE Biologics Korea, LBA: LOTTE Biologics America



Human Capital Management and Human Rights

Human Resource Management System

Talent Acquisition

LOTTE Biologics is expanding its recruitment channels by leveraging year-round hiring, domestic and global recruiting initiatives, job fairs, group-wide and external talent databases, and various digital platforms. The Company has also entered into an MOU with Korea Polytechnics to operate a dedicated “LOTTE Class” program, fostering and recruiting specialized talent in the biopharmaceutical field. In addition, based on MOUs with four technical colleges located in Seoul and Incheon — Dongyang Mirae University, Yuhan University, Inha Technical College, and JEI University — the Company plans to further strengthen industry-academia collaboration to secure qualified talent. LOTTE Biologics participates annually in “LOTTE JOB CAFE,” a recruitment event joined by major LOTTE Group affiliates, where recruiters and current employees introduce the Company’s business status and talent philosophy while conducting recruitment presentations and one-on-one job consultations. In addition, the Company actively participates in major university career fairs to share its vision, industry trends, and job-related information with prospective graduates seeking careers in the pharmaceutical and biotechnology industry. Through these activities, LOTTE Biologics continues to expand engagement with outstanding talent and strengthen its efforts to secure skilled professionals who will lead the Company’s future growth.

Fair Performance Evaluation and Compensation

LOTTE Biologics operates a performance evaluation system based on a job-based HR framework to support employee growth and capability development while ensuring fair and objective assessments. Employees establish role-based performance goals on a quarterly basis in alignment with organizational objectives and the Management by Objectives (MBO) system. Leaders then finalize performance ratings after thoroughly reviewing individual achievements through quarterly calibration sessions. The Company also operates a continuous performance management system that provides ongoing feedback between leaders and employees throughout the year. By integrating support and development plans aimed at enhancing employee capabilities and growth, the Company promotes a development-focused performance management approach.

Performance evaluation results are linked to compensation programs, including Level Up promotions, annual salary increases, variable performance bonuses, and the granting of stock options. Through this framework, the Company ensures rational and equitable compensation based on individual capabilities as well as organizational and personal performance.

Leadership Competency Model

LOTTE Biologics has established a Leadership Competency Model by identifying the core competencies required of leaders and systematically defining behavioral indicators for each competency. The Company categorizes leadership competencies into three domains — organizational management, people management, and self-management — and integrates them into its training, evaluation, and HR systems.

The organizational management domain includes behavioral indicators such as performance management, decision-making, market and customer orientation, strategic perspective, vision and direction setting, and execution capability. The people management domain encompasses collaboration, participative leadership, communication skills, influence and motivation, and talent development. Finally, within the self-management domain, professional expertise is defined as a key behavioral indicator to support the continuous development of leadership capabilities.

Leadership Competency Model



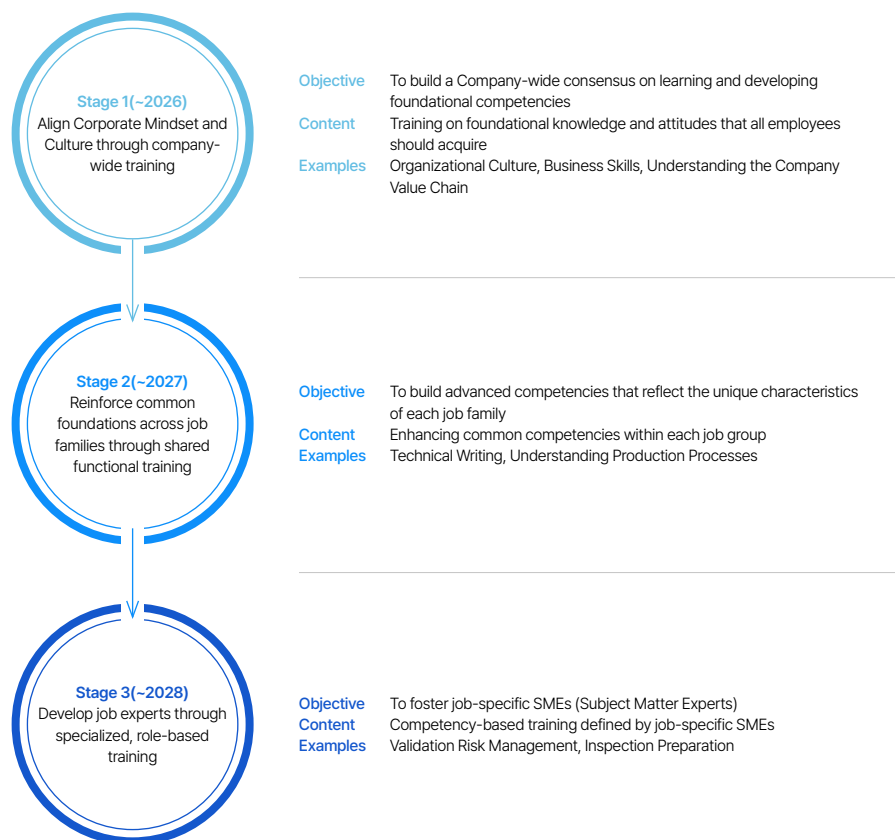
Professional Expertise

S Human Capital Management and Human Rights

Enhancing Employee Competencies

Training System

LOTTE Biologics plans to establish a structured internal training system composed of company-wide, job family, and job-specific levels to strengthen the professional expertise of its employees, which serves as the foundation of organizational competitiveness. The Company first reinforced shared understanding and corporate culture through company-wide training in 2025. In 2026, the Company will enhance core competencies at the job family level through common training programs. In 2027, the Company will introduce job-specific specialized training to support all employees in developing into subject matter experts in their respective roles.



Key Training Programs

- **New Employee Guidebook:** LOTTE Biologics develops and distributes a New Employee Guidebook to help new employees quickly understand the Company and its working environment. The guidebook systematically provides essential information for the onboarding stage, including the Company's vision, organizational structure, work policies, employee benefits, compliance requirements, and key operational processes, thereby supporting a smooth transition into the organization.
- **New Employee Orientation Training:** In addition to the existing HR orientation, the Company introduced a GMP onboarding training program in 2025 to strengthen core biomanufacturing competencies from the early stages of employment. The orientation program consists of HR onboarding (2 days), GMP fundamentals (2 days), and advanced GMP training (3 days), enabling employees to gain a balanced understanding of quality, manufacturing processes, and regulatory requirements prior to assignment to operational roles.
- **New Employee Mentoring Program:** The Company operates a mentoring program to support the early adaptation and development of new employees. Through regular mentoring sessions with experienced employees, new hires are able to naturally develop an understanding of their roles, work practices, and the culture of collaboration and communication while also strengthening their sense of belonging and psychological stability within the organization.
- **New Employee Refresh Program:** A refresh program is provided for employees in their first year to encourage reflection on their experiences and to help them define future development paths. Through reflection and role realignment, the program reinforces employees' motivation for long-term career development.
- **Foreign Language Training Support:** To respond to the global CDMO business environment, the Company designates English and Japanese as key foreign languages and provides financial support for language training to strengthen employees' communication capabilities. This initiative enhances employees' ability to collaborate effectively with global clients and partners.
- **Internal Trainer and Interviewer Development:** To internalize professional expertise within the organization, employees with practical experience are trained as internal instructors to develop job-related training contents and expand knowledge sharing. In addition, participating in LOTTE Group's Interviewer Certification Program enhances the Company's expertise and fairness of the hiring process through standardization of evaluation criteria and interview competencies.

S Human Capital Management and Human Rights

Human Rights Management Principles and Framework

LOTTE Biologics recognizes the protection of and respect for the human rights of its employees and all stakeholders as a fundamental principle across its management activities. The Company is committed to continuously enhancing its human rights management principles and governance framework.

Human Rights Management Principles

LOTTE Biologics seeks to contribute to a better future for humanity by advancing human rights management that creates positive change for customers and society. The Company has established the LOTTE Biologics Human Rights Charter to ensure that employees make sound judgments and act responsibly in the course of management activities and business operations, thereby putting the value of respect for human rights into practice.

This Charter is based on internationally recognized human rights principles and standards, including the UN Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child (UNCRC). Based on this Human Rights Charter, the Company is committed to respecting the human rights of all stakeholders and contributing to the creation of a better society.

Human Rights Governance

The Company, together with HR Division and frontline units, designs and implements human rights frameworks. With proactive participation of operational departments, key improvements-including human rights issues-are discussed within the Labor-Management Council. The Labor-Management Council reviews workplace conditions and human rights-related issues through regular quarterly meetings. In addition to labor members, HR and labor relations representatives participate in these meetings to derive practical solutions and reach mutual agreement between labor and management.

Human Rights Risk Management

LOTTE Biologics screens human rights risks by department on a quarterly basis and continuously monitors whether any violations of employees' human rights occur. Through internal posters and bulletin boards, the Company clearly communicates prohibited workplace behaviors including physical assault or threats, insulting language, verbal abuse or defamation, unfair disadvantageous treatment or demotion without justifiable reason, and workplace harassment such as excessive surveillance or the appropriation of others' work performance. Employees are informed that such incidents can be reported through a reporting channel. When a report or allegation of human rights violations is received, the Company verifies the details and facts of the case and implements protective measures after hearing the victim's perspective. Depending on the severity of the case, disciplinary or other HR actions may be taken against the perpetrator, and preventive training is conducted to prevent recurrence of similar incidents.



Human Rights Grievance Mechanism

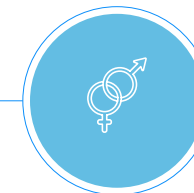
LOTTE Biologics strictly protects the identity of whistleblowers and makes every effort to prevent any disadvantage or discrimination resulting from reports. Through its internal reporting channels, the Company accepts anonymous reports not only regarding inconveniences or improvement requests related to systems and facilities but also allegations of human rights violations, including workplace harassment and sexual harassment. Reports received are reviewed and investigated promptly and fairly by the Grievance Committee, and appropriate measures are implemented along with protections for the reporting individual.

Raising Human Rights Awareness

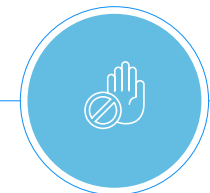
LOTTE Biologics recognizes critical importance of human rights management and is intensifying employee training programs to raise awareness on human rights and propagate a culture of respect across the organization. In 2025, the Company provided training on labor and human rights topics for employees, including disability awareness improvement, prevention of sexual harassment, prevention of workplace harassment, and fostering a culture of mutual respect.



Disability Awareness
Improvement Training



Sexual Harassment
Prevention Training



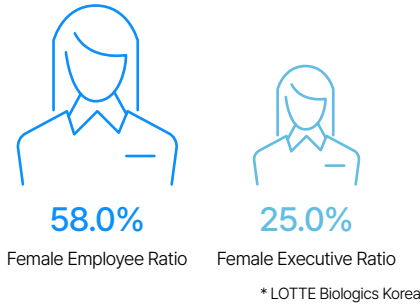
Workplace Harassment
Prevention Training

S Human Capital Management and Human Rights

Organizational Culture

Diversity, Equity, and Inclusion (DEI)

LOTTE Biologics applies the values of diversity and inclusion across employee recruitment and development, communication programs, and overseas business operations based on the LOTTE Group Diversity Charter, thereby fostering a corporate culture that promotes creativity and innovation. In particular, the Company continues to expand its DEI culture while workforce includes 58.0% female employees and 25.0% female executives.



Organizational Culture Assessment

LOTTE Biologics participated in an organizational culture assessment conducted across operations in Korea and the United States. The assessment aimed to objectively identify organizational strengths and areas for improvement by comprehensively measuring employees' experiences and perceptions in areas such as fairness, communication, leadership, and collaboration. The assessment results were shared with executive management and leaders of organizations. The Company seeks to reinforce data-driven improvement in organizational culture and change management in which members participate.



Communication with the CEO

LOTTE Biologics operates the 'CEO Connect' program to strengthen a culture of open communication between employees and management. Through this program, the CEO and senior management meet directly with employees to share key management updates, business strategies and vision, and the overall direction of the organization, while also engaging in open question-and-answer sessions. Participants are primarily selected from frontline employees to gather opinions and ideas from the actual workplace, and are closely aligned with the organizational goals and direction with direct messages from the management. The Company has institutionalized 'CEO Connect' to strengthen a transparent communication framework, and to reflect employees' feedback in management's decision-making and improvements in organizational operations.

Flat Corporate Culture

LOTTE Biologics fosters a flat corporate culture by operating various communication channels, and promoting a culture of open communication based on mutual respect. To facilitate communication on organizational culture, the Company published monthly internal communication channels including the 'Monthly CEO Letter', to share major company news and updates with employees. For key matters, the Company holds town hall meetings to directly explain the Company's business status and strategic direction while providing opportunities to listen to employees' opinions. In addition, the Company operates the 'Junior Board' on a quarterly basis, implementing initiatives to improve workplace culture and reinforce employee-driven organizational environment.

Labor-Management Council

LOTTE Biologics operates a Labor-Management Council, 'Together Bio', composed of three employee members, and holds quarterly discussions to review key internal matters and drive improvements.

- **Selection of Worker Representatives and Labor Members:** In March 2025, new worker representatives and labor members were transparently selected in accordance with the Act on the Promotion of Workers' Participation and Cooperation.
- **Regular Operation of the Labor-Management Council and Agenda Sharing:** Members of the Labor-Management Council visited each workplace on a monthly basis to meet with employees, listened to, and made continuous efforts to reflect, on-site opinions in improving work environment and related systems. These activities have brought employees feedbacks in management decision-making processes. In addition, an email-based communication channel was established to further strengthen communication between labor and management.



S Human Capital Management and Human Rights

Work-Life Balance

Work-Life Balance

LOTTE Biologics operates various welfare programs to grow as a family-friendly company that supports the balance between work and family life. To improve the quality of life for employees and their families, the Company provides a wide range of family welfare programs, including health check-up support, psychological counseling services, support for family events, and educational assistance. The Company also strives to create a pleasant working environment so that employees can work under optimal conditions.

In addition, the Company operates various programs, including health promotion programs and maternity protection policies, to enhance the quality of life for employees and their families. Through maternity protection policies in particular, the Company provides practical support to ensure that female employees' careers are not interrupted due to childbirth and childcare. The Company also operates various maternity protection measures, including reduced working hours during pregnancy and infertility leave, to systematically support employees' health and welfare.

Family-Friendly Policies

LOTTE Biologics operates various family-friendly programs, including parental leave, paternity leave, prenatal leave, extended parental leave, family care leave, reduced working hours during pregnancy and childcare, reduced working hours for family care, and financial support for elder care services.

Parental Leave (including Spousal Childbirth Leave)	Employees with a child aged 8 or younger or in the 2nd grade of elementary school or below (up to 1 year)
Paternity Leave	Male employees whose spouse has given birth (1 month)
Prenatal Leave	Unpaid leave during pregnancy (upon request, up to 6 months)
Family Care Leave	Employees requiring family caregiving (up to 90 days of unpaid leave)
Reduced Working Hours During Pregnancy	Within the first 12 weeks of pregnancy and after 32 weeks (2 hours reduction per day)
Reduced Working Hours During Childcare Period	Employees with a child aged 12 or younger or in the 6th grade of elementary school or below (convertible to parental leave)
Medical Caregiver Expense Support	Financial support for caregiver expenses for the employee or parents of the employee or spouse
Family Day	LOTTE Family Day with employees' children (once per year)

Employee Welfare Programs

LOTTE Biologics operates various internal employee welfare programs.

- **Welfare Points:** Differentiated welfare points are provided according to level and are granted to all full-time employees and employees on parental leave. These points can be widely used for purposes such as self-development, health management, leisure and hobbies, cultural activities, and family-related expenses.
- **Congratulatory and Condolence Support and Leave:** The Company provides monetary support and leave for major life events, including marriage, parents' 60th or 70th birthday celebrations, childbirth, a child's first birthday, and university graduation.
- **Mutual Aid Association:** A mutual aid association is operated for executives and regular employees, providing funeral-related support—including funeral supplies, ceremonial services/personnel, and altar and vehicle support—in the event of bereavement involving the employee or the employee's parents, parents-in-law, children, siblings, siblings-in-law, grandparents, or grandparents-in-law.
- **Education Support for Children:** The Company provides kindergarten tuition support for pre-school children of employees with at least one year of service based on their group employment date, as well as university tuition support for children of employees with more than 10 years of service.
- **Group Insurance:** Group insurance coverage is provided to prepare for illness, injury, and accidents affecting employees.
- **Long-Service Awards:** Employees with long-term service of 10, 15, 20, 25, and 30 years receive special leave and monetary awards.
- **Vehicle Operation Allowance:** Employees at the leader level receive support for fuel expenses, automobile insurance premiums, and vehicle rental costs.
- **Employee Clubs:** When five or more employees form an internal club, the Company provides financial support for club activities.
- **Affiliate Discounts:** A LOTTE employee-exclusive credit card is issued to provide discount benefits across LOTTE affiliates.

S Occupational Health and Safety

Occupational Health and Safety System

Goals and Strategy

LOTTE Biologics aims to strengthen workplace safety management with the goal of achieving zero serious industrial accidents across all business sites. In particular, the Company has implemented intensified safety management focused on directly contracted vendors operating within the Songdo Bio Campus. Through these efforts, the Company successfully achieved zero serious accidents and maintained an industrial accident rate below 0.17% in 2025. Following the commencement of plant operations in 2026, LOTTE Biologics plans to establish an initial safety management framework by conducting key safety activities, including the first comprehensive risk assessment, to ensure the systematic establishment of its safety management system.

To further advance its Occupational Health and Safety Management System (OHSMS), the Company aims to achieve 100% completion of mandatory safety training for all employees in accordance with the Occupational Safety and Health Act. In addition, LOTTE Biologics plans to establish an integrated Safety and Environmental Management System by 2027, with the objective of obtaining ISO 45001 (OHSMS) certification. Furthermore, to establish a robust disaster and incident response framework, the Company plans to introduce a Business Continuity Management System (BCMS) by 2028 to ensure continuity of critical operations during emergency situations and pursue ISO 22301 (Business Continuity Management System) certification.

Governance

LOTTE Biologics has established a reporting framework under which all issues related to general and serious industrial accidents arising during business operations are escalated through responsible department heads and executives up to the Chief Executive Officer. As part of its roadmap toward international certification, the Company targets obtaining ISO 45001 certification by 2027 and ISO 22301 certification by 2028. To lay the foundation for these certifications, LOTTE Biologics established key safety and health management guidelines in 2025, including: Personal Protective Equipment (PPE); Management Guidelines; Manual Handling Safety Guidelines; Workplace Safety Management Guidelines; First Aid and Automated External Defibrillator (AED) Management Guidelines; MSDS Management Guidelines; Safety Color and Signage Management Guidelines; Employee Health Examination Guidelines; and Qualified Contractor Selection Guidelines.

Emergency Response Policy

LOTTE Biologics operates its emergency response framework based on the Incident Management, Investigation and Reporting Guideline and the First Aid and AED Management Guideline. Going forward, the Company plans to further strengthen its internal emergency response capabilities through: operation of a 24-hour fire protection and disaster monitoring system; establishment of natural disaster response manuals; and implementation of semiannual emergency response drills. These initiatives aim to enhance organizational readiness and ensure rapid and systematic response to emergency situations.

Training

LOTTE Biologics provides semiannual occupational health and safety training for all employees in accordance with Article 29 of the Occupational Safety and Health Act.

Supervisors are required to complete annual supervisory safety training, while all newly hired employees, regardless of position or rank, are required to complete one-time initial occupational health and safety training totaling eight hours upon joining the Company.

Occupational Safety and Health Committee

In 2025, the Company convened the Occupational Safety and Health Committee on a quarterly basis, holding a total of four meetings throughout the year, and achieved a 100% implementation rate for all agenda items.

Category	LOTTE Biologics Standard
Composition	A total of 8 members (4 employee representatives and 4 management representatives)
Key Agenda	2025 (First and Second half) Regular Occupational Health and Safety Training Plan Establishment of Safety Work Permit Guidelines Report on Special Inspection Results for Laboratory Chemical Safety Management Establishment of Safety Management Processes by Typhoon Warning Level Establishment of Restricted Chemical Handling Standards for Pregnant Employees Introduction of the Safety Manager Program
Frequency	Every quarter

Operation of the Grievance Handling Channels

LOTTE Biologics operates transparent and proactive communication channels to foster a safety culture centered on employees.

In particular, the Company enhances preventive risk management through the Grievance Handling Channels, which allow all employees to freely and anonymously report safety-related opinions, improvement suggestions, or potential hazards.

All reports are investigated promptly under strict confidentiality and whistleblower protection, followed by corrective actions to prevent safety incidents.

The Grievance Handling Channels play a key role in promoting participatory safety management and creating a safer and more pleasant work environment.



S Occupational Health and Safety

Health and Safety Activities

Risk Identification

LOTTE Biologics systematically identifies potential occupational health and safety risks in advance through employee interviews, benchmarking of global biomanufacturing plants, participation in biopharmaceutical plant safety and environmental networks, introduction of the Safety Manager Program, and safety-by-design reviews.

These initiatives represent proactive preparatory activities aimed at achieving zero accidents and zero industrial incidents.

Safety Prevention Activities

LOTTE Biologics continuously strengthens process- and site-oriented safety prevention activities to mitigate identified occupational health and safety risks and minimize the likelihood of workplace incidents. Prior to construction, LOTTE Biologics evaluated contractor-specific Occupational Health and Safety Management Plans, allocates statutory Occupational Health and Safety Management expenses, and establishes integrated safety and health management documentation covering the planning, design, and construction phases. During construction, the Company carried out ongoing preventive activities, including routine site safety inspections, operation of Safety and Health Coordinator meetings and contractor consultative bodies, monitoring of safety and health management plan implementation, verification of the proper use of Occupational Health and Safety Management expenses, evaluation of contractor safety management performance, and leadership safety inspections conducted jointly with supervision teams and contractor headquarters.

Establishing a Safety Culture

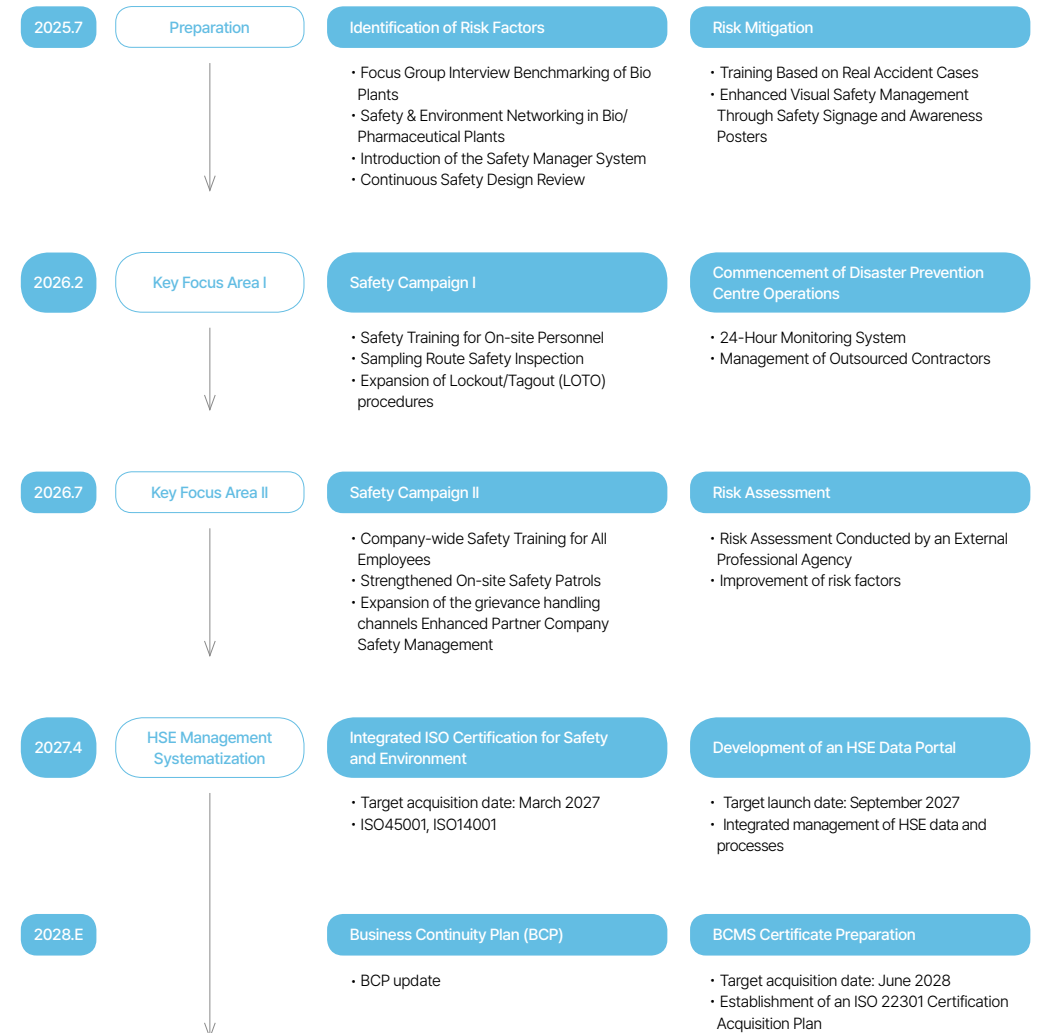
Safety Culture Strategy

LOTTE Biologics has set its safety culture strategy under the vision of "Building a CDMO Safety System in Which Everyone Participates." Management plans to provide the necessary physical and human resources to foster a strong safety culture.

Supervisors will promote safety awareness across the organization by posting and actively communicating safety and health messages each quarter through posters, focusing on key management topics to encourage consistent safety practices among all employees.

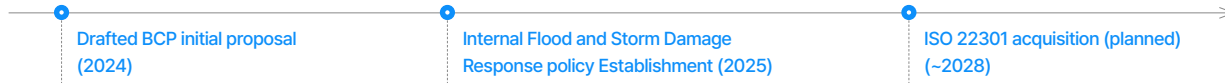
The Company will also activate the Safety Manager system and the Grievance Handling Channels to strengthen communication channels within each team. In addition, the Company will operate a reward program for outstanding suggestions submitted through the portal to encourage voluntary participation and continuous improvement initiatives.

Safety and Health Roadmap



S Occupational Health and Safety

BCP: Business Continuity Plan

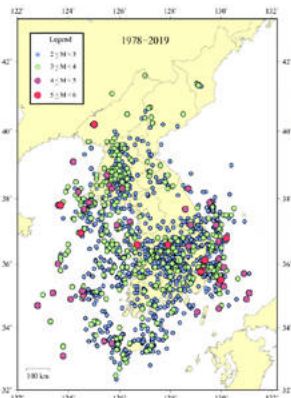


LOTTE Biologics has established and maintained a Business Continuity Plan (BCP) since the early stages of the Company's development to support a sustainable business environment. In particular, the Company has enhanced physical resilience against natural disasters by incorporating climate change projections and local disaster risks into the eco-friendly and safe plant design.

Furthermore, to maximize production stability and ensure responsible supply chain management for its clients, the Company conducts thorough preliminary safety design reviews that account for all potential risks, thereby maintaining a reliable and stable manufacturing system.

Risk Analysis

• Earthquake records in Korea (1978 ~ 2019)



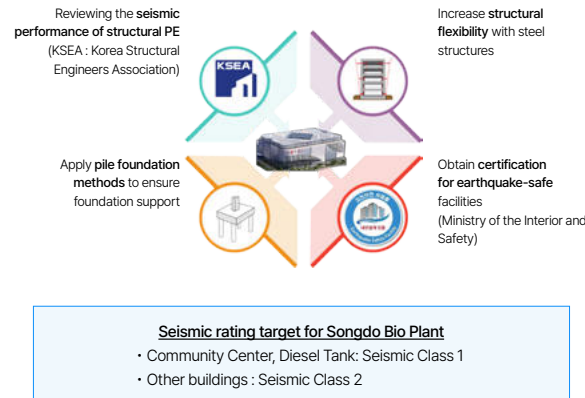
• Number of Earthquakes Affecting Songdo (1978 - 2019)

Magnitude	2.0 ≤ M < 3.0	3.0 ≤ M < 4.0	4.0 ≤ M < 5.0	5.0 ≤ M < 6.0	Total
Songdo	18	2	0	0	20

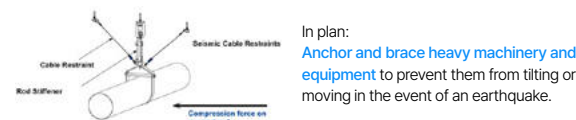
Songdo is an **earthquake-safe area**.
(No earthquakes of magnitude 4 or higher)

Mitigation

• Structural Reinforcement



• Equipment Anchoring and Bracing



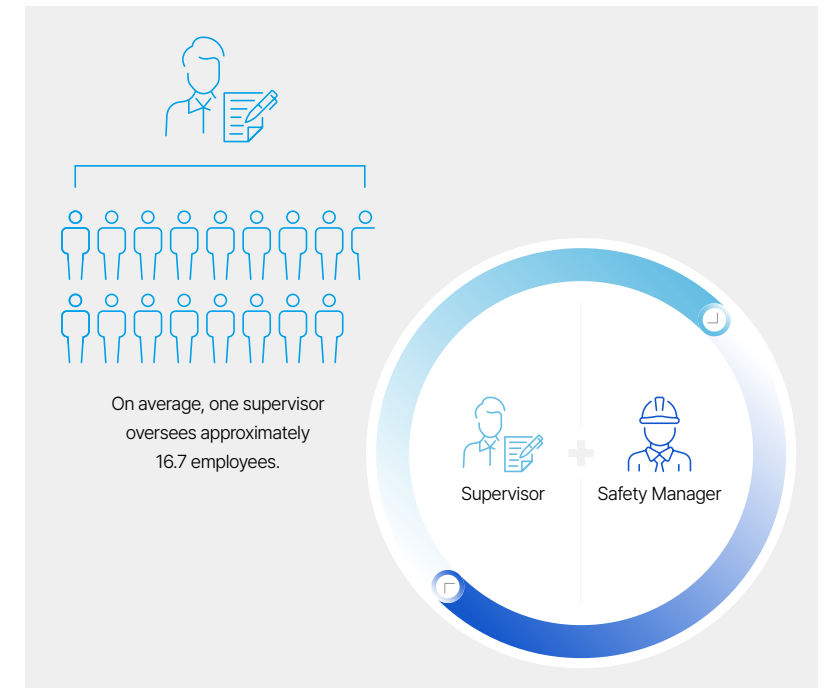
Safety Manager System

To reinforce on-site safety culture and effectively support the role of supervisors as required under the Occupational Safety and Health Act, LOTTE Biologics has designated a Safety Manager within each department.

Rather than serving merely as a compliance function, Safety Managers act as a key communication channel between the field and management. They not only support supervisors in fulfilling their legal responsibilities but also proactively identify potential hazards, gather employees' feedback on workplace safety improvements, and escalate these insights directly to leadership.

This approach goes beyond regulatory adherence by fostering a bottom-up engagement culture, encouraging active employee participation, enabling faster hazard recognition, and facilitating prompt preventive actions.

Safety Managers also play an integral role in enhancing company-wide safety competency by conducting regular site inspections, supporting safety training programs, participating in safety culture campaigns, and facilitating the sharing of safety information across the organization.

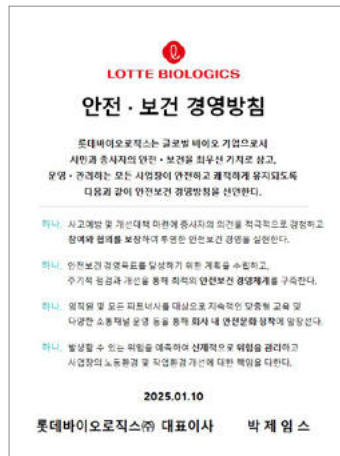
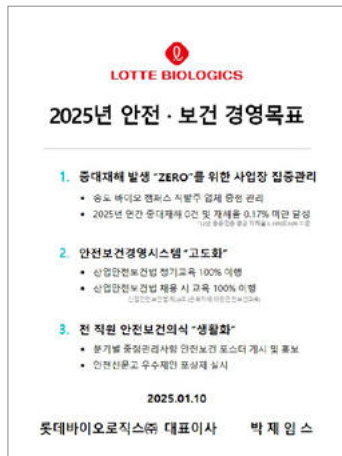


S Occupational Health and Safety

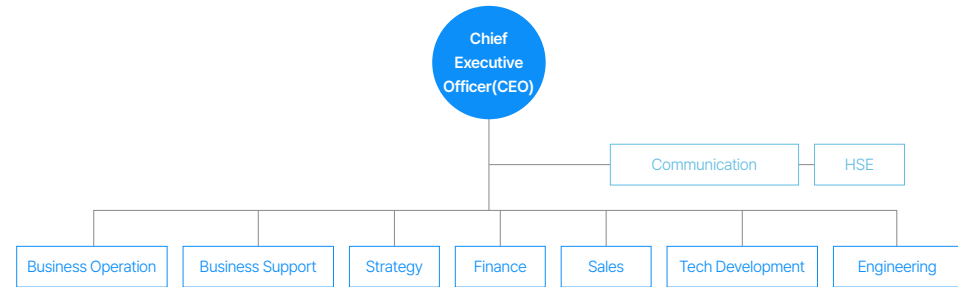
Serious Accident Risk Management

Setting Objectives and Management Policies

LOTTE Biologics has established a systematic safety and health management system to comply with the Serious Accident Punishment Act. Led by the CEO, the Company sets annual safety and health management policies and specific objectives, placing employee safety as a top priority and continuously fostering a strong safety culture throughout the organization.



Company-wide HSE organization and activities



LOTTE Biologics established a dedicated HSE team in 2024 to proactively respond to the Serious Accident Punishment Act and to advance its occupational safety and health management system. The HSE team operates as an independent safety organization, separate from other departments, ensuring professionalism and autonomy in safety and health management. Through this structure, the Company strengthens its ability to prevent serious accidents and fully comply with legal requirements.

Evaluation procedures for contracting and outsourcing

LOTTE Biologics has established a structured contractor selection process to ensure compliance with the Serious Accident Punishment Act and to promote safety management in collaboration with its partners. During the vendor selection stage, occupational safety and health capability assessments are mandatory, and only contractors that pass a technical bid evaluation (TBE) with professional HSE review are approved. Through this process, the Company reinforces a safety management system that protects not only employees but also contractor personnel.

Safety and Health Management Officers and Supervisors

LOTTE Biologics has established a clear accountability framework for occupational health and safety management by appointing one Chief Safety and Health Officer and 24 supervisors at the Songdo Bio Campus. The Company continuously provides training to ensure a clear understanding of the roles and responsibilities associated with each position. In addition, LOTTE Biologics fully complies with statutory requirements by achieving 100% completion of legally mandated, role-specific training programs required under the Occupational Safety and Health Act. Through these efforts, the Company strengthens the reliability and professionalism of its occupational health and safety management system.



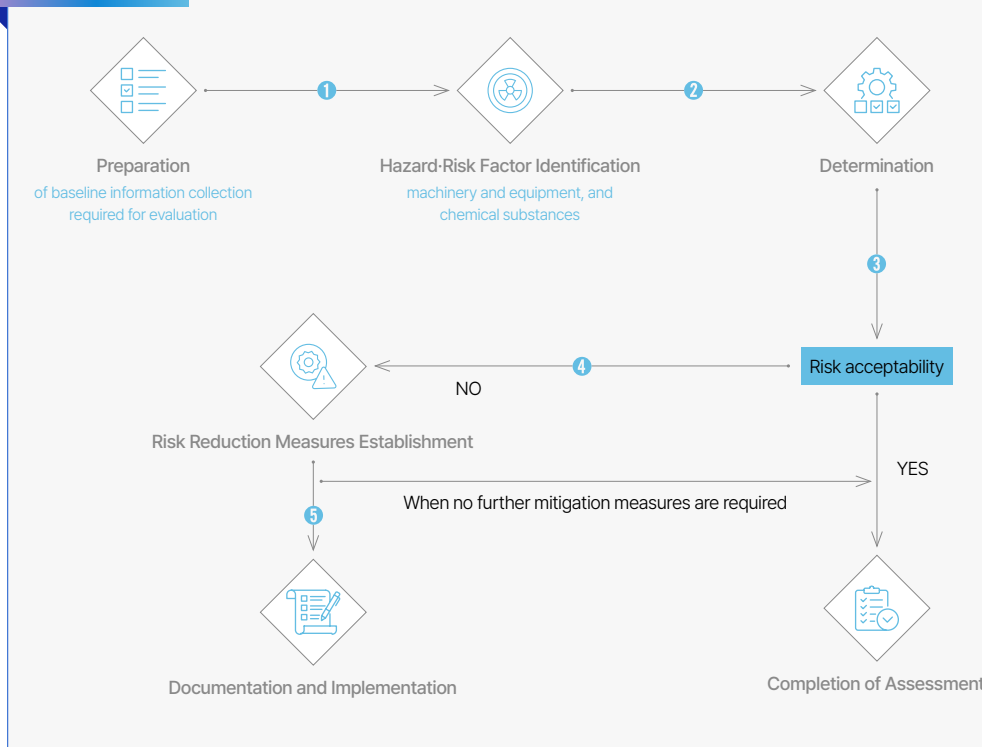
S Occupational Health and Safety

Incident Reporting System

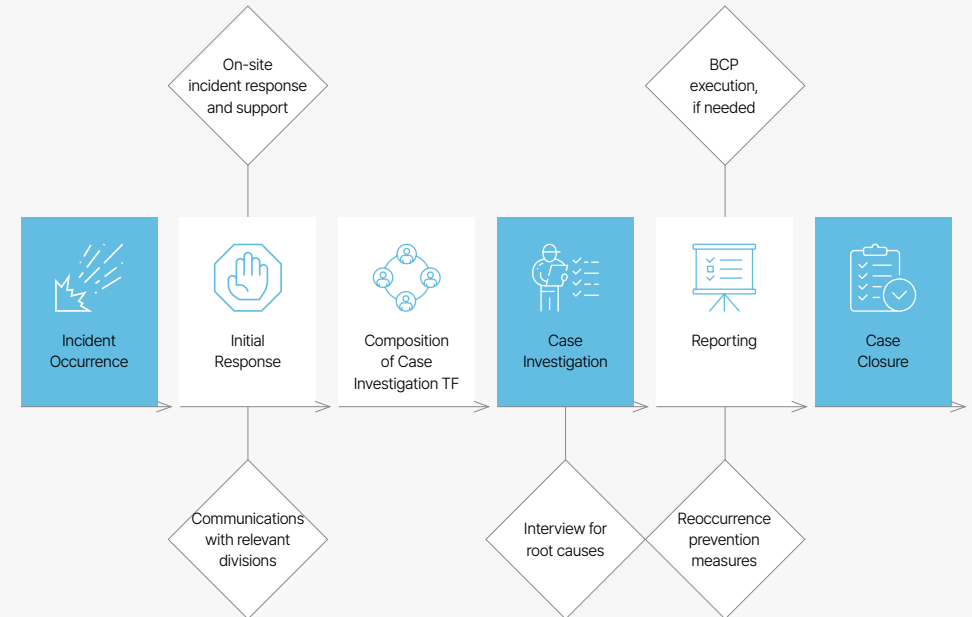
LOTTE Biologics operates a structured risk assessment system to enable the proactive management of safety and environmental risks and has established a clearly defined incident reporting framework to ensure rapid and effective response in the event of an accident. The Company has implemented tiered reporting and response procedures based on incident severity, ranging from minor near-miss cases to serious industrial accidents. Building on this framework, LOTTE Biologics continuously updates its Business Continuity Plan (BCP) to further enhance organizational incident response capabilities. Through this systematic and structured approach, the Company proactively eliminates potential risks and establishes a responsive reporting system capable of swift action, thereby fostering a sustainable safety culture.

Safety & Environment Incident Severity Rating

Risk Rating Process



Reporting Process



Case Investigation Task Force	Fatality	Fatality occurring during the course of work due to illness, disaster, or incident
	Lost Time Injury	Injury resulting in one or more lost workdays due to illness, disaster, or incident
	Restricted Work Case	Injury requiring treatment at an external medical institution, after which the employee is unable to fully perform normal duties and can only perform partial work
	Medical Treatment Case	Injury requiring treatment at an external medical institution, after which the employee is able to immediately resume normal duties
Internal Investigation by Division	First Aid Case	Injury requiring only minor treatment or treatment with over-the-counter medication
	Near Miss	Incident in which no injury, illness, or damage occurred but which had the potential to result in harm (near miss)

S Occupational Health and Safety

Health Promotion

Employee Health Management Programs

LOTTE Biologics places the health and safety of its employees as a high priority and operates a health management system aligned with global standards. The Company actively implements a wide range of occupational safety and health initiatives to ensure that all employees can perform their duties in a safe and comfortable working environment. In addition, LOTTE Biologics will continue to enhance employee well-being and establish safe working conditions by continuously monitoring and improving workplace environments related to occupational health and safety.

Health check-ups and follow-up management

- Musculoskeletal disorder management
- Wellness activities: smoking cessation programs, health promotion platform (26')



Work environment monitoring

- Investigation of musculoskeletal hazards
- Noise-free workplace
- Review of personal protective equipment (PPE) adequacy
- Hearing aid program

Infectious disease monitoring and management

- Health management for employees on overseas business trips
- Remote work for employees with infectious diseases

Additional Designation of Chemicals Prohibited for Handling by Pregnant Employees

LOTTE Biologics places the highest priority on protecting employees' rights to health and safety and, as a biopharmaceutical company, implements proactive measures that go beyond legal requirements to ensure the safety of pregnant employees.

In addition to the 17 substances prohibited for pregnant workers under the 'Labor Standards Act', the Company has identified and additionally designated 17 highly hazardous substances based on advanced international standards and internal toxicity assessments that may pose potential risks to pregnant employees. As a result, LOTTE Biologics fully prohibits pregnant employees from handling a total of 34 substances.

This approach reflects the Company's strong commitment to responsible management and its dedication to setting a leading example for the industry in the areas of women's health and maternity protection, extending beyond simple regulatory compliance.

Additional 17 Substances Designated under LOTTE Biologics' Internal Standards for Pregnant Employees (Overseas-Restricted, Reproductive Toxic, Specially Managed, and Lactation-Toxic Substances)

Dimethylformamide (DMF)

Regulatory Basis	Details
Reproductive Toxicity	Category 1B, indicating a substance presumed to adversely affect sexual function, fertility, or fetal development in humans.
International regulations and related studies	Japan restricts the employment of pregnant workers in workplaces where dimethylformamide exposure may occur.

1-Bromopropane

Regulatory Basis	Details
Reproductive Toxicity	Category 1B, indicating a substance presumed to adversely affect sexual function, fertility, or fetal development in humans.
International regulations and related studies	Hazardous effects associated with this substance were reported in a 2003 study published by the U.S. National Institutes of Health (NIH).

Cadmium and its compounds

Regulatory Basis	Details
Reproductive Toxicity	Category 2, indicating a substance presumed to adversely affect sexual function, fertility, or fetal development in humans.
International regulations and related studies	Japan restricts the employment of pregnant workers in operations conducted in environments where cadmium compounds may be generated or present.

No.	Chemical substances	CAS No.	Lactation Toxicity	Special Management
1	Dinitrotoluene	25321-14-6	2	O
2	N,N-Dimethyl acetamide	127-19-5	1B	O
3	Dibutyl phthalate	84-74-2	1B	O
4	2-Methoxyethylacetate	110-49-6	1B	O
5	Benzo(a) pyrene	50-32-8	1B	O
6	Acrylamide	79-06-1	2	O
7	2,3-Epoxy-1-propanol	556-52-5	1B	O
8	Warfarin	81-81-2	1A	O
9	1,2,3-Trichloropropane	96-18-4	1B	O
10	Formamide	75-12-7	1B	O
11	Nickel carbonyl, as Ni	13463-39-3	1B	O
12	Nitrotoluene (o, m, p-isomers)	88-72-2	2	O
13	Boron oxide	1303-86-2	1B	O
14	Lindane	58-89-9	Lactation Toxicity	X

S Product & Service Responsibility



Quality Policy

As a specialized CDMO, LOTTE Biologics places high priority on quality management. Leveraging production facilities that comply with global Current Good Manufacturing Practice (cGMP) standards and a world-class quality system, LOTTE Biologics is committed to delivering high-quality biopharmaceuticals to its clients.

Vision and Mission

Vision

As a biopharmaceutical CDMO, LOTTE Biologics establishes industry-leading quality standards based on a culture of innovation, trust, and responsibility. Through these standards, the Company aims to deliver maximum value to the clients and provide life-saving medicines to patients, thereby contributing to the improvement of global health.

Mission

As a biopharmaceutical CDMO, LOTTE Biologics adheres to the highest standards of quality, safety, and regulatory compliance while delivering world-class services. Guided by core values of responsibility, collaboration, and continuous improvement, the Company maximizes manufacturing innovation and operational efficiency, and reinforces trust with the clients through state-of-the-art systems and rigorous quality management. Prioritizing patient safety, the Company reliably supplies life-saving therapies, contributing to global health, and aims to establish itself as a leading company trusted by clients, regulatory authorities, and local communities.

Quality Management System

Quality Management System

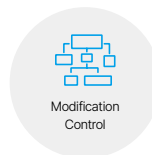
LOTTE Biologics upholds strict quality management throughout the entire product lifecycle from development to commercialization. The Company has established a quality management system based on global GMP standards, applying systematic quality management processes across product development, manufacturing, and sales.

In 2024, to establish a GMP collaboration framework between the Syracuse Plant and the Songdo Plant, the Company identified key tasks for GMP system implementation and facilitated information exchange between the two sites. Additionally, to ensure the quality system aligns with GMP regulations in major advanced countries, it systematically analyzed EUDRALEX Volume 4 (Guidelines on Good Manufacturing and Distribution Practices for Medicinal Products and Related Products), assessed the current status and gaps, and applied necessary measures. Since launching the project in April 2024, the Company has been implementing a total of 299 items in phases based on priority. By 2025, policy development had been completed for 247 items, while the remaining 52 items will continue to be developed in 2026 to further strengthen the level of quality assurance.

Quality Management System

The LOTTE Biologics LBA & LBK Quality Management Group ensures the safety, stability, and overall quality of outsourced active pharmaceutical ingredients (APIs) by sampling and managing raw materials, in-process controls (IPCs), and final product samples used in pharmaceutical manufacturing. The group also conducts rigorous evaluations across all stages of development, including product characterization required by regulatory authorities, testing using validated analytical methods, and release and stability testing in accordance with approved specifications.

In 2024, the Company implemented key electronic systems across the organization, including the Electronic Document Management System (EDMS) and Electronic Learning Management System (ELMS). In 2025, LOTTE Biologics further strengthened its quality assurance system by implementing the E-Logbook (Electronic Logbook System) as part of its paperless initiative. The Company operates a company-wide Quality Management System (QMS) aligned with International Council for Harmonisation (ICH) Q10 standards, systematically managing manufacturing processes, change control, CAPA, internal audits, management reviews, personnel competency, product monitoring, and risk assessment. This robust quality system ensures global-level product quality consistency, regulatory compliance, and operational efficiency, while establishing a stable supply chain leveraging dual manufacturing sites.



Product & Service Responsibility

Quality Management System

Quality Management Training

LOTTE Biologics operates a structured Quality Training program designed to ensure that employees systematically understand and effectively apply Good Manufacturing Practice (GMP) standards and regulatory requirements across pharmaceutical manufacturing and quality operations. Based on the company-wide Learning Management System (LMS), training records and completion status are centrally managed, and a structured training framework has been established according to training objectives and competency levels.

Quality training begins with GMP Onboarding Training, which provides fundamental understanding of GMP principles and the overall quality system. This program establishes essential quality awareness related to biopharmaceutical manufacturing, including individual accountability and ethical responsibility, quality systems and regulatory compliance, GMP environmental and contamination control, as well as foundational concepts in manufacturing processes, validation, and engineering.

Subsequently, New Employee Orientation introduces core quality management directions and standards, covering GMP fundamentals, GMP mindset, the Quality Manual, and bioprocess-related training. Site Core Training further delivers standardized site-wide quality education, including fundamental quality principles, standard document writing practices and document control procedures, training program governance, data integrity requirements based on ALCOA+ principles, and periodic cGMP training. Through these programs, LOTTE Biologics strengthens essential quality competencies consistently required across the organization.

In addition, Technical Writing and SOP development training enhances understanding of GMP documentation principles and technical writing standards, improving both documentation quality and operational consistency. cGMP Refresher Training reflects the latest GMP trends, regulatory authority expectations, and data integrity requirements to ensure continuous compliance.

LOTTE Biologics also operates Role-based Training programs tailored to job functions and working environments, consisting of Department Training and System Training. Department Training focuses on procedures, roles, and responsibilities required for functional job performance within each department, while System Training provides instruction on the use of GxP-related computerized systems, including data entry and management standards as well as system compliance requirements.

Through this comprehensive company-wide training framework, LOTTE Biologics goes beyond regulatory compliance to continuously strengthen its Quality Culture and Quality Mindset, enabling all employees to recognize the importance of quality and perform their duties with a strong sense of responsibility. Quality training serves as a foundation supporting quality-driven decision-making throughout daily operations.

In 2025, LOTTE Biologics successfully operated its Quality Training programs across the organization while maintaining high participation rates in all training courses. Moving forward, the Company will continue to advance its training system and reinforce its quality culture to ensure consistent pharmaceutical product quality and enhance customer trust.

2025 Quality Management Training Status

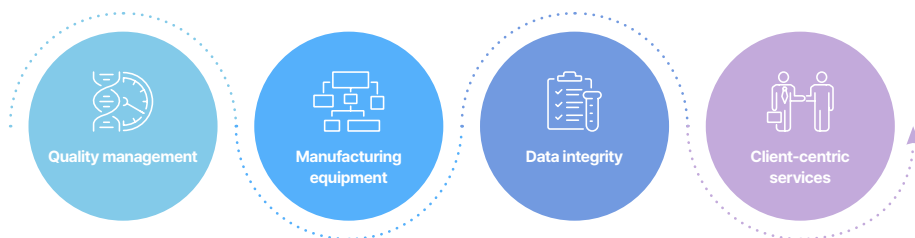
Category	Target	Title	Content	Frequency	No. of trainees	Training hours	Participation rate
General Training	New Employee	GMP Onboarding Training	GMP foundational training covering overall biopharmaceutical manufacturing, including individual accountability and ethical responsibility, quality systems and regulatory compliance, GMP environmental and contamination control, and fundamental concepts of manufacturing processes, validation, and engineering.	After recruitment	216	2,916	100%
General Training	GxP Employee	New Employee Orientation	GMP Overview, GMP Mindset, Quality Manual, Bio process	After recruitment	119	238	100%
General Training	GxP Employee	Site Core Training	Training designed to strengthen fundamental quality competencies required for job performance and site-wide quality standards through understanding of core quality principles, standard document preparation methods and document control procedures, training program governance, data integrity guidelines based on ALCOA+ principles, and periodic cGMP education.	Regularly according to retraining cycle	119	417	100%
General Training	GxP Employee	Technical Writing, How to draft SOP	Training focused on enhancing documentation quality and operational consistency through understanding GMP documentation principles and technical writing standards, including the preparation of Standard Operating Procedures (SOPs) and other GMP-controlled documents.	After recruitment	86	387	100%
General Training	GxP Employee	Regular cGMP Training	Training covering the latest GMP trends, recent regulatory inspection observations and regulatory authority expectations, Quality Mindset, and the principles and importance of data integrity, including ALCOA+ requirements.	Annually	265	398	100%
Role-based Training	GxP Employee	Department Training	Role-based training centered on understanding procedures, roles, and responsibilities required for GMP-related job performance within each functional department.	Regularly according to retraining cycle	265	11,346	100%
Role-based Training	GxP Employee	System Training	Training on the operation of GxP-related computerized systems, including system usage methods, data entry and management standards, and compliance requirements to be followed during system operation.	Regularly according to retraining cycle	265	2,761	100%

Training Delivery Method

Type	Description
Read & Understand (R&U)	Document-based training designed to ensure employees review and understand applicable GMP documents, including SOPs, Work Instructions (WIs), and Guidelines.
Classroom Training	Instructor-led group training conducted in a classroom setting, enabling effective knowledge transfer through direct instruction, discussion, and interactive question-and-answer sessions.
Demonstration of Proficiency	Training method used to verify job understanding and performance capability through instructor demonstrations, joint task execution, or direct task performance by trainees, followed by comprehensive evaluation of competency and proficiency.
Computer-Based Training (CBT)	Online training delivered through computerized systems utilizing video-based content and interactive learning elements.
On-the-Job Training (OJT)	Workplace-based training conducted according to an established OJT plan, strengthening job understanding and performance capability through practical task execution while confirming readiness for independent work performance (e.g., QC methods, Deviation Owner responsibilities, auditing activities, gowning for Grade C/D areas, and operational procedures).
Qualification	A competency verification process confirming personnel qualification based on education, training, and practical experience (e.g., QC Analyst, Deviation Lead Investigator, Lead Auditor, gowning qualification for Grade A/B areas, and aseptic operation techniques).

S Product & Service Responsibility

Quality Assurance and Management Activities



Quality Control Testing

LOTTE Biologics ensures the quality of all manufactured biopharmaceuticals throughout their product lifecycle by performing testing on raw materials, in-process controls (IPCs), release testing, and stability testing. In accordance with ICH Q2(R1) guidelines, the Company is capable of developing analytical methods and transferring these methods (Method Transfer), as well as conducting method verification and validation (Method Verification & Method Validation) required by domestic and international regulatory authorities.

A robust system is in place to ensure that only products meeting strict quality standards through release testing are distributed. Analysts performing quality control activities undergo regular training and assessments to rigorously verify their qualifications.

Process Management of Manufacturing Equipment

LOTTE Biologics designs and manages all areas where pharmaceuticals are manufactured, packaged, and stored to ensure they are suitable for both operations and quality maintenance. Walls are constructed with clean panels that facilitate easy cleaning and maintenance, while floor surfaces are coated with materials specifically designed for pharmaceutical manufacturing to prevent contamination and enable efficient cleaning. Cleanliness levels are designated for each area, and continuous environmental monitoring is conducted to maintain appropriate manufacturing conditions.

Water used in pharmaceutical manufacturing (e.g., water for injection, purified steam), process gases, and compressed air are periodically sampled and tested to ensure quality. During environmental monitoring, tests for settleable microorganisms, airborne microorganisms, surface microorganisms, and airborne particles are conducted in accordance with regulatory cleanroom grade standards. For water monitoring, parameters such as appearance, total organic carbon (TOC), conductivity, pH, and endotoxins are tested. Compressed air and process gases supplied as oil-free types are filtered through 0.2 µm filters to ensure optimal conditions for pharmaceutical manufacturing.

Data Integrity Enhancement

One of the key focus areas that regulatory authorities are increasingly emphasizing across the entire pharmaceutical manufacturing process is Data Integrity (DI). At LOTTE Biologics, the analytical instruments used to assess the quality of contract-manufactured pharmaceuticals are equipped with the latest technology to fully comply with regulatory DI requirements.

From a quality control (QC) perspective, the most critical aspect is establishing a routine audit trail review procedure based on the significance of the data. LOTTE Biologics ensures that the audit trail of critical data directly related to batch release is thoroughly reviewed prior to approval for batch release. This is supported by the deployment of advanced analytical instruments and training programs to instill a strong DI mindset among laboratory personnel.

Furthermore, to facilitate data-driven decision-making, electronic laboratory notebooks have been implemented, ensuring that all experimental activities are fully documented. This allows for data integrity assurance even during non-GMP stages and enhances transparency in data management.

Client-centric Services

Living Modified Organism (LMO) research facilities are laboratories in which LMO-related experiments are conducted and are required to obtain government notification or authorization in accordance with biosafety regulations, including risk assessment requirements, and to undergo periodic inspections. Given the nature of the biopharmaceutical CDMO business, LMO production and testing may be required depending on client needs. To proactively meet such requirements, the LOTTE Biologics Quality Control team has established and operates certified LMO laboratories in compliance with applicable regulatory standards.

Although microbial contamination must be strictly minimized throughout the biopharmaceutical manufacturing process, unforeseen microorganisms originating from raw materials, manufacturing environments, or personnel may occasionally be detected under actual production conditions. Many pharmaceutical manufacturers outsource microbial identification activities to specialized external service providers due to constraints related to cost, time, manpower, and technical capabilities. However, such outsourcing may present potential risks of unintended disclosure of microorganism-related information generated during manufacturing operations.

Recognizing that microbial identification results derived from manufacturing processes constitute critical client information, the LOTTE Biologics Quality Control team operates an in-house rapid microbial identification system based on protein- and DNA-based analytical technologies. This system enables completion of microbial identification within one day while fundamentally preventing information leakage. Beyond microorganism identification, the program is designed to trace potential sources and ingress routes of detected harmful microorganisms and will be further expanded as a proprietary Contamination Control Strategy (CCS) tool to proactively block contamination pathways and strengthen overall contamination prevention management.

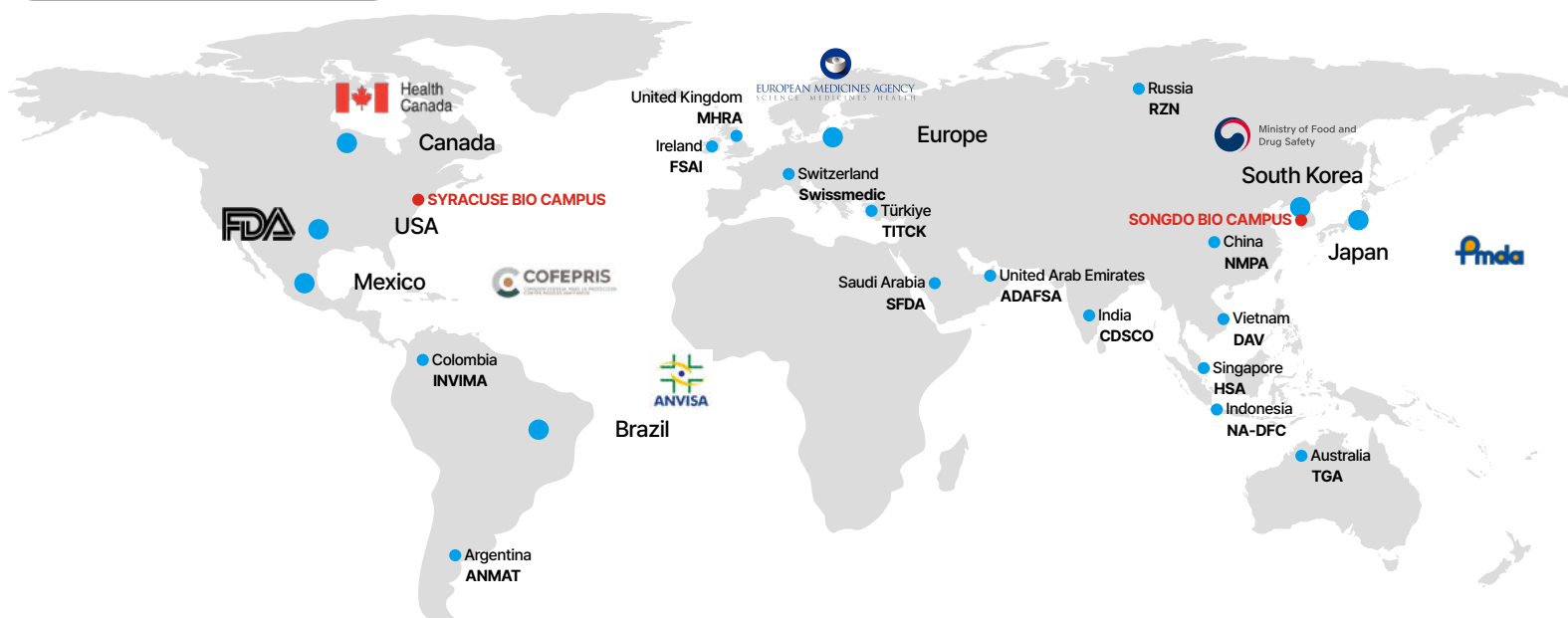
Product & Service Responsibility

Performance and Future Plans

LOTTE Biologics' Syracuse Bio Campus has successfully passed rigorous inspections and approval processes conducted by global regulatory authorities, including the FDA, EMA, and PMDA, over the past 20 years. In 2024, the site once again demonstrated its high standards of quality management by successfully completing inspections conducted by the FDA, PMDA, and TGA.

This expertise and operational know-how are also being seamlessly transferred to the Songdo Bio Campus through a systematic cross-training program.

Syracuse Bio Campus



Regulatory



Over 62 Approvals Obtained from Global Authorities

INSPECTION HISTORY

2024 FDA, PMDA, TGA
2023 USDA
2022 USDA
2021 USDA
2020 USDA
2019 FDA, USDA
2018 USDA
2017 FDA, EMA, Turkish Ministry of Health

A Trusted Partner with a 98% Batch Success Rate, 100% On-time Delivery



S Product & Service Responsibility

Production Optimization through Advanced Facilities

Stable Scale-Up Enabled by Pilot Facility Deployment

LOTTE Biologics has established a 500 L pilot facility to secure process stability prior to commercial manufacturing. This facility simulates actual commercial production conditions, minimizing the risk of batch failures during technology transfer and ensuring consistent quality through data-driven verification. These capabilities enable the Company to provide highly reliable process packages to partners and enhance predictability and stability when scaling up to commercial production.

Advanced Pilot-Scale Process Facilities

LOTTE Biologics has introduced state-of-the-art pilot-scale equipment—including small-scale bioreactor systems, continuous bioprocessing platforms, and continuous centrifuges—to enhance process optimization and production efficiency. These facilities provide an environment for testing and validating a wide range of process conditions, enabling tailored process design that meets the specific needs of partners during technology transfer.

Leveraging data generated in the early development stages, the Company Supports a seamless transition to commercial manufacturing, helping customers establish stable and efficient production systems. By utilizing these technologies, LOTTE Biologics aims to strengthen the reliability of technology transfer and reinforce its global-scale manufacturing capabilities.

CFD-Based Process Modeling and Simulation

LOTTE Biologics leverages Computational Fluid Dynamics (CFD)-based process modeling and simulation during the process development stage to predict process variables that may arise during scale-up and to identify optimal operating conditions. This approach enables precise verification of process parameters before and after pilot operations, enhancing time and cost efficiency while providing scientific evidence throughout the tech transfer process. Such modeling-based analysis allows for a detailed evaluation of key process factors, including complex fluid dynamics and mixing characteristics, enabling stable and predictable expansion to commercial-scale production.

Specialized Laboratories for Process Development and Technology Transfer



Comprehensive Technical Support for Process Development and Technology Transfer



LOTTE Biologics operates dedicated laboratories for technology transfer and process development, ensuring end-to-end technical expertise across the entire workflow. The Upstream Laboratory is responsible for cell culture and production process development, while the Downstream Laboratory focuses on optimizing purification and recovery processes. The Analytical Laboratory analyzes and evaluates the quality attributes of processes and products, supporting data-driven decision-making related to technology transfer and process operations. Based on these integrated capabilities, LOTTE Biologics enhances process compatibility with partners and carries out technology transfer and process operations in alignment with global standards. Through these efforts, the Company ensures both reliability and efficiency throughout the technology transfer process.

Accelerated Technology Transfer and Data-Driven Collaboration

LOTTE Biologics is establishing a rapid technology transfer framework by standardizing the tech-transfer process and strengthening cross-site collaboration. This approach supports customers in meeting project timelines and transitioning to commercial manufacturing, with the aim of ensuring the stability of the global supply network.

The Company is also improving its data management systems to reinforce transparency and trust in collaboration. By digitizing test records during technology transfer, LOTTE Biologics ensures data accuracy and traceability, while centralized data management enhances consistency. Customers can access real-time dashboards to directly review process data, enabling clearer decision-making and faster response times.

Through this system, LOTTE Biologics provides stable and reliable services to its customers and partners.

S Product & Service Responsibility

Enhancing Technological Capabilities for Sustainable Innovation



Technology Development Forum

LOTTE Biologics has been regularly hosting the Global Technology Development Forum since 2024 to enhance its understanding of the latest technology trends and strengthen internal capabilities. Renowned global experts including Nathan Tumey, Oren Beske, Mark Chiu, Jonny Finlay and Jae Uk Jeong were invited to share in-depth insights on emerging technologies including cell line development platforms, solid tumor treatment strategies, and dual-inhibition antibody development approaches.

Through these initiatives, the Company has enhanced employees' professional capabilities, expanded its global network, and strengthened partnership-based technological collaboration.

At the "Future Innovative Technology Development Forum" held in December 2025, LOTTE Biologics invited Jaewook Jung, Head of R&D Division at GC Biopharma, to discuss the latest trends in Antibody-Drug Conjugates (ADCs) and potential collaboration opportunities leveraging LOTTE Biologics' SoluFlex Link™ technology. LOTTE Biologics will strengthen its one-stop ADC CDMO services centered on its ADC manufacturing facility in Syracuse, New York, while expanding its position as a leading global ADC CDMO company through strategic collaborations with key technology partners, including Kanaph Therapeutics.

ADC Platform Technology Development (SoluFlex Link™)

LOTTE Biologics has filed a patent for its proprietary hydrophilic linker technology to support the development of Antibody-Drug Conjugates (ADCs). This technology enhances linker hydrophilicity, contributing to improved drug stability and therapeutic efficacy. SoluFlex Link™ is offered as a modular toolbox platform, enabling seamless application to various linker or payload structures owned by clients. This enables more optimized drug design during development, helping clients leverage their existing assets while achieving differentiated performance.

Based on this technology, LOTTE Biologics will enhance customers' development efficiency and support their efforts to strengthen global competitiveness.

Supporting the Bio Venture Ecosystem

Infrastructure & Technical Support

LOTTE Biologics provides collaborative workspaces to help bio venture companies conduct research and development in a stable environment. Beyond offering physical space, the Company supports practical research activities and facilitates collaboration among resident companies to create synergistic opportunities.

In addition, LOTTE Biologics enhances the technical capabilities of venture companies by offering training in process and analytical technologies and guidance on equipment utilization. The Company also supports early-stage research by assisting in candidate discovery and non-clinical study design, thereby improving overall R&D efficiency.

LOTTE Biologics further assists resident companies in preparing regulatory documentation and provides Contract Development and Manufacturing Organization (CDMO) services to help them smoothly transition into the commercialization stage. Through this comprehensive support, LOTTE Biologics aims to foster an environment in which venture companies can establish a solid technological foundation and achieve sustainable growth.

Commercialization & Collaborative Growth Support

LOTTE Biologics aims to support bio venture companies in overcoming challenges that arise during the commercialization process by facilitating joint research opportunities and providing networking connections with pharmaceutical companies and investors. Through these efforts, companies will be able to build strategic partnerships and expand their market entry opportunities.

The Company also plans to provide Tailored management consulting and up-to-date market intelligence to support informed decision-making by resident firms, while helping them strengthen their global competitiveness. The Company plans to provide various information, including the latest market trends, to support venture companies' decision-making and strengthen their market competitiveness. Furthermore, the Company will continue to support venture companies in contributing not only to short-term performance, but also to long-term growth and the development of the broader industry ecosystem.



S Product & Service Responsibility

Information Protection System

Information Protection Policy

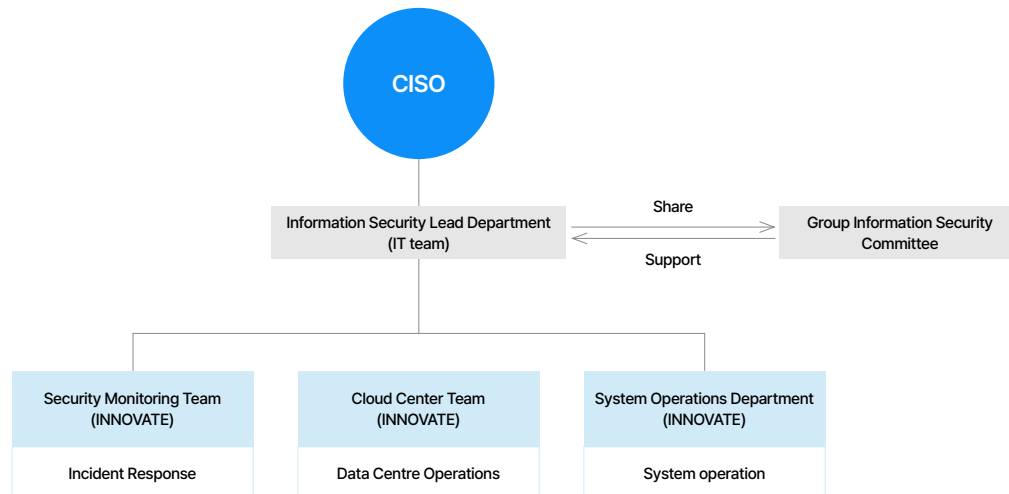
LOTTE Biologics recognizes that, as automation and digitalization advance, the importance of information security continues to grow. To proactively address evolving cyber threats, the Company has established a robust information security governance framework and transparently discloses relevant practices to strengthen overall security maturity.

The Company has enacted an Information Security Policy designed to safeguard system stability, protect personal data, and ensure full compliance with applicable information security regulations. Based on core principles for protecting critical corporate information and personal data, LOTTE Biologics has implemented comprehensive security standards across all domains—administrative, physical, technical, and personal data protection.

To meet global expectations, the Company operates its Information Security Policy in alignment with ISO 27001 management requirements, ensuring a systematic approach to risk mitigation and continuous improvement of its cybersecurity capabilities.

Information Protection Organization

LOTTE Biologics' information security organization is composed of the Security Monitoring Team, the Cloud Center Team, and the System Operations Department. Each team reports key matters to the IT Department, which in turn reports to the Chief Information Security Officer (CISO). The Company also maintains close communication with the Group Information Security Committee to share relevant information and receive appropriate support when needed.

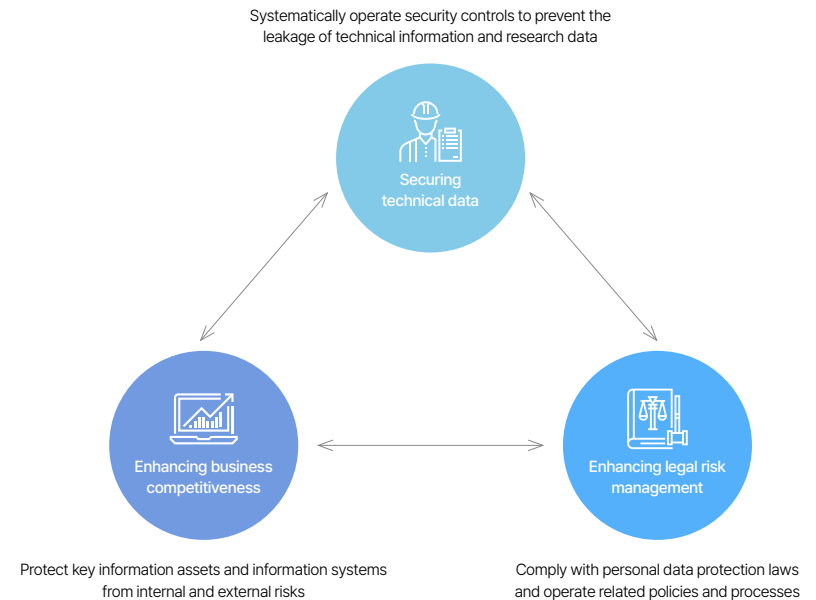


Information Protection Implementation Strategies

LOTTE Biologics has established a comprehensive information security plan covering the overall network and infrastructure of Plant 1 at the Songdo Bio Campus, with security requirements incorporated from the initial planning and construction phases. For newly implemented critical systems, the Company conducts separate vulnerability assessments, while annual vulnerability diagnostics are performed to continuously maintain and enhance the overall security posture. In the event of a disruption to information security solutions, LOTTE Biologics ensures an immediate response to restore and stabilize services. An IT Help Desk has been established and is operated to provide initial response and resolution in the event of security solution-related incidents.

The Company also conducts regular phishing simulation training with the objective of maintaining a phishing susceptibility rate below 5%. In alignment with LOTTE Group's information security policies, LOTTE Biologics has implemented and operates 16 types of security solutions to establish an integrated protection framework. To prepare for potential cybersecurity incidents, the Company has established an incident response manual and conducts disaster recovery (DR) simulation exercises for major systems to validate recovery capabilities. Furthermore, periodic audits are performed for key position holders and departing employees to prevent internal threats and misuse of access privileges.

Information Protection Goals



S Product & Service Responsibility

Information Protection System

Information Protection Risk Management

LOTTE Biologics conducts quarterly simulated cyberattack training to strengthen employees' security awareness and enhance preparedness against cyber threats. Employees identified as high-risk during the training receive tailored security training to prevent security incidents and improve overall information security awareness.

In addition, the Company performs annual penetration testing and infrastructure vulnerability assessments to ensure the reliability of its information systems and enhance security. Through these systematic security inspections, LOTTE Biologics proactively identifies potential risks and implements corrective measures, continuously reinforcing its information protection framework.

Information Protection Management Activities

LOTTE Biologics operates information security policies and procedures, including phishing email response training, laptop carry-out procedures, and personal information file encryption. In particular, the Company strengthened its personal information file encryption policy in January 2024 by expanding the scope of encryption from files saved manually by users to all files containing personal information that meet the defined criteria (one or more personally identifiable information records or ten or more general personal information records), while conducting company-wide inspections on a weekly basis.

LOTTE Biologics also met its 2025 information security strategy goals by deploying 16 security solutions, including firewalls, management servers, anti-ransomware systems, database encryption solutions, and integrated access control servers, to establish an integrated protection framework.

In addition, the Company conducts quarterly workplace security inspections covering laptop and drawer locking, unattended confidential documents, shared laptops and corporate cards, as well as shared lockers and cabinets. The non-compliance rate showed an overall improving trend in 2025, decreasing from 42% in the first quarter to 21% in the second quarter, 25% in the third quarter, and 16% in the fourth quarter.

Phishing Email Simulation Training Results

(Hosted by the Group)

2025	Non-compliant employees	Total employees	Non-compliance rate
1 st Quarter	21	259	8.1%
2 nd Quarter	5	300	1.7%
3 rd Quarter	10	320	3.1%
4 th Quarter	13	442	2.9%

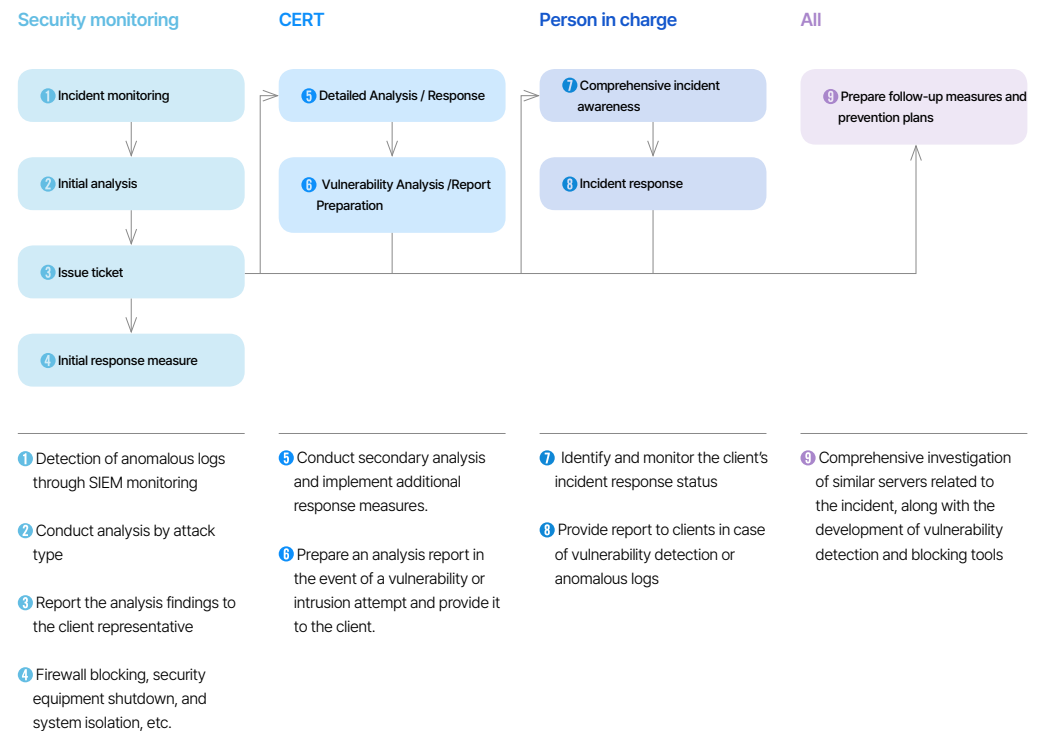
Physical Security Inspection Results

2025	Non-compliant employees	Total employees	Non-compliance rate
1 st Quarter	108	259	42%
2 nd Quarter	66	312	21%
3 rd Quarter	87	347	25%
4 th Quarter	72	439	16%

Security Incident Prevention and Response

Procedures to Prevent and Respond to Security Incidents

LOTTE Biologics prevents and responds to information security incidents through a structured organizational system. To prevent incidents, the Security Operations Center conducts continuous monitoring using a Security Information and Event Management (SIEM) system. When unusual logs are detected, the Computer Emergency Response Team (CERT), relevant client representatives, and all employees are notified as quickly as possible, followed by appropriate measures such as firewall blocking, security equipment shutdown, and system isolation.



S Product & Service Responsibility

Security Incident Prevention and Response

Phishing Email Simulation Training

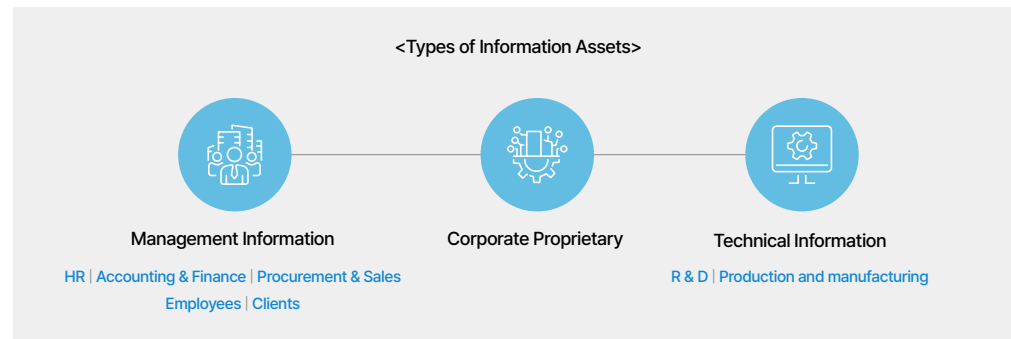
LOTTE Biologics conducts quarterly phishing simulation training organized by the LOTTE Group to enhance employees' security awareness and strengthen the organization's response capabilities in real attack scenarios. In addition, the Company carries out monthly in-house phishing simulations. When an employee falls victim to a simulation, LOTTE Biologics applies differentiated follow-up measures such as interviews or written explanations based on the number of consecutive failures, ensuring that security vigilance is consistently maintained.

Number of failures	Warning email	1:1 interview	Explanatory statement
One-time	Issued	Department Head	Submission required
Two consecutive failures	Issued	Head of Division	Submission required
Three consecutive failures	Issued	CPIO	Submission required

Sharing Best Practices and Information Through the Internal Platform

LOTTE Biologics shares practical information on information security with employees through the Company's internal portal to enhance security awareness. The portal provides detailed guidance on the importance of laptop check-out procedures, security incidents that occurred at other companies, types of internal information assets, and key precautions when handling sensitive information.

In addition, the new-hire training program includes an overview of the Company's security policies and case studies based on actual malicious email incidents from 2023. The training also explains in detail how personal information can be stolen through phishing emails, thereby reinforcing the critical importance of information protection.



Information Protection Internalization Activities



Personal Information Protection

LOTTE Biologics has established and operates policies to ensure the lawful and secure handling of personal data in accordance with the Personal Information Protection Act. The same standards are applied across all company operations as well as to third-party stakeholders, including partner companies. The personal data protection policy system is integrated into the group-wide risk management framework.

Information Security Training

LOTTE Biologics provides ongoing training to promote a proactive security culture that goes beyond merely complying with information security regulations. Regular information security training is offered to all employees, strengthening company-wide security awareness and practical capabilities.

The Company conducts an annual information security training program for all employees, as well as onboarding training for new hires. In particular, employees who handle personal data (PR, HSE, and HR teams) are required to complete separate personal data protection training to build specialized competencies and enhance their awareness of information security.

S Mutual Growth with Partners

Supply Chain Management Framework

Sustainable Procurement Policy

LOTTE Biologics has established and operates a structured supplier management and governance framework to build a sustainable supply chain. To promote shared growth and foster a responsible supply ecosystem, the Company continuously advances sustainable supply chain practices based on its Supplier Code of Conduct, Supply Chain Management Standards, Supply Chain ESG assessments, and category-specific sourcing strategies.

Supplier Code of Conduct

LOTTE Biologics recognizes that responding to climate change and building a sustainable ecosystem are shared global imperatives. The Company seeks to achieve its sustainability vision by fulfilling its social and environmental responsibilities. To this end, LOTTE Biologics sets forth expectations for its suppliers in areas including environmental protection, human rights, safety management, quality management, compliance and ethical business conduct, and management systems. The Company expects all suppliers to comply with this Code and to actively participate in ESG management in partnership with LOTTE Biologics.

The Supplier Code of Conduct is based on internationally recognized standards and frameworks, including the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Convention on the Rights of the Child, the ILO Core Conventions, and the Responsible Business Alliance (RBA) Code of Conduct. Where the provisions of this Code conflict with applicable local laws and regulations in the countries of operation, the more stringent standard shall apply.

Category	Key Areas
1. Environmental Protection	Compliance with applicable laws and regulations; adherence to substance restrictions; assessment of environmental impacts; response to climate change; resource circulation and waste reduction; water resource management; pollution control
2. Human Rights	Prohibition of discrimination; compliance with labor laws and regulations; humane treatment; freedom of association; protection of young workers; prohibition of forced labor
3. Safety Management	Compliance with safety-related laws and regulations; safety inspections and diagnostics; establishment of safety management systems; safety training; management of cafeterias and dormitories
4. Quality Management	Compliance with applicable regulations; establishment of quality management systems; quality performance evaluation; quality training
5. Compliance and Ethical Management	Prohibition of improper or illegal gains; enhancement of management transparency; prevention of unfair trade practices; responsible supply chain management; protection of personal information; protection of intellectual property rights
6. Management Systems	Commitment to sustainable management; risk management

Supplier Risk Assessment and Management

Supplier Classification

LOTTE Biologics selects and manages key suppliers through a comprehensive assessment of all Tier 1 suppliers directly engaged in business with the Company, taking into account ESG factors, business considerations, and various risk elements. Suppliers are systematically categorized as Partners, Key Partners, or Potential Partners based on criteria such as organizational capabilities and supplied materials or services. In addition, ESG factors are incorporated into the evaluation criteria for new supplier selection, reinforcing the Company's commitment to responsible and sustainable supply chain management.

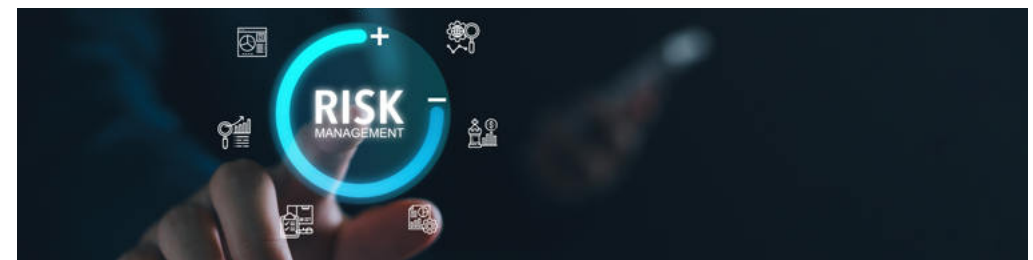
Supplier Selection and Evaluation

New Partner Evaluation	• Verification of supplier suitability in alignment with LOTTE Biologics' supply chain management framework
Regular Evaluation	• Comprehensive assessment and grading of selected Key Partners based on internal criteria. • Differentiated benefits, such as long-term contracts, are provided according to evaluation grade.
Irregular Evaluation / Post-Management	• Ongoing evaluation of lower-rated Key Partners to proactively manage risk and identify improvement tasks. • Tracking of corrective actions and implementation of penalties or disqualification (delisting), where applicable.

Supply Chain Diversity

LOTTE Biologics recognizes Diversity, Equity, and Inclusion (DEI) within its supply chain as a key value and strives to promote fair and responsible business practices throughout its supplier network. In the supplier selection and management process, the Company comprehensively considers various factors—including company size, geographic location, and industry characteristics—to enhance supply chain stability and resilience.

Going forward, LOTTE Biologics plans to progressively refine its supply chain diversity policies and management standards and to continuously incorporate relevant DEI considerations into its procurement and supplier management framework.



S Mutual Growth with Partners

Supplier Risk Assessment and Management

Supplier ESG Evaluation

LOTTE Biologics aims to build a sustainable supply chain by enhancing supplier awareness and management capabilities across key ESG areas, including ethics and anti-corruption, labor and human rights, safety and health, and environmental management, thereby fostering shared growth with its business partners.

An ESG baseline assessment is applied as a core evaluation criterion for all procurement cases. Suppliers shortlisted for final bid participation are also subject to this basic ESG evaluation, which supports systematic supply chain ESG risk management and capability enhancement. Going forward, the Company plans to introduce more advanced assessments and improvement initiatives based on evaluation results.

ESG evaluation factors

Category	Evaluation Criteria
Environmental	Environmental management objectives; regulatory compliance; pollutant management; waste management; prevention of environmental incidents
Social	Compliance with statutory working hours; prohibition of discrimination; prevention of industrial accidents; consumer safety
Governance	Anti-corruption; fair competition; monitoring of ESG-related regulatory developments

Expansion of ESG Evaluation Scope

LOTTE Biologics conducts ESG evaluations when selecting new domestic partners and is considering expanding the scope of ESG assessments beyond domestic suppliers to include overseas partners. In the 2025 supplier ESG assessment, evaluation requests were issued to a total of 70 suppliers, and all 70 companies participated in the assessment. The Company plans to progressively broaden the evaluation scope going forward.

Advancement of ESG Evaluation Methodology

To systematically manage ESG risks, LOTTE Biologics plans to enhance its ESG evaluation framework by incorporating global guidelines and assessment standards such as PSCI, EcoVadis, and CSDDD. This enhancement will include the addition of new evaluation indicators and the refinement of existing assessment criteria.

Beyond conducting evaluations, the Company intends to further develop its framework into a continuous growth platform by linking assessments with supplier capability-building programs, including ESG training and professional consulting support.

Due Diligence and Improvement Support

Based on the diagnostic results of participating suppliers, LOTTE Biologics plans to conduct on-site due diligence for partners requiring further review. In accordance with ESG evaluation outcomes, the Company will work collaboratively with suppliers to identify risks and establish corrective action plans, while continuously monitoring and requiring the implementation of agreed improvement measures.

Contribution to Local Community

Social Contribution Strategy

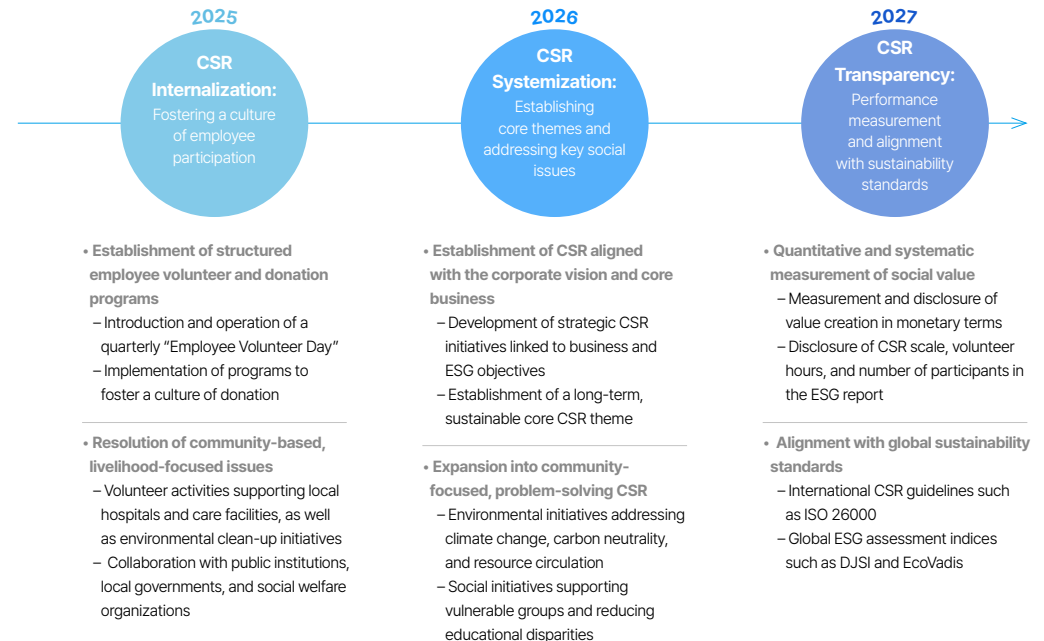
Under the core pillars of Health, Environment, and Communities, LOTTE Biologics is advancing its Corporate Social Responsibility (CSR) strategy in three progressive phases: Phase I focuses on embedding CSR across the organization through employee participation; Phase II aims to establish a strategic CSR framework aligned with the Company's corporate vision; and Phase III seeks to advance CSR to a global standard by strengthening transparency and incorporating quantitative performance indicators.

The Company is transitioning its CSR activities from one-time philanthropic initiatives to sustainable value-creation programs closely linked to its business strategy and ESG objectives. Through these efforts, LOTTE Biologics aims to foster a healthy social ecosystem in collaboration with local communities, employees, and business partners.

CSR Vision

Sustainability for Health, Environment and Communities

CSR Strategy



S Mutual Growth with Partners

Contribution to Local Community



Coal Briquette Sharing of Love Campaign

Fostering a Culture of Employee Participation

LOTTE Biologics institutionally supports voluntary employee engagement through a quarterly "Employee Volunteer Day" program. In 2024, the Company participated in the "Coal Briquette Sharing of Love" campaign organized by the Incheon Free Economic Zone Authority (IFEZ), delivering briquettes to senior households in need within the local community.

As part of its ESG management efforts to expand an internal culture of volunteerism, LOTTE Biologics established the employee volunteer group "LB:Heart." Under the slogan "Heartful Action for Our Community," LB:Heart embodies the Company's commitment to fulfilling its corporate social responsibility through meaningful acts of sharing. On December 5, 2025, 23 members of LB:Heart participated in the IFEZ-led briquette-sharing initiative, delivering approximately 6,700 briquettes to 15 households in Michuhol-gu, Incheon.

Employees at the Syracuse Bio Campus also commemorate Earth Day each year on April 22 by engaging in volunteer activities in collaboration with New York State and the City of Syracuse. In 2025, employees conducted environmental clean-up activities in local parks and green spaces in partnership with municipal authorities.

Promoting Industry–Academia Collaboration

To contribute to the development of local talent, LOTTE Biologics is actively expanding industry–academia partnerships with educational institutions. In 2024, the Company signed Memoranda of Understanding (MOUs) with five institutions—Korea Polytechnic University, Dongyang Mirae University, Yuhan University, Inha Technical College, and Jaeneung University—to jointly develop industry–academia cooperation programs. In 2025, through the agreement, LOTTE Biologics and the five participating universities actively advanced various collaborative initiatives to foster bio industry talent, including the joint development of customized education and training programs in the biotechnology field, the provision of competency enhancement training for bio-related job functions, and the expansion of employment opportunities through the operation of the "LOTTE Partnership Classes."

In 2024, LOTTE Biologics also entered into an agreement with Syracuse University to jointly develop an industry-academia collaborative education program. Accordingly, in 2025, students from Syracuse University visited LOTTE World Tower and participated in various tour programs, including a visit to the Shin Kyuk-Ho Memorial Hall. During the visit, the Company shared the history and major business areas of the LOTTE Group, trends and outlooks in the global pharmaceutical and biotechnology industry, and the Company's business strategy, helping enhance participants' understanding of both the LOTTE Group and Lotte Biologics.

LOTTE Biologics plans to continue expanding its collaboration with academia to support the sustainable development of the bio-manufacturing industry.



Bio Campus Curriculum Information Session



Syracuse Bio Campus Industry–Academia Collaboration Program



Transparent Governance Structure

Overview of the Board of Directors

Board Composition

As of the end of 2025, the Board of Directors of LOTTE Biologics consists of three Executive Directors and two Non-Executive Directors. For efficient management and decision-making, the Chief Executive Officer (CEO) concurrently serves as Chair of the Board. Director James Park, who serves as Board Chair, previously held the position of CEO of GC Cell, a company specializing in cell and gene therapy (CGT).

Non-Standing Auditor

In accordance with the Korean Commercial Act and other applicable laws and regulations, the Auditor of LOTTE Biologics is appointed at the General Meeting of Shareholders. The Auditor attends Board meetings and independently oversees the performance of directors' duties. When necessary, the Auditor may request the submission of accounting books and relevant

documents from responsible departments. The Auditor also has the authority to receive reports on business operations from the Company and to access management information through appropriate channels to fulfill oversight responsibilities.

Board Expertise

LOTTE Biologics appoints directors who possess the expertise and competencies necessary to make substantive contributions to the Company's management. Candidates are selected based on their extensive experience, professional knowledge, and expertise in industry and finance, as well as their ability to participate effectively in management policy decision-making. Based on this collective expertise, the Board of Directors performs efficient decision-making functions while maintaining independent oversight of management.

Name	Category	Position	Term	Major Experience	Expertise		
					Bio	Management	Finance
James Jong Eun Park	Executive chairman	CEO	2025.01.10 ~ 2028.03.24	Former Merck, Bristol Myers Squibb Former Head of Samsung Biologics Global Sales Center Former CEO of GC Cell	●	●	●
Yooyeol Shin	Inside director	CEO	2024.02.22 ~ 2027.03.21 (Appointment to CEO: 2025.12.01)	Former Head of Future Growth Strategy at LOTTE Corporation		●	●
Hyunshim Kang	Inside director	CFO	2025.07.14 ~ 2028.03.31	Former Head of Finance at Roche, Pfizer Korea, Kantar Korea, and Diageo Korea		●	●
Jong Wook Lim	Non-executive director	-	2025.01.10 ~ 2028.03.24	Current Head of New Business Team at LOTTE Corporation		●	●
H. Joon Paek	Non-executive director	-	2022.09.14 ~ 2026.03.24 (reappointment)	Current Healthcare Advisor at LOTTE Holdings	●	●	
Cheol Soo Baek	Auditor	-	2022.06.07 ~ 2028.03.24 (reappointment)	Current Auditor at LOTTE Biologics Current Head of Finance & IR at LOTTE Corporation		●	●

Transparent Governance Structure

Board Operations

Board Operations

LOTTE Biologics operates its Board of Directors in a transparent and structured manner in compliance with applicable laws and regulations as well as its Articles of Incorporation. As a general principle, regular Board meetings are convened on a quarterly basis, while special meetings are held as necessary to ensure timely discussion and resolution of key management matters.

During 2024 and the first half of 2025, major sustainability-related agenda items reviewed by the Board included the execution of new and renewal contracts for the Group's common HSE system, renewal of contracts for training service provision, and investment in the Quality Control laboratory at Plant 1 of the Songdo Bio Campus.

In addition, Executive Directors have maintained a 100% attendance rate at Board meetings from 2023 through 2025, reflecting strong governance engagement and oversight.

Year	2024	2025
Number of board meetings held	9	13
Number of agenda items	28	42
Executive director attendance rate	100%	100%

Executive Evaluation

LOTTE Biologics determines performance-based compensation and reappointment of directors based on internal evaluations, including meeting attendance and level of participation, contribution to decision-making, and professional expertise. Performance bonuses for Executive Directors are determined annually based on the previous year's performance and are subject to Board approval. In addition, the reappointment of one Non-Executive Director was decided following an evaluation of criteria such as expertise, contribution, and accountability.

Executive Compensation

LOTTE Biologics reviews the executive compensation limit through the Board of Directors and submits it to the Annual General Meeting of Shareholders for approval. Going forward, the Company plans to further strengthen the execution of its company-wide ESG strategy and enhance leadership accountability by progressively expanding the linkage between ESG performance factors and executive evaluation and compensation.



Business Ethics and Compliance

Code of Ethics and Conduct

Code of Conduct

The LOTTE Biologics Code of Conduct sets forth the ethical principles and standards that all employees are required to uphold. The Code encompasses compliance with applicable domestic and international laws as well as broader social and ethical expectations. Key provisions include the prohibition of workplace harassment, sexual harassment, and discrimination; prevention of unfair trade practices involving business partners; prohibition of corruption and improper solicitation; restriction of insider trading; and the commitment to honest and transparent marketing practices.

Customer/Consumer	Employee	Partner	Shareholder	Society
• Provision of best-in-class products and services • Honest and transparent marketing • Protection of customer information • Protection of brand value	• Equal opportunity and fair treatment • Mutual respect among employees • Gender equality • Safe working environment • Protection of company assets • Protection of intellectual property rights • Prevention of information leakage	• Compliance with fair trade laws and regulations • Respect for business partners • Fair competition • Lawful collection of information • Prohibition of corruption and improper solicitation	• Enhancement of shareholder value • Prevention of conflicts of interest • Strengthening of accounting transparency • Prohibition of insider trading	• Environmental protection • Creation of social value and contribution to society • Respect for human rights • Respect for cultural diversity • Compliance with applicable laws and regulations in each country • Separation of business and politics

Compliance Management System

Whistleblowing System

Employees are required to report any actual or suspected violations of applicable laws, internal regulations, or the Code of Conduct through designated internal reporting channels to the responsible whistleblowing department.

Employee Compliance Level Assessment

Since 2024, LOTTE Biologics has been assessing employees' compliance awareness and practices through company-wide surveys. In 2025, 59% of employees participated in the survey. Based on the assessment results, the Company identifies the overall status of its compliance operations and reflects the findings in its annual work plans to implement relevant compliance programs and improvement initiatives.

Compliance Risk Assessment

In 2024, LOTTE Biologics conducted a compliance risk assessment across key areas of the Company and implemented corresponding improvement initiatives. To assess the level of compliance awareness among employees, the Company also participated in a group-wide compliance diagnostic program.

Based on department-level compliance risk analysis results, risk-specific action items were identified. To proactively address potential risks arising in day-to-day operations, the Company held in-person meetings with team leaders and conducted compliance risk assessment meetings with a total of 12 teams.

In 2025, a total of 109 compliance risks were identified. The major risk categories included 29 cases related to employment and labor, 22 cases related to information security, and 16 cases related to occupational safety and environmental management.

Compliance Activities

Participation in the Compliance Forum

Since 2022, LOTTE Group has hosted a Compliance Forum for compliance officers across its major affiliates. In November 2025, the "2025 LOTTE Group Compliance Forum" was held with the participation of 245 compliance executives, team leaders, and managers from 38 group companies. LOTTE Biologics actively participates in the Group Compliance Forum, and during the 2025 forum, discussions focused on the review of the 2025 compliance level assessment, as well as the operational direction and plans for strengthening the compliance system and enhancing controls over business operations..

Compliance Guidelines

To strengthen fair trade capabilities and systematize business procedures across its affiliates, LOTTE Corporation has, since 2022, established and distributed Compliance Guidelines covering key fair trade issues and standardized management procedures, following resolution by the Group Compliance Committee.

LOTTE Biologics applies the Group's Compliance Guidelines to proactively prevent fair trade-related risks and establish control procedures for key risk areas. In August 2025, the Company utilized a guideline addressing regulatory requirements under the Monopoly Regulation and Fair Trade Act, particularly regarding the prohibition of abuse of superior bargaining position, to identify relevant risks and develop appropriate control measures.

Operation of Risk Controls

Beginning in 2025, LOTTE Biologics has implemented company-wide risk control activities across all departments. In 2025, the Company identified approximately 109 anticipated risks at the department and operational levels and completed control operation review activities, including the establishment of corresponding control measures.

Business Ethics and Compliance

Compliance Awareness Enhancement Programs

Company-wide Compliance Pledge

In June 2025, LOTTE Biologics implemented the “2025 Company-Wide Online Compliance Pledge” to reinforce and institutionalize a strong internal compliance culture. The pledge consists of 14 commitments, including adherence to management principles and core values; compliance with applicable laws, internal regulations, and the Code of Conduct; observance of domestic and international anti-corruption laws; prohibition of improper solicitation and acceptance of monetary or other benefits; and the maintenance of professional integrity and a sound working environment.

Publication of Legal and Compliance Newsletters

Since January 2025, LOTTE Biologics has published a monthly Legal and Compliance Newsletter on the Company bulletin board, providing employees with practical information relevant to both business operations and daily activities. The newsletter includes updates on recent court rulings, summaries of major legislative enactments and amendments, and highlights of the Company's key compliance initiatives.

Embedding Compliance Culture

Ethics and Compliance Training

LOTTE Biologics provides Code of Conduct training to all employees and delivers dedicated compliance training programs for both new and experienced hires. In addition, the Company conducts a range of mandatory statutory training programs covering personal data protection and information security, the prevention of workplace sexual harassment and bullying, and disability awareness in the workplace.

Since July 2023, all newly hired employees have participated in compliance training covering key topics such as anti-corruption, fair trade, and trade secret protection. In June 2024, the Company developed case-based internal training materials on the LOTTE Biologics Code of Conduct and conducted targeted sessions for departments such as Procurement.

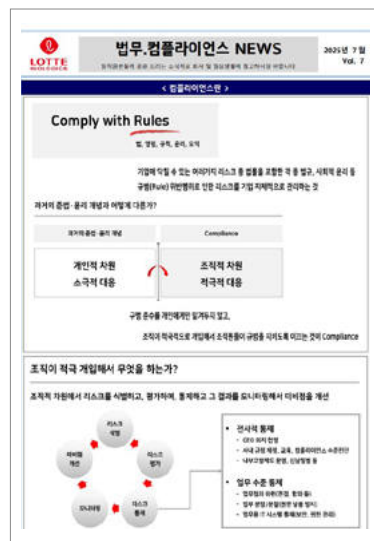
In July 2024, specialized training sessions were provided to department heads on trade secret protection and infringement prevention, along with company-wide training on safeguarding corporate information and trade secrets. In 2025, LOTTE Biologics conducted a special compliance lecture on ethical management for team leaders and managers to enhance their understanding of leadership responsibilities in ethical management and strengthen compliance awareness. The session, which included both general principles of ethical management and company-specific practices, received enthusiastic engagement from participants.

Furthermore, LOTTE Biologics regularly issues CEO compliance messages to clearly communicate management's commitment to ethics and compliance, particularly in areas such as anti-corruption and information protection, and to continuously encourage adherence to relevant regulations across the organization.

Time	Topic	Core Messages
Jan 2025	Let us make this a year in which we firmly embed compliance and ethical awareness into the DNA of LOTTE Biologics	The sustainable growth of LOTTE Biologics goes hand in hand with the compliance and ethical awareness of its employees.
Apr 2025	Through the practice of compliance and ethics, let us build and accumulate exemplary cases unique to LOTTE Biologics.	Building a culture of trust through mutual respect and consideration among employees.
Oct 2025	Anti-corruption is a core pillar of trust and a source of competitive strength for LOTTE Biologics.	Conducting business fairly based on competence and performance represents the highest anti-corruption principle and the foundation of principled management pursued by LOTTE Biologics.



Legal Compliance NEWS



Integrated Risk Management

Risk Management



Risk Management Governance

LOTTE Biologics operates a structured risk management framework centered on the Management Committee and the ESG Management Committee under the leadership of the CEO to systematically manage risks arising across all areas of its business operations. Each department is responsible for the primary identification of risks, and preventive measures, response actions, and outcomes related to identified risks are reported to the CEO and senior management through CEO-led Management Committee meetings and the ESG Management Committee.



Risk Management Process

LOTTE Biologics operates a risk management process based on international standards, consisting of risk identification and review, assessment, management and mitigation actions, and ongoing monitoring. Identified risks are evaluated by comprehensively considering factors such as likelihood of occurrence, potential impact, and current control effectiveness. Based on this assessment, risks are prioritized and appropriate response strategies are established.

To ensure integrated management of both financial and non-financial risks, the Company has established a structured response system linking responsible departments to senior management and the CEO. Financial risks are managed through the Internal Control over Financial Reporting (ICFR) system, while non-financial risks are overseen primarily through the Management Committee and the ESG Management Committee. Operational and strategic risks are addressed through continuous monitoring and analysis by relevant departments.

Identified risks are addressed in accordance with their priority level, and material matters are reported to senior management and the Board of Directors to ensure company-wide action where necessary.



Integrated Risk Management

Consistent Risk Management

To effectively achieve its risk management objectives, LOTTE Biologics applies consistent standards and direction across both domestic and overseas operations. The Company has established a comprehensive risk management framework covering all areas of its business, including finance, manufacturing, information security, and safety and environment, and manages risks in a consistent and structured manner based on this framework. Employees are expected to consider and manage potential risks not only within their own responsibilities but also those that may arise in other functions or business sites.

At each business site, when customer-related issues or manufacturing, quality, or regulatory concerns are identified, the matter is first reported to site leadership for initial assessment. After evaluating the severity and urgency of the issue, it is then reported to headquarters, and if necessary, an in-depth analysis is conducted. The Company then assesses the potential impact through communication with customers and regulatory authorities, and the final analysis results are reported to the CEO.

Embedding a Risk Management Culture

LOTTE Biologics strives to embed risk awareness into daily operations so that employees consistently consider risks and carry out risk mitigation activities in the course of their work. The Company has established systematic risk identification, management, and mitigation activities as key performance indicators (KPIs), which are reflected in the Management by Objectives (MBO) system for both executives and employees.

In addition, the Company provides risk-related training to strengthen the risk response capabilities of all employees, including senior management.

The status of the Internal Control over Financial Reporting (ICFR) system is regularly reported to the Board of Directors, while non-financial risks are discussed and managed by the ESG Management Committee composed of senior management.



Operation of the Internal Control over Financial Reporting (ICFR) System

The Internal Control over Financial Reporting (ICFR) system is designed to ensure the preparation and disclosure of reliable financial information. Under the Act on External Audit of Stock Companies (the "External Audit Act"), all listed companies and non-listed companies with total assets of KRW 100 billion or more are required to establish and operate an ICFR system.

In accordance with Article 8 of the External Audit Act, LOTTE Biologics has established its ICFR framework and organized a dedicated Internal Control over Financial Reporting Team under the direct supervision of the Chief Financial Officer (CFO). This team independently performs key functions, including evaluation and reporting on the effectiveness of ICFR operations, management of ICFR-related policies and regulations, review of operational status, employee training, and change management.

ICFR Activities

Each fiscal year, LOTTE Biologics evaluates the operational effectiveness of its ICFR system and reports the results to the General Meeting of Shareholders, the Board of Directors, and the Auditor. Pursuant to Article 8, Paragraph 5 of the External Audit Act, the Auditor independently assesses the effectiveness of the ICFR system and reports the findings to the Board of Directors on an annual basis.

Based on the "Conceptual Framework for the Design and Operation of the Internal Control over Financial Reporting (ICFR)," the Company evaluated the operational effectiveness of its ICFR in 2025 and concluded that the system had been effectively designed and operated in all material respects. The Audit Committee, having reviewed the evaluation results, reached the same conclusion. Furthermore, the external auditor, Samil PricewaterhouseCoopers (PwC), expressed an unqualified opinion regarding the effectiveness of the Company's ICFR system.

Reporting Status of the 2025 ICFR Evaluation Results

Category	Date	Reporter	Recipient	Description
BoD	2026.02.05	ICFR Officer (CFO)	BoD / Auditor	Report on the 2025 Operational Status of the Internal Control over Financial Reporting
	2026.03.03	Auditor	BoD	Evaluation Report on the 2025 Internal Control over Financial Reporting
General Meeting of Shareholders	2026.03.20	CEO	Shareholders	Report on the 2025 Operational Status of the Internal Control over Financial Reporting

Evaluation Results of the Internal Control over Financial Reporting (ICFR)

Fiscal Year	Company Evaluation	Auditor Evaluation	External Auditor Evaluation (Review)
2023	Appropriate	Appropriate	Unqualified Opinion
2024	Appropriate	Appropriate	Unqualified Opinion
2025	Appropriate	Appropriate	Unqualified Opinion

LBA

Syracuse Bio Campus: A Strategic CDMO Hub Built on Responsible Operations

LOTTE Biologics America

The Syracuse Bio Campus (New York, USA) serves as LOTTE Biologics' North American manufacturing hub, established through the acquisition of a biologics production facility from Bristol Myers Squibb (BMS). This site represents a strategic asset that enabled the Company's entry into the CDMO market. By acquiring a fully operational commercial manufacturing facility, LOTTE Biologics significantly shortened the time to market from the typical five years required for new facility development to less than one year, while securing an immediate and stable revenue base upon commencement of operations.

In addition, the Company retained 99.2% of the existing BMS workforce, including highly experienced professionals with an average of over 15 years in the biopharmaceutical industry, thereby securing not only physical assets but also advanced quality systems and operational expertise. Leveraging a strong regulatory track record with approvals from global health authorities such as the FDA, EMA, PMDA, and MFDS, the site delivers reliable end-to-end CDMO services from clinical to commercial production.

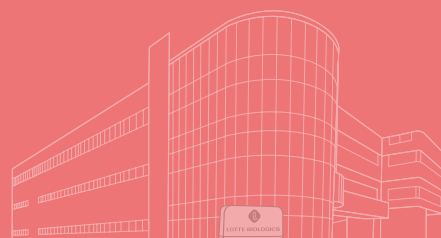
The Syracuse Bio Campus currently operates with approximately 40,000 L of drug substance manufacturing capacity for monoclonal antibodies. In addition, the Syracuse Bio Campus has opened an Antibody-Drug Conjugate (ADC) facility as its latest diversification of development and commercial manufacturing capabilities. Supported by integrated cell banking, cryogenic storage, and quality control functions, the facility is designed for flexible multi-product manufacturing with minimal changeover time. Going forward, the Company plans to expand its capabilities into drug product (DP) manufacturing, supported by additional capital investment and workforce expansion.

As a key pillar of LOTTE Biologics' global manufacturing network, the Syracuse Bio Campus enhances customer accessibility in the North American market while serving as a strategic hub aligned with the Company's long-term growth strategy in conjunction.

Strategy for Sustainability

Aligned with the ESG strategic direction established by the headquarters, LBA (LOTTE Biologics America) implements site-level ESG initiatives through a structured governance framework, as illustrated below, linking decision-making at the ESG Management Committee and Secretariat levels with execution at the site level. Through this framework, ESG priorities are cascaded to the ESG Working-Level Council and further translated into operational actions across both the HQ (Songdo) and LBA (Syracuse) sites, ensuring consistent implementation and accountability. Within this structure, LBA focuses on enhancing environmental efficiency, responsible resource management, and people-centered operations. The Company strengthens operational sustainability through energy efficiency initiatives, water and waste management, emissions control, and responsible chemical handling. At the same time, LBA reinforces workforce capability, safety governance, and quality management through structured systems and continuous training programs.

In addition, LBA actively engages with local communities and collaborates with academic institutions throughout New York State, fostering industry-academia partnerships and contributing to regional development while advancing its ESG commitments.



SYRACUSE BIO CAMPUS

LBA Environmental Performance

Energy Management

Efficient Energy Management System

LBA (LOTTE Biologics America) operates a centralized boiler system to supply heat across multiple buildings, achieving energy efficiency comparable to district heating systems such as those implemented at the Songdo campus. This integrated system enables optimized energy use, reduces heat loss, and enhances overall operational efficiency across the site.

Climate Governance and Strategy

Since 2024, LBA has partnered with the New York State Energy Research and Development Authority (NYSERDA) to advance its climate governance and energy management practices through technical assistance, training, opportunity identification, and the implementation of energy efficiency initiatives. LBA also verifies the outcomes of these initiatives, which, as reported in May 2025, have resulted in measurable reductions in annual electricity and natural gas consumption.

Renewable Energy Adoption

LBA ensures, through contractual arrangements, that at least 15% of its purchased electricity is sourced from renewable energy.

Water Resource Management

Water Resource Management Strategy

LBA utilizes a sand filtration system to further treat effluent from its wastewater pretreatment plant, enabling the reuse of water for non-potable applications within the facility. In addition, LBA captures stormwater for use in cooling tower basins and fire protection systems.

Water Quality Management Direction

LBA adjusts the pH and temperature of manufacturing process wastewater prior to combining it with other sanitary and process wastewater streams generated at the site. In addition, LBA operates an aerobic biological treatment system with dissolved air flotation to pretreat all wastewater before discharge to the local Publicly-Owned Treatment Works (POTW), thereby reducing the loading on the municipal system. During periods of heavy rainfall, LBA can also curtail discharge to the municipal system to help prevent the release of untreated wastewater from the POTW into regional waterways.

Water Quality Standards

LBA operates under a state-issued, site-specific stormwater discharge permit that requires monitoring of stormwater runoff from ten outfalls during rain events, as well as dry weather discharges from four outfalls serving active and former process areas.

Category	Permit Discharge Limit
Biochemical Oxygen Demand (BOD)	5.0 mg/L
Total Suspended Solids (TSS)	20.0 mg/L
Total Iron	0.30 mg/L
Total Phenolics	0.008 mg/L
pH	6.0 to 9.0 SU
Fluoride	0.15 lb/day
Total Molybdenum	0.11 lb/day
Total Manganese	0.03 lb/day
Total Arsenic	0.001 lb/day
Total Copper	0.008 lb/day
Total Zinc	0.014 lb/day

Pollutant and Waste Management

Air Pollutant Management

To reduce air pollutants, including GHG emissions, LBA operates low-NOx burners on all steam generation boilers and uses clean natural gas as its primary fuel. In addition, LBA employs odor capture and treatment systems at its aerobic wastewater pretreatment facilities, along with HEPA filtration on exhaust systems in areas with potential for high particulate emissions.

Waste Management Process

LBA conducts recurring formal audits of all waste management, treatment, recycling, and disposal vendors to ensure regulatory compliance and financial stability.

Hazardous Chemical Management

Chemical Management System

LBA manages chemicals through site-specific chemical management systems, ensuring access to up-to-date Safety Data Sheets (SDS) for employees and contractors. Through structured management processes, LBA minimizes exposure during handling and proactively mitigates potential environmental and safety risks, thereby maintaining a safe working environment.

LBA Social Performance

Human Capital Management and Human Rights

Company-wide Compliance Pledge

Fair Performance Evaluation and Compensation: LBA(LOTTE Biologics America) operates a pay-for-performance model that evaluates performance based on both results (“what” is delivered) and behaviors (“how” it is delivered), recognizing that strong outcomes and values-aligned conduct are equally essential. Performance is assessed across three dimensions—Business Operator, Value Creator, and People Developer—alongside demonstrated Values in Action. This approach is supported through quarterly check-ins and year-end calibration sessions conducted by the Syracuse Leadership Team in partnership with Human Resources.

Training System

LBA operates a structured internal training system comprising company-wide, job family, and job-specific programs to strengthen employees’ professional expertise and organizational competencies. This system supports a shared understanding of corporate values and culture while enhancing job-specific capabilities, enabling employees to develop into subject matter experts in their respective roles.

Diversity, Equity, and Inclusion (DEI)

LBA advances its DEI strategy through a dedicated DEI Council that provides strategic direction and identifies key opportunities. Employee Resource Groups (ERGs) play a central role in driving engagement, education, and community building, including initiatives such as the WISE Women’s Leadership ERG and the MOSAIC Multicultural ERG in 2026. Throughout the year, LBA hosts DEI-focused events, learning sessions, heritage month recognitions, and sitewide initiatives to foster awareness and encourage active participation.

LBA Employee Benefits Programs

Benefit	Description
Medical / Prescription	Medical and prescription coverage is offered to employees to cover preventive care, illnesses, and injuries. 3 different plans to choose from.
Telemedicine Services	Telemedicine gives employees fast access to medical and behavioral healthcare 24/7/365 from anywhere. Included in medical plans.
Health Savings Account (HSA)	Employees enrolled in the High-Deductible Health Plan can make before-tax contributions from their paycheck into a HSA, allowing them to save money by using tax-free dollars to pay for eligible medical, prescription, dental, and vision expenses.
Healthcare Flexible Spending Accounts (FSA)	Tax-advantaged FSA offered to employees on the Co-pay or INN medical plans enables them to pay for eligible health care expenses, including out-of-pocket expenses such as plan deductibles, copayments, and coinsurance, but not insurance premiums.
Dependent Care Flexible Spending Accounts (FSA)	Tax-advantaged FSA offered to employees enables them to pay for eligible dependent care expenses, such as day care for a child or adult dependent care, so they can work, look for work, or attend school full time.
Dental	Dental coverage is offered to employees to cover preventive care, basic restorative, and major restorative services. 2 different plans to choose from.
Vision	Vision coverage is offered to employees to cover vision exams, frames, lenses, and contact lenses. 2 different plans to choose from.
Wellness Program	This program provides the guidance, resources and support employees need to encourage a healthier lifestyle.
Employee Assistance Program (EAP)	This confidential service provides assistance for everyday issues, at no cost to employees. It’s all part of our commitment to supporting total well-being. Our EAP offers expert guidance and in the moment support to help employees and their families address and resolve everyday issues.
Life/AD&D Insurance	Group Term Life Insurance and Accidental Death & Dismemberment benefit amount provided at 2 times annual base salary up to \$500,000.
Optional Accidental Death & Dismemberment Plans	Voluntary employee paid benefit plan where AD&D coverage provides financial protection to employees or their beneficiaries in the event of a covered accidental death or serious injury.
Short-term Disability Insurance	Income replacement due to illness or injury of 100% or 70% of employee weekly salary based on years of service for up to 26 weeks duration.
Long-term Disability Insurance	Income replacement due to illness or injury of 66.7% of base monthly salary up to \$15,000 per month until employee is no longer considered disabled or reaches normal retirement age, whichever comes first.
Accident Insurance	Voluntary employee paid benefit plan where Accident benefits are paid directly to the employee to use to pay expenses including out-of-pocket medical and non-medical costs or everyday living expenses.
Critical Illness Insurance	Voluntary employee paid benefit plan where Critical Illness benefits are paid directly to the employee to use to pay expenses including out-of-pocket medical and non-medical costs or everyday living expenses.
Hospital Indemnity Insurance	Voluntary employee paid benefit plan where Hospital benefits are paid directly to the employee to use to pay expenses including out-of-pocket medical and non-medical costs or everyday living expenses.
401(k) Savings Plan	Defined Contribution retirement plan with LOTTE match of 100% up to the first 6% of employee contribution.
Medicare Resources	SmartConnect is a free service allowing employees to learn about their Medicare options and compare Medicare plans to LOTTE Group benefits.

LBA Social Performance

Occupational Health and Safety

HSE Governance

LBA (LOTTE Biologics America) operates a structured HSE governance framework built around the Health, Safety and Environment committee, supported by a multi-tier system that ensures systematic oversight of HSE performance, key metrics, and site-wide initiatives.

Category	Composition	Key Agenda Items	Frequency	Purpose
HSE Governance Team	Site Leadership Team and HSE Team	- Review significant site HSE events - HSE Metrics - HSE Accomplishments - HSE Initiatives	Quarterly	- Provide guidance to HSE Steering Committee - Champion HSE objectives
HSE Steering Committee	Key Site Extended Leadership members and HSE Team	- Review significant site HSE events review - Develop HSE Initiatives - Monitor HSE Metrics	Monthly	- Provide guidance to Area committees - Address Campus-wide opportunities
Six Area-Specific HSE Committees	Management and employee representatives from impacted departments	- Schedule and track HSE inspections - Monitor BBS Observations - Plan and implement two area specific HSE projects	Monthly	- Serve as conduct for employee concerns - Address area specific opportunities

Risk & Safety Management

LBA establishes annual health and safety goals covering incident rates, inspections, and corrective and preventive actions, while maintaining 100% completion of mandatory safety training and ISO 45001 certification. Risks are systematically managed through Job Hazard Analyses (JHA), alongside 24/7 emergency response systems and annual evacuation drills across all buildings and shifts.

Workforce Capability

LBA strengthens workforce capability through role-based HSE training programs, including annual refresher courses and Behavior-Based Safety (BBS) training within the first year of employment to enhance hazard recognition and risk assessment capabilities.

Safety Culture & Engagement

LBA fosters a proactive safety culture through initiatives such as contractor safety meetings, peer-to-peer safety observations, and cross-functional inspections, while promoting a “See Something, Say Something” culture to encourage active reporting and continuous safety improvement.

Quality Management

LBA maintains consistent product quality and regulatory compliance through a structured GMP training system, achieving 100% employee participation and delivering role-based, continuous training programs across all functions.

Category	Target	Title	Content	Frequency	No. of trainee	Training hours	Participation rate
General Training	New employee	GMP onboarding training	GMP foundational training covering overall biopharmaceutical manufacturing, including individual accountability and ethical responsibility, quality systems and regulatory compliance, GMP environmental and contamination control, and fundamental concepts of manufacturing processes, validation, and engineering	After recruitment	46 hrs per person	184	100%
General Training	GxP Employee	New employee Orientation	GMP Overview, GMP Mindset, Quality Manual, Bio process	After recruitment	46 hrs per person	736	100%
General Training	GxP Employee	Site Core training	Training designed to strengthen fundamental quality competencies required for job performance and site-wide quality standards through understanding of core quality principles, standard document preparation methods and document control procedures, training program governance, data integrity guidelines based on ALCOA+ principles, and periodic cGMP education	Regularly according to retraining cycle	736	15,144	100%
General Training	GxP Employee	Technical Writing, How to draft SO	Training focused on enhancing documentation quality and operational consistency through understanding GMP documentation principles and technical writing standards, including the preparation of Standard Operating Procedures (SOPs) and other GMP-controlled documents	Assigned based on job requirement	44	66	100%
General Training	GxP Employee	Regular cGMP Training	Training covering the latest GMP trends, recent regulatory inspection observations and regulatory authority expectations, Quality Mindset, and the principles and importance of data integrity, including ALCOA+ requirements	Annually	736	552	100%
Role based training	GxP Employee	Department training	Role-based training centered on understanding procedures, roles, and responsibilities required for GMP-related job performance within each functional department	Assigned based on job requirement	736	88,320	100%
Role based training	GxP Employee	System Training	Training on the operation of GxP-related computerized systems, including system usage methods, data entry and management standards, and compliance requirements to be followed during system operation	Assigned based on job requirement	736	25,760	100%

FACTS AND FIGURES



Economic & Governance Performance

Financial Performance

Site	Indicator	Unit	2023	2024	2025
LOTTE Biologics (Consolidated)	Sales	million KRW	228,560	234,412	196,107
	Operating income	million KRW	26,580	(80,085)	(132,637)
	Total assets	million KRW	555,861	1,201,835	1,979,933
	Total liabilities	million KRW	180,218	630,486	1,076,846
	Total equity	million KRW	375,643	571,349	903,087

Production

Site	Indicator	Unit	2023	2024	2025
LBK	Total production	ton	0	0	0
LBA	Total production	ton	17.2	15.2	14.5

Stock

Site	Indicator	Unit	2023	2024	2025
LBK	Number of agenda items for the General Meeting of Shareholders	no. of agenda	4	6	8
	Cash dividend per share for the fiscal year	million KRW	-	-	-

* LBK (LOTTE Biologics Korea), LBA (LOTTE Biologics America)

Composition of the Board of Directors (as of December 2025)

Site	Indicator	Unit	2023	2024	2025
LBK	No. of board members	Total	person	4	5
		No. of inside directors	person	2	3
		No. of other non-executive directors	person	2	2
		No. of outside directors	person	0	0
	Number of female executives among registered executives who are not controlling shareholders or relatives		person	0	0
	Number of outside directors on the board exceeding the legal minimum ¹⁾		person	-	-
	Percentage of outside directors on the board of directors		%	0	0
	Number of female directors on the board		person	0	0
	Percentage of female directors on the board		person	0	0
				20	

1) LOTTE Biologics is a non-listed company and is therefore not subject to the statutory requirement to appoint outside directors under applicable laws.





Economic & Governance Performance

Board of Directors Activities

Site	Indicator	Unit	2023	2024	2025
LBK	Number of board meetings held	time/year	7	9	13
	Number of Independent Director Candidate Recommendation Committee meetings held	time/year	-	-	-
	Percentage of independent directors on the Independent Director Candidate Recommendation Committee	%	-	-	-
	Number of ESG Committee meetings held	time/year	-	-	-

Board of Directors Attendance

Site	Indicator	Unit	2023	2024	2025
LBK	Board of Directors attendance (average)	%	100	100	100
	Attendance rate of inside directors at board meetings	%	100	100	100
	Attendance rate of outside directors at board meetings	%	-	-	-

Audit

Site	Indicator	Unit	2023	2024	2025
LBK	Percentage of independent directors on the Audit Committee	%	0	0	0
	Number of times the Audit Committee meets	time/year	0	0	0
	The number of members of the Audit Committee who meet the legal requirements for accounting or financial expertise	person	0	0	0
	If no Audit Committee is established, number of permanent and part-time auditors	person	1	1	1
	Proportion of non-audit services provided by external auditors	%	0	0	0

"LOTTE Biologics, as a non-listed company, is not legally required to establish an Outside Director Nomination Committee or an Audit Committee and therefore does not organize or operate such committees. Accordingly, information related to the activities of these committees, including outside directors' attendance rates, is not subject to disclosure requirements and has not been publicly disclosed."

Violations of Human Rights

Site	Indicator	Unit	2023	2024	2025
LBK	Number of serious human rights issues and incidents involving employees	case	0	0	0
LBA	Number of serious human rights issues and incidents involving employees	case	0	0	0

Violations of Ethics Regulations & Policies

Site	Indicator	Unit	2023	2024	2025
LBK	Total number of significant instances of non-compliance with laws and regulations that occurred during the reporting period	case	0	0	0
	Number of violations of anti-corruption regulations	case	0	0	0
	Number of convictions for violations of anti-corruption and bribery laws	case	0	0	0
	Amount of fines for violation of the Anti-Corruption and Bribery Act	million KRW	0	0	0
LBA	Total number of significant instances of non-compliance with laws and regulations that occurred during the reporting period	case	0	0	0
	Number of violations of anti-corruption regulations	case	0	0	0
	Number of convictions for violations of anti-corruption and bribery laws	case	0	0	0
	Amount of fines for violation of the Anti-Corruption and Bribery Act	thousand USD	0	0	0

Corporate Behavior

Site	Indicator	Unit	2023	2024	2025
LBK	Total political contributions and other expenditures	million KRW	0	0	0
	Percentage of workers who have received anti-corruption training in their organization	%	89.1	86.6	93.4
	Percentage of governance ¹⁾ members who have received anti-corruption training in the organization	%	100	100	100
	Percentage of business sites assessed for corruption risk	%	100	100	100
	Total amount of financial loss resulting from legal proceedings related to corruption or bribery	million KRW	0	0	0
LBA	Total political contributions and other expenditures	thousand USD	0	0	0
	Percentage of employees who have received anti-corruption training in the organization	%	0	0	100
	Percentage of governance members who have received anti-corruption training in the organization	%	0	0	100
	Percentage of business sites assessed for corruption risk	%	0	0	0
	The total amount of financial loss resulting from legal proceedings related to corruption or bribery	thousand USD	0	0	0

1) Governance: Based on company executives.

Environmental Performance

GHG Management

Site	Indicator			Unit	2023	2024	2025
LBK	Greenhouse gas emissions (Scope 1+2)	Total		tCO ₂ eq	95.7	215.1	1,604.3
		Scope 1	Total	tCO ₂ eq	1.8	2.6	165.4
			Stationary	tCO ₂ eq	1.8	2.6	146.1
			Mobile	tCO ₂ eq	0	0	19.3
			Process and other	tCO ₂ eq	0	0	0
		Scope 2 ¹⁾ (Location-based)	Total	tCO ₂ eq	93.9	212.5	1,438.8
			Electricity	tCO ₂ eq	80.6	180.2	1,429.7
			Heat (Steam)	tCO ₂ eq	13.3	32.3	9.1
		Greenhouse gas emissions intensity per billion KRW of sales (Scope 1+2) ²⁾	Total	tCO ₂ eq/ billion KRW	0.4	0.9	8.2
			Scope 1 intensity	tCO ₂ eq/ billion KRW	0	0	0.8
	Scope 2 intensity		tCO ₂ eq/ billion KRW	0.4	0.9	7.3	
	Greenhouse gas emissions intensity per employee (Scope 1+2)	Total	tCO ₂ eq/ person	0.7	0.8	3.3	
		Scope 1 intensity	tCO ₂ eq/ person	0	0	0.3	
		Scope 2 intensity	tCO ₂ eq/ person	0.7	0.8	0	
Greenhouse gas emissions intensity per unit of production				tCO ₂ eq/ton	0	0	0
Greenhouse gas reduction target (based on absolute emission amount) – absolute emission amount of the baseline year				tCO ₂ eq	0	0	0
Greenhouse gas reduction target				%	0	0	0
Progress toward achieving greenhouse gas reduction targets				%	0	0	0

1) Market-based emissions(Scope 2): 93.9 tCO₂e in 2023, 212.5 tCO₂e in 2024, and 1,438.8 tCO₂e in 2025

2) LBK's greenhouse gas (GHG) emissions intensity per revenue is calculated based on LOTTE Biologics' consolidated revenue.

* LBK(LOTTE Biologics Korea), LBA (LOTTE Biologics America)

* LBA and LBK's 2025 greenhouse gas emissions data were independently verified by a third party.

Site	Indicator		Unit	2023	2024	2025	
LBA	Greenhouse gas emissions (Scope 1+2)	Total	tCO ₂ eq	14,933.0	13,369.8	14,003.9	
		Scope 1	Total	tCO ₂ eq	10,945.8	9,317.6	10,351.0
			Stationary	tCO ₂ eq	10,910.7	9,317.6	10,299.4
			Mobile	tCO ₂ eq	35.0	0.0	51.6
			Process and other	tCO ₂ eq	0	0	0
		Scope 2 ¹⁾ (Location-based)	Total	tCO ₂ eq	3,987.3	4,052.3	3,652.9
			Electricity	tCO ₂ eq	3,987.3	4,052.3	3,652.9
			Heat (Steam)	tCO ₂ eq	0	0	0
		Greenhouse gas emissions intensity per billion KRW of sales (Scope 1+2) ²⁾	Total	tCO ₂ eq/ million USD	75.4	71.9	70.7
			Scope 1 intensity	tCO ₂ eq/ million USD	55.3	50.1	52.3
	Scope 2 intensity		tCO ₂ eq/ million USD	20.1	21.8	18.4	
	Greenhouse gas emissions intensity per employee (Scope 1+2)	Total	tCO ₂ eq/ person	33.7	27.1	28.8	
		Scope 1 intensity	tCO ₂ eq/ person	24.7	18.9	21.3	
		Scope 2 intensity	tCO ₂ eq/ person	9.0	8.2	7.5	
	Greenhouse gas emissions intensity per unit of production			tCO ₂ eq/ton	868.2	879.6	965.8 (13,709.6 tCO ₂ eq /14.5 tons)
	Greenhouse gas reduction target (based on absolute emission amount) – absolute emission amount of the baseline year			tCO ₂ eq	0	0	0
	Greenhouse gas reduction target			%	0	0	0
Progress toward achieving greenhouse gas reduction targets			%	0	0	0	

1) Market-based emissions(Scope 2): 3,683.5 tCO₂e in 2023, 2,864.9 tCO₂e in 2024, and 2,634.9 tCO₂e in 2025

2) LBA's GHG emissions intensity per million USD of revenue is calculated based on LOTTE Biologics' separate (non-consolidated) revenue.

Environmental Performance

Energy Consumption

Site	Indicator		Unit	2023	2024	2025
LBK	Total energy usage		GJ	2,088.0	4,737.0	33,472.0
	Energy usage	Total	GJ	2,088.0	4,737.0	33,472.0
		Direct energy				
		Total	GJ	36.0	51.0	3,171.0
		Fuel	GJ	36.0	51.0	3,171.0
		Other	GJ	0	0	0
		Indirect energy				
		Total	GJ	2,052.0	4,686.0	30,301.0
		Electricity	GJ	1,684.0	3,765.0	29,876.0
		Steam	GJ	368.0	921.0	425.0
		Other	GJ	0	0	0
	Renewable energy usage		GJ	0	0	0
	Renewable energy use ratio		%	0	0	0
	Energy intensity per employee ¹⁾		GJ/person	16.1	17.4	69.3
	Energy intensity per billion KRW of revenue		GJ/billion KRW	9.1	20.2	170.7
LBA	Total energy usage		GJ	333,302.0	302,002.0	325,158.0
	Energy usage	Total	GJ	324,552.0	267,797.0	291,710.0
		Direct energy				
		Total	GJ	218,440.0	185,268.0	205,140.0
		Fuel	GJ	218,440.0	185,268.0	205,140.0
		Other	GJ	0	0	0
		Indirect energy				
		Total	GJ	106,112.0	82,529.0	86,570.0
		Electricity	GJ	106,112.0	82,529.0	86,570.0
		Steam	GJ	0	0	0
		Other	GJ	0	0	0
	Renewable energy usage		GJ	8,750.0	34,205.0	33,448.0
	Renewable energy use ratio		%	2.6	11.3	10.3
	Non-renewable energy usage		GJ	324,552.0	267,797.0	291,710.0
	Energy intensity per employee		GJ/person	752.4	611.3	669.0
	Energy intensity per million USD of revenue ²⁾		GJ/million USD	1,683.3	1,623.7	1,642.2

1) LBK's energy intensity per revenue is calculated based on LOTTE Biologics' consolidated revenue.

2) LBA's energy intensity per million USD of revenue is calculated based on LOTTE Biologics' separate (non-consolidated) revenue.

* LBA and LBK's 2025 energy consumption data were independently verified by a third party.

* LBA's energy consumption was calculated in accordance with the IPCC Guidelines and ISO 14064; LBK's energy consumption was calculated in accordance with K-ETS requirements.

Waste Management

Site	Indicator		Unit	2023	2024	2025
LBA	Total waste generation	Total	ton	469,855.4	424,090.7	430,359.4
		Recycling	ton	54.5	41.2	36.0
	Percentage of recycling		%	0.01	0.01	0.01
	Disposal volume	Total	ton	469,800.9	424,049.5	430,323.4
		Incineration	ton	164.3	250.0	369.2
		Landfill	ton	307.5	170.3	235.6
		Other	ton	469,329.0	423,629.2	429,718.6
	Non-hazardous waste generation	Total	ton	469,746.1	423,961.3	430,091.2
		Recycling	ton	47.3	37.6	30.8
	Percentage of recycling		%	0.01	0.01	0.01
	Disposal volume	Total	ton	469,698.8	423,923.7	430,060.5
		Incineration	ton	67.6	124.2	106.3
		Landfill	ton	302.2	170.3	235.6
		Other	ton	469,329.0	423,629.2	429,718.6
	Hazardous waste generation	Total	ton	109.3	129.4	268.2
		Recycling	ton	7.2	3.6	5.2
	Percentage of recycling		%	6.6	2.8	1.9
	Disposal volume	Total	ton	102.1	125.8	262.9
		Incineration	ton	96.7	125.8	262.9
		Landfill	ton	5.4	0	0
		Other	ton	0	0	0

* During the reporting year, no factories were in operation in Korea; therefore, no industrial waste was generated. As the current site consists of leased office space, all waste generated is classified as municipal (non-industrial) waste. Accordingly, the relevant GRI disclosure items have been reported as zero.

Environmental Performance

Water Withdrawal and Consumption

Site	Indicator		Unit	2023	2024	2025
LBK	Water withdrawal volume	Total	ton	300	382	12,812
		Surface water	ton	0	0	0
		Groundwater	ton	0	0	0
		Seawater	ton	0	0	0
		Produced water	ton	0	0	0
		Third-party water supply	ton	300	382	12,812
	Water usage		ton	300	382	12,812
	Total water reuse		ton	0	0	0
LBA	Water withdrawal volume	Total	ton	350,113	320,006	336,019
		Surface water	ton	0	0	0
		Groundwater	ton	0	0	0
		Seawater	ton	0	0	0
		Produced water	ton	0	0	0
		Third-party water supply	ton	350,113	320,006	336,019
	Water usage		ton	359,028	329,745	343,189
	Total water reuse		ton	8,915	9,739	7,170

* During the reporting year, no factories were in operation in Korea; therefore, there was no process water withdrawal or generation of industrial waste. The current business site consists solely of leased office space, where all water use is limited to domestic (municipal) water, and all waste generated is general domestic waste. Accordingly, the relevant GRI indicators have been disclosed as zero.

Air Pollutant Emissions

Site	Indicator		Unit	2023	2024	2025
LBK	NOx		ton	0	0	0
	SOx		ton	0	0	0
	VOCs		ton	0	0	0
	PM		ton	0	0	0
LBA	NOx		ton	12	10	12
	SOx		ton	0	0	0
	VOCs		ton	-	-	-
	PM		ton	-	-	-

* During the reporting year, no factories were in operation in Korea; therefore, there was no generation of air pollutant emissions. Accordingly, the relevant GRI indicators have been disclosed as zero.

Water Pollutant Emissions

Site	Indicator		Unit	2023	2024	2025
LBK	TOC		ton	0	0	0
	BOD		ton	0	0	0
	SS		ton	0	0	0
	Total		ton	0	0	0
LBA	TOC		ton	-	-	-
	BOD		ton	3.3	3.2	3.7
	SS		ton	7.9	5.3	2.8
	Total		ton	11.2	8.5	6.5

* During the reporting year, no factories were in operation in Korea; therefore there were no air pollutant emissions or process wastewater discharges. Only domestic wastewater from office operations was generated, and it was treated through the building's municipal sewage treatment system. Accordingly, all relevant GRI emission indicators have been disclosed as zero. The LBA Syracuse Bio Campus does not directly discharge wastewater into surface water.

Hazardous Chemicals Management

Site	Indicator		Unit	2023	2024	2025
LBK	Hazardous chemicals emissions		ton	0	0	0
LBA	Hazardous chemicals emissions		ton	0	0	0

Violations of Environmental Regulations

Site	Indicator		Unit	2023	2024	2025
LBK	Number of compliance violations related to environmental permits, standards, and regulations		case	0	0	0
	Total amount of fines for violation of environmental laws		million KRW	0	0	0
	Number of lawsuits filed		case	0	0	0
	Number of non-monetary sanctions		case	0	0	0
LBA	Number of compliance violations related to environmental permits, standards, and regulations		case	0	0	0
	Total amount of fines for violation of environmental laws		million KRW	0	0	0
	Number of lawsuits filed		case	0	0	0
	Number of non-monetary sanctions		case	0	0	0

Social Performance

* LBK(LOTTE Biologics Korea), LBA (LOTTE Biologics America)

Employee Composition

Site	Indicator			Unit	2023	2024	2025
LBK	Number of employees			person	130	272	483
	Gender	Female		person	43	105	203
		Male		person	87	167	280
	Age	Under 30		person	26	68	171
		30 to 49		person	100	195	301
		50 or older		person	4	9	11
	Employment Type	Permanent	Total	person	119	256	436
			Female	person	38	99	188
			Male	person	81	157	248
		Non-permanent	Total	person	11	16	47
			Female	person	5	6	15
			Male	person	6	10	32
LBA	Number of employees			person	443	494	486
	Gender	Female		person	159	171	165
		Male		person	284	323	321
	Employment type	Permanent	Total	person	443	494	486
			Female	person	159	171	165
			Male	person	284	323	321

Diversity by Job Level and Function

Site	Indicator		Unit	2023	2024	2025
LBK	Gender diversity	Total female employees	person	43	105	203
		Percentage of total female employees	%	31.5	38.6	42.0
		Number of female executives	person	2	2	3
		Percentage of female executives	%	28.6	22.2	25.0
		Number of female directors	person	0	1	10
		Percentage of female directors	%	0	3.7	18.2
		Number of female managers	person	9	19	29
		Percentage of female managers	%	30.0	29.2	27.1
		Percentage of female employees out of managers	%	19.0	21.8	24.2
		Percentage of local senior managers in key business areas	%	(HQ) 6.3 (Songdo) 4.1	(HQ) 5.3 (Songdo) 1.9	(HQ) 1.4 (Songdo) 1.5
LBA	Other diversity	Number of employees with disabilities	person	-	-	8
		Percentage of disabled employees	%	-	-	1.7
	Gender diversity	Total female employees	person	159	171	165
		Percentage of total female employees	%	35.9	34.6	34.0

Recruitment

Site	Indicator		Unit	2023	2024	2025
LBK	Total number of recruits		person	84	151	233
	Gender	Female	person	31	66	111
		Male	person	53	85	122
	Age	Under 30	person	20	56	114
		30 to 49	person	60	90	117
		50 or older	person	4	5	2



Social Performance

Turnover

Site	Indicator	Unit	2023	2024	2025
LBK	Turnover Total	person	6	25	42
	Turnover - Male	person	4	13	21
	Turnover - Female	person	2	12	21
	Turnover - Under 30	person	2	13	4
	Turnover - 30 to 49	person	3	11	35
	Turnover - 50 or older	person	1	1	3
	Average length of service of employees	Total	0.9	1.2	1.4
		Female	0.9	1.3	1.5
		Male	0.8	1.1	1.2
LBA	Turnover Total	person	37	40	53
	Turnover - Male	person	21	30	35
	Turnover - Female	person	16	10	18
	Turnover - Under 30	person	-	-	-
	Turnover - 30 to 49	person	-	-	-
	Turnover - 50 or older	person	-	-	-
	Average length of service of employees	Total	10.1	8.7	8.4
		Female	11.0	9.1	8.0
		Male	8.7	7.9	8.5

Parental leave is calculated only for LBK, as it is based on a domestic (Korea) statutory policy.

The number of eligible employees for parental leave is not disclosed due to unregistered dependents.

Employee Evaluation

Site	Indicator	Unit	2023	2024	2025
LBK	Percentage of employees participating in regular performance evaluations	Total	%	100.0	100.0
		Female	%	100.0	100.0
		Male	%	100.0	100.0
LBA	Percentage of employees participating in regular performance evaluations	Total	%	100.0	100.0
		Female	%	100.0	100.0
		Male	%	100.0	100.0

Equal Pay

Site	Indicator	Unit	2023	2024	2025
LBK	Average male-female wage gap ratio		%	21.0	27.0
	Average salary per employee	Total	million KRW	69	65
		Female	million KRW	58	52
		Male	million KRW	74	73
LBA	Average male-female wage gap ratio		%	-0.2	-2.6
	Average salary per employee	Total	thousand USD	100.8	100.2
		Female	thousand USD	100.9	101.8
		Male	thousand USD	100.7	99.3

Grievance Handling

Site	Indicator	Unit	2023	2024	2025
LBK	Number of complaints received through the complaint handling channel	case	0	4	2
	Number of complaints received through the complaint handling channel for which corrective action has been completed	case	0	4	2
LBA	Number of complaints received through the complaint handling channel	case	0	0	0
	Number of complaints received through the complaint handling channel for which corrective action has been completed	case	0	0	0

Social Performance

Welfare

Site	Indicator	Unit	2023	2024	2025
LOTTE Biologics (consolidated)	Welfare expenses as a percentage of sales	%	0.7	1.1	2.1

Parental Leave

Site	Indicator		Unit	2023	2024	2025
LBK	Number of employees eligible for parental leave	Total	person	-	-	-
		Female	person	-	-	-
		Male	person	-	-	-
	Number of employees who used parental leave	Total	person	0	3	15
		Female	person	0	1	3
		Male	person	0	2	12
	Number of employees who returned to work after parental leave and continued to work for 12 months	Total	person	0	0	0
		Female	person	0	0	0
		Male	person	0	0	0
LBA	Number of employees eligible for parental leave	Total	person	-	-	-
		Female	person	-	-	-
		Male	person	-	-	-
	Number of employees who used parental leave	Total	person	-	-	-
		Female	person	-	-	-
		Male	person	-	-	-
	Number of employees who returned to work after parental leave and continued to work for 12 months	Total	person	-	-	-
		Female	person	-	-	-
		Male	person	-	-	-

* Parental leave is calculated only for LBK, as it is based on a domestic (Korea) statutory policy. The number of eligible employees for parental leave is not disclosed due to unregistered dependents.

Industrial Accident

Site	Indicator		Unit	2023	2024	2025
LBA	Number of work-related deaths	Total	person	0	0	0
		Work-related Injuries and Diseases - Organization Affiliation: Number of deaths resulting from work-related injuries and diseases (separately categorized as injuries related to primary work)	person	0	0	0
		Work-related Injuries and Diseases - Non-Organizational (Workers whose jobs/workspaces are under the control of the organization): Number of deaths resulting from work-related injuries and diseases (separately categorized as injuries related to the primary job)	person	0	0	0
	Lost Time Injury Rate (LTIR)	Total	case/200k working hours	0	0.2	0.2
		Employees	case/200k working hours	0	0.2	0.2
		Subcontractor Employees	case/200k working hours	0	0	0
	Total number of work-related injuries (LTI)	Total	person	0	1	1
		Employees	person	0	1	1
		Subcontractor Employees	person	0	0	0

* As no manufacturing facilities were operational in Korea during the reporting year, the occupational injury rate was not applicable.

Social Performance

Information Protection

Site	Indicator	Unit	2023	2024	2025
LBK	Number of information security-related issues	case	0	0	0
	Total number of proven customer data breach incidents (including theft and loss)	case	0	0	0
	Number of violations of laws regarding information security	case	-	-	-
	Fines for violation of laws regarding information security	million KRW	-	-	-
	Investment for information security	million KRW	856	3,072	1,062
LBA	Number of information security-related issues	case	0	0	0
	Total number of proven customer data breaches (including theft and loss) incidents	case	0	0	0
	Number of violations of laws regarding information security	case	-	-	0
	Fines for violations of laws regarding information security	thousand USD	-	-	0
	Investment for information security	thousand USD	850	850	850

Contribution to Local Community

Site	Indicator	Unit	2023	2024	2025
LBK	Donations as a percentage of sales	%	0	0	0
LBA	Donations as a percentage of sales	%	<1	<1	<1

Recall

Site	Indicator	Unit	2023	2024	2025
LBK	Total number of voluntary or involuntary recalls	case	0	0	0
LBA	Total number of voluntary or involuntary recalls	case	0	0	0



APPENDIX



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GRI Content Index

Statement of Use	The reporting organization, LOTTE Biologics, reports its sustainability information for the period from January 1, 2025, to December 31, 2025, with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	There are no GRI Sector Standards applicable to LOTTE BIOLOGICS.

General Disclosure

GRI Standard	Disclosure items	Location	Note
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 2	
	2-2 Entities included in the organization's sustainability reporting	p. 6	
	2-3 Reporting period, frequency and contact point	p. 2	
	2-4 Restatements of information	-	
	2-5 External assurance	-	
	2-6 Activities, value chain and other business relationships	p. 13-15	
	2-7 Employees	p. 73	
	2-8 Workers who are not employees	p. 73	
	2-9 Governance structure and composition	p. 57	
	2-10 Nomination and selection of the highest governance body	p. 57-58	
	2-11 Chair of the highest governance body	p. 57	
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 57-58	
	2-13 Delegation of responsibility for managing impacts	p. 20, p. 57-58	
	2-14 Role of the highest governance body in sustainability reporting	p. 20	
	2-15 Conflicts of interest	p. 57-58	
	2-16 Communication of critical concerns	p. 21, p. 57-58	
	2-17 Collective knowledge of the highest governance body	p. 57	

GRI Standard	Disclosure items	Location	Note
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	p. 58	
	2-19 Remuneration policies	-	
	2-20 Process to determine remuneration	-	
	2-21 Annual total compensation ratio	-	
	2-22 Statement on sustainable development strategy	p. 5	
	2-23 Policy commitments	ESG Management Declaration	
	2-24 Embedding policy commitments	ESG Management Declaration	
	2-25 Processes to remediate negative impacts	p. 36, p. 59	
	2-26 Mechanisms for seeking advice and raising concerns	p. 36, p. 59	
	2-27 Compliance with laws and regulations	p. 72, p. 76	
	2-28 Membership associations	p. 24	
	2-29 Approach to stakeholder engagement	p. 24	
	2-30 Collective bargaining agreements	-	



GRI Content Index

Material Topics

GRI Standard	Disclosure items	Location	Note
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 25	
	3-2 List of material topics	p. 25-26	

Material Topic 1. Net Zero

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 70	
	305-2 Energy indirect (Scope 2) GHG emissions	p. 70	
	305-3 Other indirect (Scope 3) GHG emissions	-	
	305-4 GHG emissions intensity	p. 70	
	305-5 Reduction of GHG emissions	p. 70	
	306-6 Ozone Depleting Substances (ODS) emissions	-	Not used
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p. 72	

Material Topic 2. Supply Chain Management

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	p. 54-55	
	308-2 Negative environmental impacts in the supply chain and actions taken	p. 54-55	
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	p.54-55	
	414-2 Negative social impacts in the supply chain and actions taken	-	

GRI Standard	Disclosure items	Location	Note
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Material Topic 3. Occupational Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	p.39	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 40	
	403-3 Occupational health services	p. 44	
	403-4 Worker participation, consultation, and communication on occupational health and safety	-	
	403-5 Worker training on occupational health and safety	p. 39	
	403-6 Promotion of worker health	p. 44	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 40-43	
	403-8 Workers covered by an occupational health and safety management system	p. 76	
	403-9 Work-related injuries	p. 76	
	403-10 Work-related ill health	p. 76	

Material Topic 4. Customer Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	-	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	p. 76	
GRI 417: Marketing & Labelling	417-1 Requirements for product and service information and labeling	-	
	417-2 Non-compliance cases concerning product and service information and labeling	-	
	417-3 Non-compliance cases concerning marketing communications	-	

GRI Content Index

GRI Standard	Disclosure Items	Location	Note
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Material Topic 5. Compliance management and business ethics

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 205: Anti corruption	205-1 Operations assessed for risks related to corruption	p. 69	
	205-2 Communication and training about anti-corruption policies and procedures	p. 59-60	
	205-3 Confirmed incidents of corruption and actions taken	p. 69	

Material Topic 6. Risk management

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 207:Tax	207-1 Approach to tax	p. 61	
	207-2 Tax governance, control, and risk management	p. 61	
	207-3 Stakeholder engagement and management of concerns related to tax	p. 61	
	207-4 Reporting	p. 61	

Material Topic 7. Sound corporate governance

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
	No corresponding Topic Standard		

GRI Standard	Disclosure Items	Location	Note
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Material Topic 8. Environmental management and response to regulations

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	p. 31	
	303-2 Management of water discharge-related impacts	p. 31, p. 68	
	303-3 Water withdrawal	p. 72	
	303-4 Water discharge	p. 72	
	303-5 Water consumption	p. 72	
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	p. 71	
	306-2 Management of significant waste-related impacts	p. 71	
	306-3 Waste generated	p. 71	
	306-4 Waste diverted from disposal	p. 71	
	306-5 Waste directed to disposal	p. 71	

Material Topic 9. Human rights and diversity

GRI 3: Material Topics 2021	3-3 Management of material topics	p. 25-26	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	p. 68	
	405-2 Ratio of basic salary and remuneration of women to men	p. 75	
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	p. 75	
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	-	
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	



SASB Index

SASB Index

Category	Metric Code	Accounting Metric	Page & Reference
Safety of Clinical Trial Participants	HC-BP-210a.1	Discussion, by region, of management process for ensuring quality and patient safety during clinical trials	-
	HC-BP-210a.2	Number of inspections related to clinical trial management and pharmacovigilance that resulted in: (1) entity voluntary remediation or (2) regulatory or administrative actions taken against the entity	-
	HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	No such incidents occurred.
Access to Medicines	HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	-
	HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	-
Drug Safety	HC-BP-250a.1	Products listed in public medical product safety or adverse event alert databases	LOTTE Biologics is not a company identified by the U.S. Food and Drug Administration (FDA) for potential safety concerns related to its products.
	HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	-
	HC-BP-250a.3	Number of recalls issued, total units recalled	No product recalls have occurred.
	HC-BP-250a.4	Total amount of product accepted for take-back, reuse, or disposal	No such incidents occurred.
	HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	No such incidents occurred.
Counterfeit Drugs	HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	-
	HC-BP-260a.2	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	-
	HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	No such incidents occurred.
Ethical Marketing	HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	In 2025, LOTTE Biologics did not incur any monetary losses as a result of legal proceedings related to false marketing.
	HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	LOTTE Biologics publicly discloses its Code of Ethics on its corporate website, which includes provisions regarding honest and responsible marketing practices.
Employee Recruitment, Development & Retention	HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development staf	LOTTE Biologics strives to attract and retain talent while strengthening its human capital management practices. Please refer to page 34 of this report for details on the Company's human resources management framework.
	HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	LOTTE Biologics operates a systematic talent management framework. For further details, please refer to pages 34–35 of this report.
Supply Chain Management	HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit programme or equivalent third-party audit programmes for integrity of supply chain and ingredients	-
Business Ethics	HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	In 2025, LOTTE Biologics did not incur any monetary losses as a result of legal proceedings related to corruption or bribery.
	HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	-
Activity Metric	HC-BP-000.A	Number of patients treated	-
	HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	-

GHG Emission Verification Opinion(LBK)

GHG Emission Verification Opinion

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of Lotte Biologics Co., Ltd.¹⁾ (hereinafter 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 30th Floor, 300, Olympic-ro, Songpa-gu, Seoul, Republic of Korea

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

KFQ's verification scope covered facilities and emission sources at the company's four sites²⁾ under its operational control and organizational boundary during 2025.

2) Songdo Bio Campus, Lotte World Tower Office (Jamsil), IBS Tower Office (Songdo), BRC Research Center (Songdo)

Verification Criteria

The verification was carried out at the request of the company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Rule for emission reporting and certification of greenhouse gas emission trading Scheme (Notification No. 2025-64 of Ministry of Environment)

Verification Approach

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level. The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

- 1) GHG emissions Company were properly calculated according to the verification standards.
- 2) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
- 3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Reporting Organization

Lotte Biologics Co., Ltd.

GHG Emissions Reporting Period

2025-01 ~ 2025-12-31

GHG Emissions

		Unit: tCO ₂ eq		
Category		Scope 1	Scope 2	Total
LBK	Location Based	165.444	1,438.834	1,604.278
	Market Based	165.444	1,438.834	1,604.278

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO₂eq.

Energy Consumption

		Unit: TJ		
Category		Scope 1	Scope 2	Total
LBK		3.171	30.301	33.472

2026-07-29

Ji Young Song

CEO Ji-Young Song
Korean Foundation for Quality



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GHG Emission Verification Opinion(LBA)

GHG Emission Verification Opinion

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of Lotte Biologics USA, LLC¹⁾ (hereinafter 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 6000 Thompson Rd, East Syracuse, NY 13057, USA

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

KFQ's verification scope covered facilities and emission sources at the company's one site²⁾ under its operational control and organizational boundary during 2025.

2) Syracuse Bio Campus

Verification Criteria

The verification was carried out at the request of the company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Verification Approach

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level. The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

- 1) GHG emissions Company were properly calculated according to the verification standards.
- 2) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
- 3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Reporting Organization

Lotte Biologics USA, LLC

GHG Emissions Reporting Period

2025-01 ~ 2025-12-31

GHG Emissions

		Unit: tCO ₂ eq		
Category		Scope 1	Scope 2	Total
LBA	Location Based	10,351.015	3,652.916	14,003.931
	Market Based	10,351.015	2,634.866	12,985.881

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO₂eq.

Energy Consumption

		Unit: TJ		
Category		Scope 1	Scope 2	Total
LBA		205.140	120.018	325.158

2026-07-29

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