











#### **About This Report**

This is our sixth Corporate Social Responsibility Report and covers topics from calendar year 2017 to 2018, from January 2017 to December 2018, unless otherwise noted. Our previous CSR report was published in December 2017.

Stable company performance is the key to sustainable development and responsible operations. This report highlights our efforts to maintain company performance at various levels and to reflect the interests of our stakeholders. We have been increasing workers' engagement activities to provide better working environment.

This report is published in accordance with the Global Reporting Initiative (GRI) G4.0 standards at Application Level C and covers all qualitative and quantitative data and activities pertaining to year 2017 and 2018. We did not receive any external assurance for this report of the GRI indicators. The scope, boundary, and measurements in reporting have no significant change or limitation. The GRI Index, with respect to the standard disclosures covered in this report, is outlined on page 46.

Please direct your questions regarding the report or its contents to compliance@hansae.com.

#### Hansae Mini History

2018.09 Acquired PT. Bomin Permata Abadi in Indonesia 2018.01 Acquired Modas B.I. Apparel S.A. in Guatemala Established Hansae Danang Branch in Vietnam 2017. 06 Established Hansae Haiti S.A., the 1st local corporation in Haiti 2017. 01 Established Bentonville Office in Arkansas, USA 2016.10 2014. 07 Acquired Costec International Co., Ltd., the 2<sup>nd</sup> local corporation in Myanmar 2014.05 Established Semarang Office in Indonesia 2013. 09 Established Ho Chi Minh Office in Vietnam 2013. 02 Acquired Myanmar Ayeyarwaddy MFG. Co., Ltd., the 1st local corporation in Myanmar 2013. 02 Acquired C&T Vina Co., Ltd., the fabric factory in Vietnam 2012. 10 Established Shanghai sourcing office in China 2010. 11 Established Hansae TG Co., Ltd., the 3<sup>rd</sup> local corporation in Vietnam 2010. 09 Established Hansae Global S.A., the 2<sup>nd</sup> local corporation in Guatemala 2009.11 Established Hanoi Office in Hanoi, Vietnam 2008.05 Established New York Office in USA 2006.11 Established PT. Hansae Karawang Indonesia, the 2<sup>nd</sup> local corporation in Indonesia 2005.09 Established Hansae Pinula S.A., the 1st local corporation in Guatemala 2005.08 Established PT. Hansae Indonesia Utama, the 1st local corporation in Indonesia 2005.04 Established Hansae TN Co., Ltd., the 2<sup>nd</sup> local corporation in Vietnam 2001.03 Established Hansae Vietnam Co., Ltd., the 1st local corporation in Vietnam 2000.01 Listed on the Korea stock exchange 1998.07 Established Hansae International S.A., the 1st local corporation in Nicaragua 1993. 07 Listed as public company 1986.01 Established the first local corporation in Saipan 1982.11 Founded Hansae Co., Ltd.



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# 01 About Hansae



# 1.1 Message from CEO

**About Hansae** 



Dear Stakeholders.

In this report, we outline our corporate social responsibility strategies and activities that play an integral role in driving our business. In the upcoming pages, we are excited to present our efforts and how it shows our commitment to stakeholders. I would like to briefly highlight the following topics: Worker Engagement, Environmental Preservation and Next Steps for Future Progress.

Community

**Programs** 

We have continued our efforts on worker engagement to provide various continued education programs in order to equip our employees with lifelong skills. We acknowledge that our workers are always at the heart of everything we do, so we are continuously searching for ways to create better working environment for all of our employees and deliver our gratitude. While local community services and financial grants present short-term solutions, worker engagement programs teach lifetime skills that can be utilized both at work and at home. Therefore, we have partnered with several of our clients to increase the offering of the programs. The programs range from communication skills to health management, to support the development of our biggest asset.

Sustainability is a major focus of our organization and we have aligned our production practices to meet our reduction target in decreasing environmental footprint and to increase biomass consumption. This year, we have been successful in steadily decreasing oil, coal, water usage, and GHG emissions in our factories. Moreover, we are proud to announce that Hansae's owned fabric mill C&T Vina achieved the goal of eliminating hazardous chemical groups from our supply chain through strict monitoring of restricted substances in wastewater. We fully understand the growing concern for environmental sustainability and will continue to allocate more efforts to protect the earth.

2019 will be the year to concentrate on two areas: Agility and System. In such rapidly changing global business environment, the fashion industry must also act at a rapid pace to adapt to the new environment. We want to equip ourselves with the agility to promptly face any upcoming challenges and work to find the best resolution. A well-established system will also play a huge role in the adaptation. We are looking into our existing system and plan on systemizing our production processes to provide prompt visibility on the manufactured goods.

At Hansae, we position ourselves as a global fashion company with the vision to enrich customers' lives and lead world fashion culture by providing the best quality clothing at reasonable prices. Please continue to support our journey as we take further steps into advancing our goals to fulfill our mission.

Ik Whan Kim Chief Executive Officer Hansae Co., Ltd.

# 1.2 Philosophy, Values and CSR Vision



# **CSR Vision**

Sustainable Growth in a Sound Company Culture

# **Social Responsibility**

- Respect for Human Rights
- Grievance System
- Worker Engagement & Training Program
- Compliance Monitoring
- Ethical Management
- Community Outreach
- Scholarship

Communication

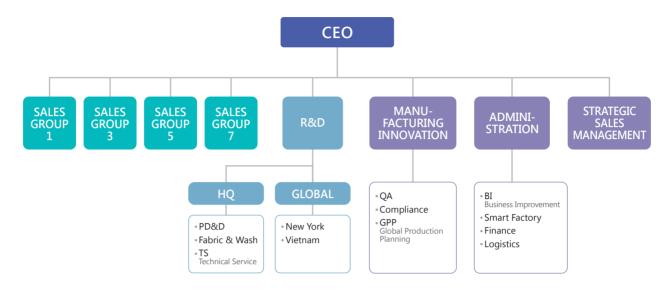
#### **Sustainability**

- GHG Emission Reduction
- Energy Saving
- Renewable Energy
- Water Saving
  - Rainwater Harvesting
  - Low Liquor Washing & Dyeing Equipment
- Chemical Management
  - Chemical Inventory Management
  - Wastewater Test

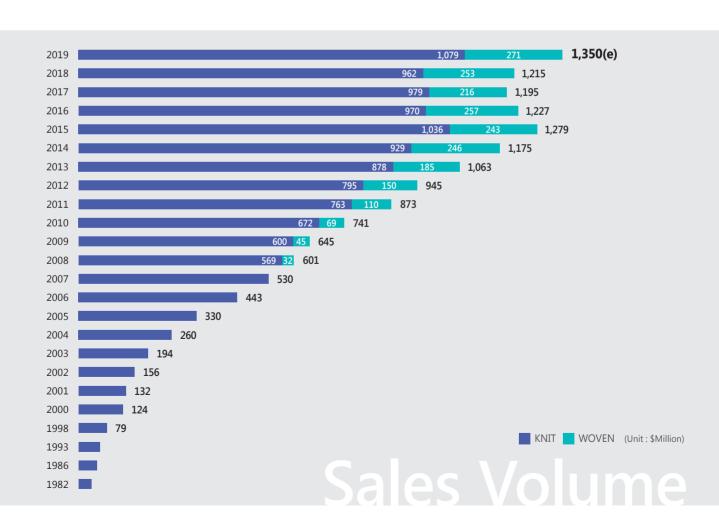
Mutual Understanding

06

# 1.3 Organization Structure



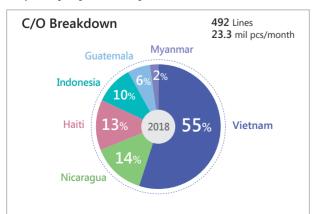
# 1.4 Performance

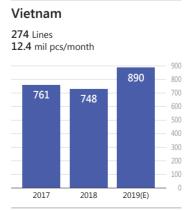


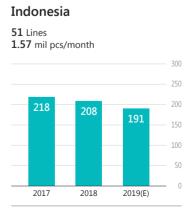
# 1.5 Global Network



# **Capacity by Country**







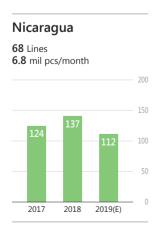
(Unit: \$ Million)

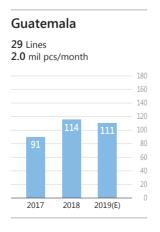
Environmental

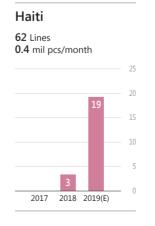
Sustainability



Employees by Gender								
Country	Korea	USA	Vietnam	Indonesia	Nicaragua	Guatemala	Haiti	Myanmar
Female	63%	67%	63%	88%	52%	58%	65%	89%
Male	37%	33%	37%	12%	48%	42%	35%	11%



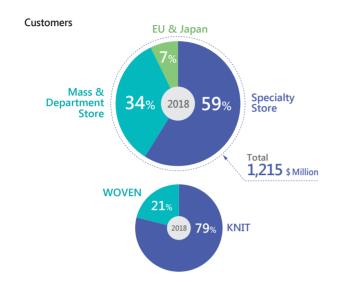


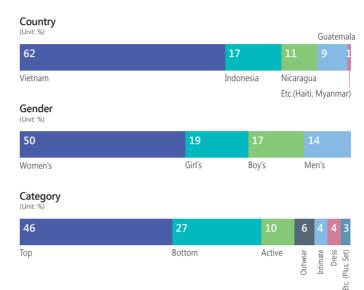


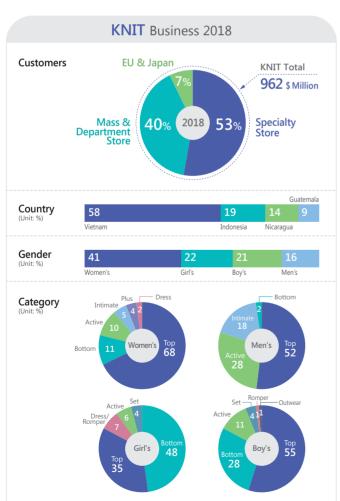


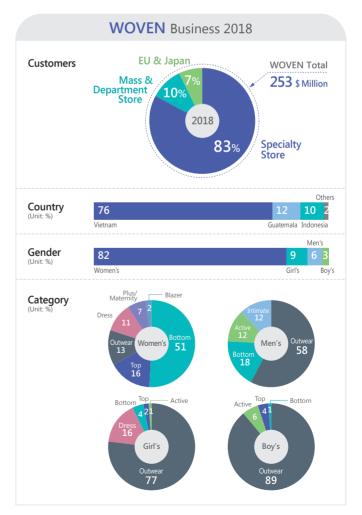
# 1.6 Markets Served

#### **Customers Overview**









#### **Key Customers**



# 1.7 Stakeholder Engagement



Hansae acknowledges that good stakeholder engagement yields to better performance and risk management, and we strive to build long-term relationships with all stakeholders in order to create better outcomes for mutual benefit. In any activities that we may perform, we keep in mind the potential direct and indirect impact on all engaged parties and incorporate the interests of our stakeholders in our decisions for sustainable development in the emerging markets.

# 02 Environmental Sustainability



About Hansae

Hansae has been putting its continuous efforts to protect and improve our environment for sustainable management through implementation of its environmental policy and regular evaluation of facilities based on its standards.

Corporate

Social Compliance



# 2.2 Green Activities

#### **CDP** (Carbon Disclosure Project)

In order to monitor and reduce the environmental impact induced by its productions, Hansae has been participating in CDP since 2011. On August 10, 2018, Hansae disclosed its intensity target and actual progress on GHG emissions reduction for the reporting year of 2017 through CDP platform.



# **Higg Index**

Hansae's owned and subcontracted facilities have conducted environmental selfassessments utilizing Higg Index version 3.0, which is the latest version adopted for Higg Facility Environmental Module (Higg FEM) 2017.

Hansae has been actively engaged in Higg Index since 2013 and the number of participant factories are constantly increasing.

Starting from 2019, Hansae will actively engage with contracted fabric mills as well to increase its environmental management scope.

	2015	2016	2017	2018
Owned	9	9	11	13
Subcontracted	30	31	43	54
TOTAL	39	40	54	67



#### Subsidiary Fabric Mill and Garment Washing & Dyeing Mill: C&T Vina in Ho Chi Minh, Vietnam

#### • Green Activities

Since its acquisition in 2013, C&T Vina, our subsidiary facility for fabric knitting, dyeing, printing and garment washing & dyeing, has been actively involved in environmental-friendly and energy saving activities, some of which include adoption of rain water harvesting system and installation of low liquor garment dyeing and washing machines.



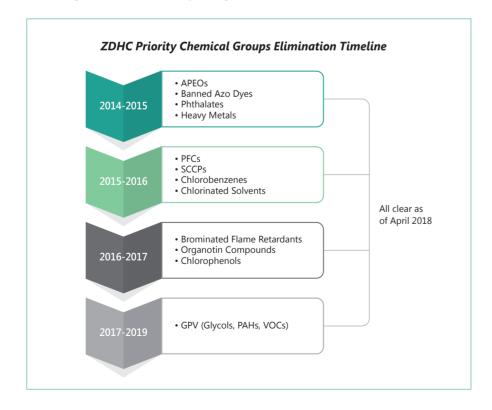
Rainwater Harvesting System (Installed in C&T Vina No.2 Factory) The factory expects to save 5,700 M³ of water use per month on average.



Low Liquor Dyeing and Washing Machine (Installed in C&T G-Tech) Saves 75% of water use compared to old machines. Steam and wastewater are expected to be reduced by 50%.

#### • Goal of Chemical Management

C&T Vina's chemical management team has been working to achieve the goal of eliminating 14 ZDHC priority chemical groups from its supply chain according to the following timeline. Since the factory started ZDHC project, factory managed to maintain clean record without any detection of restricted substances in the wastewater, through strict chemical purchase monitoring and chemical inventory management.





# 2.3 Energy and GHG Emissions Management System

Since 2010, Hansae has been tracking the amount of energy usage, water usage and GHG emissions from Hansae sewing factories in order to determine necessary steps to reduce energy and water usage, make investment in modern environmental-friendly equipment for factories and achieve sustainable management. In 2017, Hansae established a new reduction target of energy use and GHG emissions with the new base year of 2015 and the target year of 2020.

#### **Annual Fuel & Water Consumption + GHG Emissions**

#### • Usage and Emissions Data

Period	Purchased Electricity (kwh)	Oil (Liters)	Coal (Kg)	GHG emissions (MT)	Water (M³)
2015	163,827	3,845	16,280	156	4,901
2016	164,309	2,541	1,372	138	4,489
2017	163,826	2,390	557	139	4,480
2018	157,661	2,459	441	135	3,936

<sup>\*</sup> Usage and emissions normalized as "per 1 million pieces of garment produced"

#### • Reduction Targets

New Base Year 2015	Target Year 2020	Progress in 2016	Progress in 2017	Progress in 2018
Electricity	↓5%	↑0.3%	↓0.0%	↓3.8%
Oil	↓50%	↓34%	↓38%	↓36%
Coal	↓90%	↓92%	↓97%	↓97%
GHG emissions	↓25%	↓12%	↓11%	↓13%
Water	↓10%	↓8%	↓9%	↓20%

(Consumptions or emissions per one million pieces of garment produced)

#### Purchased Electricity (kwh) 163,827 2015 2016 164 309 2017 163.826 2018 157,661 Oil (Liters) 2015 3,845 2016 2.541 2017 2.390 2018 2 4 5 9 Coal (Ka) 16,280 2016 2017 **557** 2018 441 **GHG** emissions (MT) 2015 156 2016 138 2017 139 135 Water 2015 4 901 2016 4 489 2017 4,480 2018 3,936

#### **Biomass Usage**

As one of ways to reduce GHG emissions and increase renewable energy use, many of Hansae sewing factories are using biomass replacing liquid fuel and coals. Such biomass includes firewood, wood briquette, wood waste, rice hull, etc. Hansae has plan to drive factories to continuously increase the biomass usage.

#### • Annual Biomass Consumption

Period	Wood & Wood Waste Equivalent (Kg)	Rice Hull (Kg)	Total Biomass (Kg)
2015	23,215	-	23,215
2016	27,786	10,976	38,762
2017	29,653	11,247	40,900
2018	30,022	10,509	40,531

<sup>\*</sup> Usage normalized as "per 1 million pieces of garment produced"

#### • Consumption Targets

New Base Year 2015	Target Year 2020	arget Year 2020 Progress in 2016		Progress in 2018	
Biomass	↑90%	↑67%	↑76%	↑75%	

(Consumptions per one million pieces of garment produced)



Rice Hull Wood Bri

Wood Briquette Wood Waste



Incinerator Burning Biomass

# O3CorporateSocial Compliance



Community

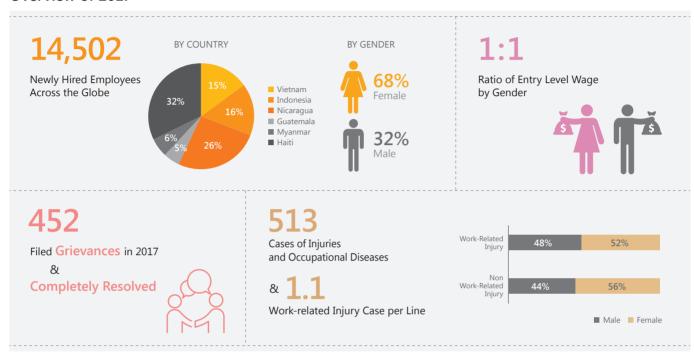
**Programs** 

# 3.1 Business Operations Overview

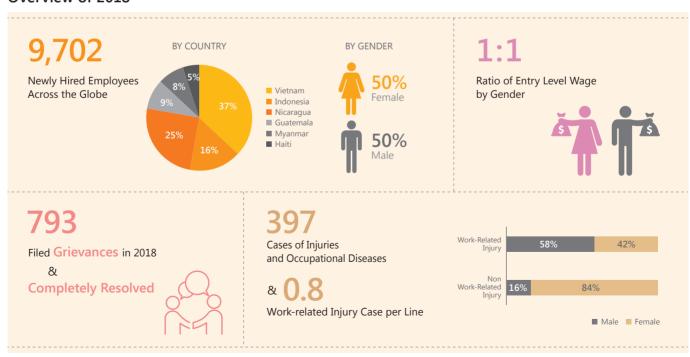
Environmental

Sustainability

#### Overview of 2017



#### Overview of 2018



#### **Human Rights Policy Training**

Hansae is committed to promoting ethical working environment for all employees. Our Code of conduct provides the standards of behavior expected from our own employees as well as all of our business partners, which includes issues pertaining to working conditions, anti-bribery, anti-discrimination, freedom of association and prohibition of child and forced labor and human trafficking.







Along with the declaration, Human Rights Policy training was provided to all of employees from top management to local employees, throughout 2017 and 2018, as Hansae is committed to making all Hansae employees, factories, subcontractors, and business partners aware of the policy. By communicating all of our requirements across our suppliers, we aim to ensure all engaged parties are fully aware of our expectations.

We believe that implementation of the policy will help us strengthen our existing social compliance systems, and will take an important part in ethical, legal, operational, and reputational risk management in the way that it may make us aware of potential human rights concerns that we should seek to address.











#### **Business Partner Evaluation System**

In pursuit of efficient management on our business partners and to drive improvement in their overall performance, Hansae has established business partner scoring system. The system includes the evaluation of the business partners from various aspects, of which the criteria include compliance performance, quality, on-time delivery rate, claim rate and business satisfaction level.

As part of the business partner management, Hansae hosted a conference with top managements of our business partners in March, April 2018. During the conference, we highlighted our ethical management principles to the partners and shared our roadmap for strategic management system including newly adopted scoring system.

Through the scoring system, Hansae will raise the bar of performance from our business partners to meet the expectations of our customers.





# 3.2 Sustainable Development Programs

#### Worker Engagement Programs

#### **Workplace Cooperation Program**

Workplace Cooperation (WPC) Program is dedicated to educate effective methods of discussion between management and workers to understand the differences of employees at different levels to resolve conflicts and misunderstandings. The main purpose of WPC program is to enhance efficiency, productivity and performance for both management and workers. Three of Hansae's owned factories are participating in this initiative through Gap Inc.

Hansae Global in Guatemala is Hansae's first factory implemented the Workplace Cooperation Program. Upon its launch in 2016, Hansae Global's employees have been receiving regular trainings on risk analysis, problem resolution and effective communication mechanisms. Through this process, management and factory supervisors achieved effective methods of delivering directions to employees and employees learned how to properly bring forward their complaints without causing unnecessary conflicts.

On May 15, 2017, the program was launched at PT. Hansae Indonesia Utama. During the first session, all bipartite members joined group discussions, case studies and various activities to enable both parties to understand each other's needs and difficulties. WPC Program sessions are being conducted periodically to allow workers to acknowledge importance of workplace cooperation.

Hansae Vietnam is the most recent factory participating in the Program. On April 19, 2018, the factory initiated the program by educating workers representatives to encourage them to provide an environment where employees can share their difficulties. Afterwards, practices were carried out for every other month to build up communication skills, roles and responsibilities of the social dialogue, risk assessment, and problem solving.

The WPC Program has provided good opportunities for workers to learn effective communication skill, understand responsibilities of each worker, conduct risk assessments and acquire skills to handle grievances. As a result, employees at all factories have become more confident when communicating with management and bipartite members have become more active to communicate with each other. Factory expects significant improvement in social and labor issues at workplaces and increased job satisfaction.





#### PT. Hansae Indonesia Utama









#### Personal Advancement and Career Enhancement (P.A.C.E.) Program

Hansae believes that the education is crucial for the future especially in developing countries where its facilities are located in. Around 75 percent workforce of its facilities are female. In an effort to give opportunities to enhance female workers' managerial and life skills that would enable their professional and personal growth, P.A.C.E. program partnering with Gap Inc. has been provided to its female workers since 2013.

So far two factories in Vietnam – Hansae TN and Hansae Vietnam – have been participating in the program. Hansae is going to scale up the program to its female workers in other countries, and also women in local communities as giving back to the communities from 2019 – Haiti will be the first place – and made a commitment to educating and empowering 10,000 women by 2020. This can help to create a brighter future for women, their families and their communities.

#### Hansae TN

About Hansae

Year 2018 was Hansae TN's 5<sup>th</sup> year of joining the P.A.C.E. program. Factory recognized positive outcomes; increased knowledge, skills and productivity, by comparing the test results/scores of previous years. Hansae TN's management noted the effectiveness of this program is evident in participants' daily lives. Factory hosted a graduation ceremony for the participants of the 3<sup>rd</sup> batch on April 14<sup>th</sup>, 2018. The 4<sup>th</sup> cycle of the program launched on July 14<sup>th</sup>, 2018, and factory completed its first module on Communication in 2018.







#### Hansae Vietnam

Hansae Vietnam was the second factory to join the program in the late 2017. Factory provided the 'Communication Skill' and 'Problem Solving and Decision Making' modules during the fourth quarter of 2017 and the rest of the module trainings throughout 2018.







P.A.C.E. program consists of 7 learning modules: communication, problem solving & decision making, time & stress management, execution excellence, hygiene, financial literacy, and health. The trainings are delivered through group discussion, role play, and presentation. The effectiveness of trainings is recognized by the pre-test and post-test.

2017 -2018	EFFECTIVENESS						
2017 -2018	Hansa	ae VN	Average	Hans	ae TN	Average	
Modules	% Pre-test	% Post-test	Improvement (%)	% Pre-test	% Post-test	Improvement (%)	
Communication	58	75	29%	43	60	40%	
Problem Solving and Decision Making	49	60	22%	29	60	107%	
Time and Stress Management	71	83	17%	52	61	17%	
Execution Excellence	66	84	27%	47	58	23%	
Hygiene	85	96	13%	87	89	2%	
Financial Literacy	59	94	59%	59	75	27%	
Health	74	96	30%	75	83	11%	

#### **Supervisory Skills Training**

Efficient production is expected when supervisors and workers proactively cooperate with each other. Supervisory Skills Training provides necessary trainings for factory supervisors at various levels – production managers, line leaders, PICC members and more – to cultivate participants to become trainers for other supervisors in the factories to facilitate smooth cooperation with workers. The program is hosted by Better Work and concentrates on identifying supervisory responsibilities and establishing positive relationships within factory. 4 of Hansae's factories - Hansae Vietnam, Hansae TN, Hansae TG in Vietnam and Hansae Haiti, S.A. – participated in the training in 2017 and 2018.

Total 706 supervisors in 2017 and 273 supervisors in 2018 participated in the trainings. Participants from each factory were engaged in discussions, case studies, role plays and entertaining activities to review their day-to-day appearance as a supervisor in their departments and practice strategies to improve their leadership. Topics including harassment, discrimination, verbal abuse, handling worker grievance and forced labor have been brought up during the sessions. The training allowed many managers to identify any actions they have been performing which may have negatively affected the workers and realize the professional responsibilities of supervisors. The outcomes of the training were positive, as the participants felt more confident of their perceived power and use their authority assertively to make decisions and resolve conflicts.

In 2018, Hansae International in Nicaragua took a new initiative and attended senior management level training provided by National Technological Institute (INATEC) from October to November 2018. Average of 28 senior managers joined weekly sessions with 3 instructors of sociology or psychology background and had discussions on stress management, leadership, decision-making skills, teamwork and more. Upon surveying each participant after every session, majority of the managers were satisfied with the quality of the training. Factory plans on hosting another training in 2019 to continue to stimulate positive change among senior managers.

#### Hansae Vietnam





#### Hansae TN







#### Hansae TG

About Hansae





Corporate

Social Compliance



#### • Hansae International S.A.

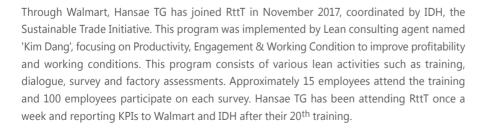






#### Race to the Top Project

Race to the Top program (RttT) is an initiative which catalyzing the growth of equitable and sustainable apparel and footwear industry in Vietnam to create a win-win for workers and management. Race to the Top is a collaborative program among the Vietnamese government, global consumer brands, and international organizations. The aim is to support factories by providing them with training and a shared space for workers and management and solve workplace-related problems for better productivity. Factories participating in the program have been experiencing better operational excellence through cost savings, quality improvement, and productivity efficiency as well as increased worker engagement.



Hansae TG is looking forward to benefitting from the RttT Program and achieving desired outcomes-improving working conditions, productivity, worker satisfaction and retention.





#### **HERproject**

HERproject is explained as "a global public-private partnership to empower low-income women workers along global supply chains". The project is divided into three sections – HERhealth, HERfinance and HERrespect. Hansae joined HERhealth through Target to contribute to the positive movement of improving the health-related knowledge and behaviors of young and undereducated women and also to provide health services and products for them.

The project's kick-off meeting was held on September 5<sup>th</sup>, 2017 at PT. Hansae Indonesia Utama, and 30 Peer Educators (PE) have been assigned on behalf of all female workers to receive regular training as representatives. The 30 PEs received their first training on December 21<sup>st</sup>, 2017 and have continued the training for 12 months, through December 2018. These PEs will now start to spread the knowledge and skills proactively with all co-workers in the factory.

Onsite peer educator training included critical health topics such as healthy eating, personal and menstrual hygiene, maternal health, importance of safety and personal protective equipment, disease testing/conducting for preventative care.







# Our aim and expected outcome from the HERproject is as follows:

- 1. Making employees achieve better understanding and awareness about the importance of personal health at work and at home
- 2. Reducing cases of the most common diseases and incidents of employee fainting
- 3. Fostering women to gain control over their finances and ability to influence family decision-making which leads to welfare of their families
- 4. Reducing the frequency of absenteeism due to illness
- 5. Reducing the number of factory's clinic visit every day/month
- 6. Generating better discipline and productivity to achieve production target

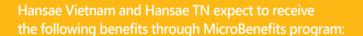
About Hansae

Hansae joined the MicroBenefits program, a part of Gap Inc.'s Workforce Engagement Programs.

The provider, MicroBenefits, utilizes CompanyIQ (CIQ), a smartphone-based platform providing systematic way to identify engaged employees and invest in their growth, to effectively engage workers by moving to modern practices that improve overall worker engagement. Workers are able to take work and/or life related classes through this platform, access various human resources information including salary and attendance, receive updated factory information and submit feedback on various categories.

Hansae held a launching event of the MicroBenefits program at Hansae Vietnam on January 6<sup>th</sup>, 2018 to advertise the new initiative. The program engaged participation of 54% of the workers (4,232 workers) according to the data collected from CIQ Usage Overview on January 11<sup>th</sup>, 2018, exceeding the pre-launch target of reaching 20% utilization rate after 2 weeks. In the 1<sup>st</sup> quarter of 2018, factory reported that 61% of total participants have been regularly utilizing the platform and the rates of utilization were steadily kept above 50% afterwards. Among many functions in MicroBeneifts, the most frequently used was "Personal & Company Info" according to CIQ. The core team, consisting of 8 Hansae Vietnam employees, attended additional sessions to learn further about other functions to effectively utilize the platform.

Hansae TN has also joined MicroBenefits program in late 2018. In December 2018, core team of 8 employees have been selected and provided CIQ training to all line leaders and organized launching event for all workers to experience the new platform. Currently there are around 1,508 users actively using the program and the core team will monitor the progress in 2019 how it will affect employees' work and lifestyle.



- 1. Engaging workers actively with factory and its management
- 2. Reducing employee turnover rate and the accompanying costs
- 3. Increasing diverse skills through classes for better job performance
- 4. Allowing better time allocation for HR department











#### **Employee Trainings**

Training is an integral way to provide workers information on their legal benefits as well as professional knowledge to be utilized at workplace. Every year at each facility, Hansae invests numerous hours into various employee trainings in labor, health and safety, security, brand protection and workers' engagement areas. Through the trainings, employees acquire better understanding of the operational guidelines and apply them while performing their daily tasks.

#### **Trainings Provided in 2017**

# **374,877 Total Training Hours** (Participants x Hours) Labor 98,725 Hours Health & 232,813 Safety Security 14,609 Hours **Brand** 7,183 **Protection** Hours Workers 21,547 Engagement Hours

#### **Trainings Provided in 2018**

Tota	355,117 al Training Hours (Participants x Hours)
Labor	<b>120,438</b> Hours
Health & Safety	<b>178,765</b> Hours
Security (1)	<b>25,036</b> Hours
Brand Protection	<b>5,139</b> Hours
Workers Engagement	<b>25,739</b> Hours

In addition to the listed trainings, each facility coordinates additional trainings every year which are tailored to meet each location's diverse needs. By covering these variations, workers are not only able to receive education on general topics, but also touch base on other subjects specifically required for each factory.

#### **Trainings Provided in 2017-2018**

#### Labor

Environmental

Sustainability

- New Hires Orientation
- Labor Law
- Human Rights Policy Training
- Grievance / Abuse and Harrassment
- Internal Regulation / Collective Bargaining Agreement
- Integrity and Ethics
- Communication Skill / Teamwork

#### Security

- Security Awareness Training
- Container Inspection 7 Points / 9 Points
- IT Security Training

#### **Workers Engagement**

- Workplace Cooperation Program
- P.A.C.E. Program
- Supervisory Skills Training
- Race to the Top
- HERproject
- MicroBenefits



#### Health & Safety

- Fire Safety
- Evacuation Simulation

Community

**Programs** 

- First-Aid
- Chemical Handling (MSDS, PPE)
- Electric Hazards
- Tuberculosis
- HIV / AIDS
- Food Safety
- · Breastfeeding
- Maternity-Preventive Medicine
- PPE Safety
- Ergonomics
- Load Handling
- Risk Factors
- Preventive and Corrective Maintenance
- Certified Boiler & Air Compressor Training
- Environment
- Waste Management Training

#### **Brand Protection**

• Brand Protection



#### **Fire Fighting Training**



**OSH Training** 



**Waste Management Training** 



**Chemical Training** 



# 3.3 Employee Development at Headquarters

#### **Employee Workshops and Lectures**

Every year, Hansae provides various workshops for employees to enhance their professional skills at work. In 2017, Hansae organized an annual workshop and grouped the participants by their job position to facilitate communication between different teams. The main theme of the workshop was 'Cooperation and Innovation', and employees participated in various brainstorming activities to build teamwork. In the process, each individual had the opportunity to interact with other employees of the company and understand more about the different responsibilities of different teams. In addition to the workshop, Hansae also arranged quarterly lectures in 2017 and 2018, with topics ranging from modern health issues to industrial changes, to engage in the upcoming changes and how employees should adapt to them for sustainable development.







#### New Employees Transition Ceremony & Workshop in Vietnam

After successfully completing 6 months of internship, all new employees are invited to the Permanent Employee Promotion event dedicated to celebrating the completion of their internship period. During the event, the newly promoted employees participated in a motivational workshop on establishing vision and gifted their handmade samples to their loved ones. Employees are also invited to the overseas workshop at Hansae's owned factories in Vietnam. Visiting all 3 factories - Hansae Vietnam, Hansae TN and Hansae TG - in Ho Chi Minh over the course of 3 days, new employees get a glimpse of the production flow chart in real life from receiving fabric for production to exporting finished goods. The tour provides helpful insight into the daily tasks occurring at each factory which employees at headquarters will refer to as they plan orders at each location.







#### **New Year's Hiking**

At the beginning of every new year, employees serving at leadership positions go on hiking workshop altogether to refresh their minds for a new start. During the workshop, employees had the opportunity to look back at the previous year and encouraged each other for another year. Then, they made a new year's resolution. The hiking workshop not only provides opportunities for each individual team to personally communicate with the CEO and other leadership, but also develop physical strength.







#### **Fashion Trend Presentation**

About Hansae

Fashion trend presentation is a good overview of the directions Hansae is taking for the upcoming season in fashion. Prepared by the R&D division, the presentation outlined latest fashion trends and presented several styles that Hansae developed and proposed to clients for the upcoming season. All Hansae employees were invited to the show and were greeted with warm welcomes from the models walking on runways. From everyday casual wear for adults and children to functional clothing using sustainable materials, the audience was able to get a sneak peak of something that will soon become a trendy fashion. The show provided useful insights to many sales teams on how to develop styles for the future seasons.

Corporate

Social Compliance

#### • Theme of year 2017: Design for Good & Repair the World







#### • Theme of year 2018: Industrial Revolution



#### Seoul Work Design Week 2018

2018 marks the first year to host Seoul Work Design Week in Korea. Under the theme of 'Discover the Future of Work', the event attempted to share new methods of work. Hansae sponsored Seoul Work Design Week 2018 in hopes of discovering new and more flexible ways of working, and CEO Kim attended the event as a facilitator leading a panel themed 'My Work'. Hansae employees were also invited to the event to listen to 20 different speakers as well as participate in a workshop to experience several new ways of working offered by media companies.



# ()4CommunityPrograms



Community

**Programs** 

Every year, Hansae organizes social contribution activities both at headquarters and at overseas to look through the needs of our neighbors and to grow together.

# Headquarters

About Hansae

#### Sponsorship to Foreign Exchange Students in Korea

Hansae is fond of investing in foreign talents who make up an integral part of company's assets by funding the education of foreign exchange students residing in Korea as well as contributing to enhance the education environment of the countries where Hansae's production takes place. Since 2005, Hansae has been providing scholarships through Hansae Yes24 Foundation to total of 83 foreign students from 26 different countries. In 2017 and 2018, Hansae Yes24 Foundation once again awarded scholarships to several students from across the globe, and the company is looking forward to carrying on this meaningful initiative in the future to assist the education of many talents.



End of the year is probably the most needed time for warmth in Korea. To support the minorities to survive harsh winter season, Hansae Dream, subsidiary of Hansae Yes24 Holdings specializing in children's clothing, hosted the 'Coal Briquette Distribution Campaign' for five years in a row. In this campaign, Hansae Dream invited customers to also participate in the initiative by submitting entry tickets at all offline stores or submitting replies on the official Instagram account. All participants were automatically given a chance to win various free gifts upon nomination. With each ticket/reply counting as 1 coal briquette, the campaign successfully raised 5000 coal briquettes, including donations from Hansae Dream. 70 employees from Hansae Dream delivered the briquettes to low income families and the elderly in Hongje-dong and Jeongneung-dong over the past 5 years.

#### Kimchi Making and Sharing Event

In December 2018, Dream Joints Hansae 24, a volunteer club, participated in kimchi making event at a local food relief center in Seoul. Winter is when neighbors are most in need of food and by donating handmade kimchi, the most popular side dish in Korea, Hansae contributed to providing meals for the neglected individuals. From director to intern, local and foreign employees alike, Hansae volunteers gathered hands to participate in this meaningful initiative for the past few years as part of continued efforts in providing practical and sustainable aid to the society. Funds to support the event were raised through ticket sales from Hansae G24 Band concert, company grant for volunteer activities, and other means.











#### **Sending Books of Love to Local Community**

Another meaningful way of social contribution which Hansae found was to donate books to school libraries for students to read. Hansae Yes24 Foundation partnered with Yes24, a subsidiary of Hansae Yes24 Holdings, to host quarterly 'Sending Books to School' campaign. Readers have the option of making monetary donations or donating books. Each quarter, top 100 schools with the most votes are announced as winners of the campaign, and each school receives 50 books. In 2017, Yes24 team visited Ungdong Middle School, the 1st place winner of the first 'Sending Books to School' campaign, to gift the books themselves. Following year, the team visited Songpo Elementary School, a school recently subject to closing due to insufficient number of students. The team was impressed by how excited the students were to receive the donated books and was able to realize how valuable this campaign is for many students. Since 2017, Yes24 and the Foundation have successfully donated 23,000 books and 240 million Korean won in monetary funds to 448 schools.



FRJ Jeans, subsidiary of Hansae Yes24 Holdings specializing in premium jeans, has been donating to enhance the working environment of firefighters since signing the MOU with 119 Fire officers' Welfare Foundation in 2016. In 2017, FRJ funded the cancer treatment expenses of the affected firefighters through the welfare foundation by hosting the 'Firefighting Cap Donation' campaign and donating its entire sales profit of firefighting-themed baseball cap sales. These caps were also donated to local students in Thailand through Seoul Women's University Volunteering Team. In 2018, FRJ hosted 'Thank You 119' campaign to donate entire sales of its firefighting-themed t-shirts to firefighters struggling with PTSD. President Sung of FRJ expressed his gratitude to consumers who purchased the caps and t-shirts for the good cause and emphasized that FRJ will continue to host various activities in order to give back to many areas in our society.

In addition to above, the company, in collaboration with Hansae Dream, also donated 15 million Korean won worth of clothing to underprivileged individuals in neighboring countries in Southeast Asia and Africa.

#### **Culture Sunshine Concert for the Need**

Sponsoring the Culture Sunshine Concert has been one of Hansae's cherished sponsorships since 2014 because it provides opportunities for underprivileged families to experience classical music. The concerts normally attract attendees coming from multicultural families and foreign residents. On December 1st, 2017, Hansae sponsored the Culture Sunshine Concert under the theme 'Concert of Solace', which was specifically dedicated to the social workers who serve various needs of the outcasts of the society, to honor and express gratitude for their services. On May 11th, 2018, another Culture Sunshine Concert with the theme 'Concert of Light' was performed, and blind Gayageum (Korean traditional string instrument) artist Bo Kyung Kim made a special appearance to accompany the performance. Professor Hong of Korea National University of Arts accompanied the concerts as the narrator and Ensemble Unison, directed by Director Pi, led the performance. CEO Kim of Hansae commented that Hansae will continue to seek for cultural opportunities which many members of the society could come together and enjoy.











#### Overseas

About Hansae

#### **Factory Tour at Hansae TG**

In collaboration with Walmart and Pacific Links, a non-profit organization sponsored by Walmart, Hansae TG hosted a workshop and brief factory visit for selective middle school and high school female students coming from low-income families in Tien Giang Province on June 27<sup>th</sup>, 2017. The goal of the workshop was to inspire the students to finish school and become successful businesswomen in the garment industry by sharing the experiences of a local female manager who also came from similar background. The workshop served a meaningful purpose of introducing students to career opportunity in the garment industry.



#### Ho Chi Minh Vocal Competition

Hansae's diverse efforts for cultural development not only is domestically limited, but extends overseas to provide support to local talents. The 1st Ho Chi Minh Classical Vocal Competition 2017, sponsored by Hansae and co-produced by Ho Chi Minh Conservatory of Music and Hansae, successfully took place at Ho Chi Minh City Opera House on December 2017. Launching on the 9th of December and continuing for 4 consecutive days, a total of 45 Vietnamese contesters participated in the competition and were evaluated by the panel comprised of local music professors and artists. The 2nd Vocal Competition was held from June 12th to 17th, 2018, with 150 contesters participating in the competition. The purpose of the competition was to promote Vietnamese traditional music as well as to nurture the musical skill of the locals. Chief Executive Officer Kim of Hansae said that Hansae will continue the implementation of corporate social responsibility activities in the cultural sectors and hopes to spread our effort onto other enterprises.





# **Ladies Golf Championship 2018**

The 3<sup>rd</sup> Hansae Ladies Golf Championship in Vietnam was successfully launched in summer of 2018. Total of 24 female pro golfers joined the competition to demonstrate their talent. Currently, there are no prominent local golf tournaments in Vietnam, therefore golfers who wish to participate and demonstrate their talent have very limited access to these opportunities. Ms. Nguyen Thao My, the winner of the 3<sup>rd</sup> Championship, mentioned during her interview with the local press that Ladies Golf Championship provides many local pro golfers the chance to embellish their skills to a new level. Hansae will continue to host the Golf Championship to develop Vietnamese golfers' talents in order to prepare them for international leagues.





# 4.2 Employee Benefit Activities

At Hansae headquarters, employees are welcomed to join trips, exhibitions, picnics and other activities as part of employee benefits offered by the company. Investing in employee benefits activities ensures employees to refresh.

### Headquarters

#### **International Cultural Exchange Exhibition**

Hansae Yes24 Foundation hosted 'The Spirit of Thailand', a Thai art exhibition in celebration of the upcoming 60<sup>th</sup> anniversary of establishing diplomatic relationship between Korea and Thailand, from July 12<sup>th</sup> to 18<sup>th</sup>, 2017 at Insa Art Center. With a record of successful previous cultural exchange exhibitions, this 3<sup>rd</sup> International Cultural Exchange exhibition invited 19 artists from Thailand, from Silpakorn University alumnni to artistic craftsmen, to display Thai craftworks and painting works made from the traditional Thai lacquer technique, which blends in the traditional artistic approach and the contemporary aspects.







#### **Long-term Employee Compensation Trip**

Hansae expresses gratitude for its employees in many ways, and sending them on a good vacation is one of them. To compensate long years of service at the company, Hansae organized a special trip to Hawaii for employees who spent five or more years working at Hansae. The selected employees brought their families with them on this trip and spent a full week in July 2017 and in August 2018 resting and sightseeing. Hansae hopes to encourage employees through compensation trips so that they feel more motivated to work, and will continue to seek other methods of showing gratitude to workers.







About Hansae

In September 2017, American Chamber of Commerce in Korea (AMCHAM) hosted an annual picnic open to the members of the commerce. As a member of AMCHAM, Hansae Yes24 Holdings supported its employees to join the 8<sup>th</sup> AMCHAM Labor Day Picnic at Hanam city with their families. The event was popular among children who were able to enjoy water park themed activities and participate in drawing contests. Other events such as yoga and t-shirt making were available for experience as well as various comfort foods to enjoy. The attendees all agreed that the picnic was a favorable experience for their children as they had fun enjoying the water activities, and hoped to participate again in next year's picnic as well with increased options for activities.







#### Foreign Employee Trip to Korea

Hansae values all its foreign employees at all of our operating facilities and decided to invite a selective number of employees to a trip to Korea. With all expenses covered by the company, the employees from Vietnam arrived on September 24<sup>th</sup>, 2017 and experienced Korean culture. They visited Gyeongbokgung Palace, Cheonggyecheon Stream, Han River and other tourist attractions and also visited Hansae headquarters. The trip was a lot more meaningful to the company because more than half of the employees on this trip were with Hansae for over 15 years, and company was able to compensate their long service through boosting their self-esteem as an employee of a global company.







#### Overseas

Each of our oversea factories provides various employee benefit activities. Every year, factory management organizes several different activities – employee trips, gift providings, teambuilding activities and competitions – for employee bonding and refreshment.

# **Teambuilding Activities and Festivals**

#### • Employee Trip & Outing

Hansae Vietnam Co., Ltd. Hansae TN Co., Ltd. Hansae TG Co., Ltd. Myanmar Ayeyarwaddy MFG Co., Ltd.







#### • Team Building

Hansae Vietnam Co., Ltd.







#### Festival

Hansae Vietnam Co., Ltd. - 12<sup>th</sup> Anniversary

Myanmar Ayeyarwaddy MFG Co., Ltd.

- New Year







#### Sports Event

Hansae TN Co., Ltd. Hansae TG Co., Ltd.







# **Providing Gifts to Employees on Special Occasions**

• Tet Holiday Gifts

About Hansae

Hansae Vietnam Co., Ltd. Hansae TN Co., Ltd. Hansae TG Co., Ltd.







## **Talkshows & Lectures**

- Work-life balance by Dr. Nguyen Hoang Khac Hieu
- Positive Thinking in Work & Life Ph.D Psychology: Bui Hong Quan

Hansae Vietnam Co., Ltd. Hansae TN Co., Ltd. Hansae TG Co., Ltd.







## **Cultural Event**

Ao Dai Competition & **Cooking Competition** 

Hansae Vietnam Co., Ltd.







# **Skill Competition**

 Sewing and Quality Control Competition

Hansae Vietnam Co., Ltd. Hansae TN Co., Ltd. Hansae TG Co., Ltd.





# 4.3 Donations

Another way of local outreach which Hansae utilizes is through making donations to various programs. Hansae seeks opportunities to support local communities where its facilities are located in. By giving back, we hope to contribute to the regional economic and social development.

Country	Company	Donation Program	Description	Start Year	Recipients 2017/2018 (Each Year)	Amount per Year
Korea	Headquarters -	Roslyn S. Jaffe Awards	Annual donation to Roslyn S. Jaffe Awards to commemorate people and organizations that contribute to empowering women and children.	2014	4	\$10,000
		Yes24 Foundation 8th Donation Program	Donation by 25 Korean and 10 Vietnamese exchange students to high schools and schools for the disabled in Cu Chi district.	2015	100	\$15,000
Vietnam	Hansae Vietnam Co., Ltd.	Scholarship Grant	Donation of 210 scholarships to 7 high schools in Cu Chi District during first semester of 2017 and 2018. Each school received 30 scholarship, each worth VND 400,000.	2004	210	VND 84,000,000
		Scholarship Grant	Donation of 210 scholarships to 7 high schools in Cu Chi District during second semester of 2017. Each school received 30 scholarship, each worth VND 500,000.	2004	210	VND 105,000,000
		Community Outreach	Donation of 10,000 books to 100 primary schools in Ho Chi Minh in 2017 and 2018. Each school was donated with 100 books.	2017	100 schools	VND 800,000,000
		Community Outreach	Donation for building happy house for poor workers by Union of Hansae Vietnam.	2016	5	VND 50,000,000
		Scholarship Grant	Donation of scholarships for excellent students by Union of Hansae Vietnam.	2011	181	VND 116,600,000
		Scholarship Grant	Donation of VND 100,000,000 for young football team in Cu Chi district.	2014	25	VND 100,000,000
	Hansae TN Co., Ltd.	Community Outreach	Donation of 1,000 books for students at Ngo Van To primary school.	2011	66	VND 5,830,000
		Mái ấm công đoàn Program - Trade Union Outreach	Construction of houses for 5 trade union members in need.	2017	5	VND 200,000,000
		Scholarship Grant	Donation of 112 scholarships to children of Hansae TN employees.	2008	112	VND 78,400,000
		Community Outreach	Donation for the poor and victims of Agent Orange/dioxin*.	2016	Victims of dioxin	VND 30,280,000
	Hansae TG Co., Ltd.	National Defence Fund	Donation to support National Defense in Tien Giang area.	2014	Local Military	VND 2,000,000
		Community Outreach	Purchasing of labor newspaper issued by Tien Giang Trade Union on the occasion of Lunar Tet Holiday.	2017	500	VND 20,000,000
		Poor Pension Fund	Donation of "Poor Pension Fund" , raised by factory, to poor households in Cai Be District, Tien Giang Province.	2015	Local People's Committee	VND 50,000,000
Myanmar	Ayeyarwaddy	Community Outreach	Donation to the Bago Division, a regional development fund.	2018	Bago Division	MMK 10,000,000
Nicaragua	Hansae International, S.A.	Community Outreach	Construction of sports court at Maria Auxiliadora school in Niquinohomo to provide better security and education environment for local students.	2017	200	C\$ 303,900
		Community Outreach	Donation to support for annual congress of Mixed Commissions - Masaya.	2016	30	C\$ 3,500
		Artepintura -	Donation to the Artepintura children's program.	2017	70	C\$ 4,000
		Community Outreach	Donation to Nandasmo Health Center.	2017	15	C\$ 1,000
		Community Outreach	Donation to Niquinohomo Health Center.	2016	25	C\$ 3,000
Haiti	Hansae Haiti, S.A.	Community Outreach	Donation of T-shirts for 2018 Carnival from Hansae Haiti to Senator Wanique Pierre to provide to Haitian people.	2018	Catholic Organization	G 157,706.5
		Community Outreach	Donation of clothes to La Foundation Kkottongnae de Jesus Haiti.	2018	71,526 pcs	G 1,741,757.5

<sup>\*</sup> Dioxin: chemical contaminant in the mixture known as 'Agent Orange', which was used during the Vietnam War.

\*\* Reporting period of the donations: January 1st, 2017 - December 31st, 2018

About Hansae

## Donation of Books to Ho Chi Minh Primary Schools (Hansae Vietnam)





# Scholarship Grant (Hansae TN)





Housing Construction for Trade Union Members (Hansae TN)



# 4.4 Awards & Recognitions

# Domestic Awards and Recognitions

# Hansae awarded at the 55th Trade Day Awards Ceremony

On January 3rd 2018, Hansae received Minister's award from Minister of Trade, Industry and Energy at the 55<sup>th</sup> Trade Day Awards Ceremony. The Trade Day Ceremony, supervised by Ministry of Trade, Industry and Energy and sponsored by KITA, was held in Republic of Korea Embassy in Guatemala to reward corporations who contributed to the expansion of export and overseas market development. Hansae, is credited for building up textile industry in Guatemala and creating added values through trading. Mr. Tae Young An, General Director of Hansae Guatemala, attended ceremony.



## Hansae received 2017 Target Business Award

On April 23<sup>rd</sup>, 2018, Hansae was awarded with the 2017 Target Business Award for its excellent support for girls leggings business and sustainability (Oeko-tex exclusive program). Numerous business partners of Target were invited to the awards ceremony. As a strategic partner of Target, Hansae aims to provide support in diverse areas in order to meet our partners expectations.



# Hansae awarded at the 31st Textile Day Awards Ceremony

In Celebration of the 31st Textile Day, Korea Federation of Textile Industries (KOFOTI) awarded various exporter awards to vendor and factory personnel on November 10th, 2017.

- Minister award from Ministry of Trade, Industry and Energy in the Exporter category: Shirley Lee (Vice President, Compliance & Sustainability)
- Minister award in the Outstanding Employee category: Albert Lee (Senior Department Manager, Sales)
- KOFOTI Chairman's award in the Exporter category: C.H Kim (President, C&T Vina)
- KOFOTI Chairman's award in the Exemplary Field Employee category:
   D.C Kim (Factory Manager, Hansae Vietnam 12)
   J.C Choi (Factory Manager, Hansae International S.A. #5)





# Local Awards and Recognitions

Environmental

Sustainability

#### Hansae Vietnam Co., Ltd.



#### Merit of the Executive Committee of Ho Chi Minh City Confederation of Labor - 2017/06/09

- Achievement: Excellent implementation of labor law and caring of workers since 1997 (20 years)
- Awardee: Mr. Jin Woo Lee, General Manager



Community

**Programs** 

#### The Executive Committee of Confederation of Labor in Ho Chi Minh City - 2018/01/18

• Achievement: Outstanding achievements in the movement of good labor emulation and building strong Trade Union in 2017



#### **Merit of General Confederation Labor** of Vietnam - 2018/01/20

• Achievement: Good performance and standard policy in making Collective Bargaining Agreement and Dialogue at Workplace.



# **Executive Committee of Confederation** of Labor in Ho Chi Minh City

- 2017/08/24
- Achievement: Building and developing Trade Unions of Ho Chi Minh Export Processing - Industrial Zones Authority

#### Hansae TN Co., Ltd.



#### **Tay Ninh Trade Union** - 2018/06/06

• Achievement: Excellence in achieving Workers' Month for the ninth time in 2018



#### Merit of Trade Union of Tay Ninh Industrial Parks - 2018/03/05

Achievement: Excellent achievement of trade union in 2017



#### Merit from the Vietnam General Confederation of Labor- 2018/01/18

• Achievement: Excellence in collective labor agreement and labor conference in 2017



#### Merit of Confederation Labor of Tay Ninh Province - 2017/06/15

• Achievement: Excellence in achieving "Workers' Month" for the eighth time

#### Hansae TG Co., Ltd.



#### **Executive Committee of the Labor Confederation Tien Giang Province** - 2018/05/24

• Achievement: Outstanding achievement good labor emulation and strong Trade Union in the period of 2015 - 2017



### **Executive Committee of Vietnam General Confederation of Labor**

- 2018/05/02
- Achievement: Excellent achievement in labor safety in 2017



#### **Executive Committee of the Labor Confederation Tien Giang Province** - 2018/02/26

• Achievement: Excellent achievement in labor safety



#### **Executive Committee of the Labor Confederation Tien Giang Province** 2017/12/13

• Achievement: Excellent achievement in good labor emulation and strong trade union in 2017

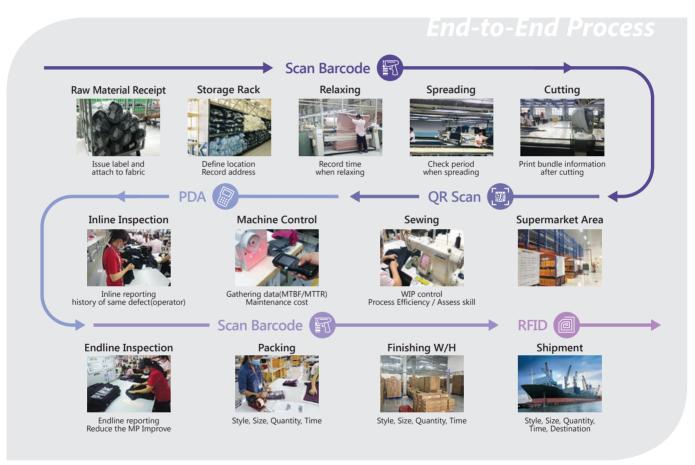
# 05 Smart Factory



# 5.1 Digital Era (End-to-End Digitization)

In order to respond quickly to paradigm shift in manufacturing, it is necessary to create a production environment in which all data in the plant is connected to a real-time network. As a result, Hansae is implementing a system that can obtain real-time information on production status and perform factory operation optimized to the current situation through big data analysis.

Through such effort, we hope to bring a standardized and organized production environment at Hansae, and also expect to reduce the labor costs through the reduction of indirect personnel. Computerization is underway in all production processes and is expected to be completed by the end of 2019.









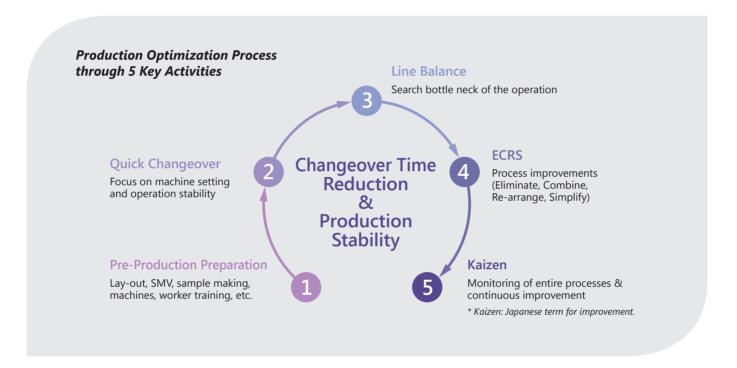




# 5.2 Hansae Innovation Center

#### The Mission of Innovation Center

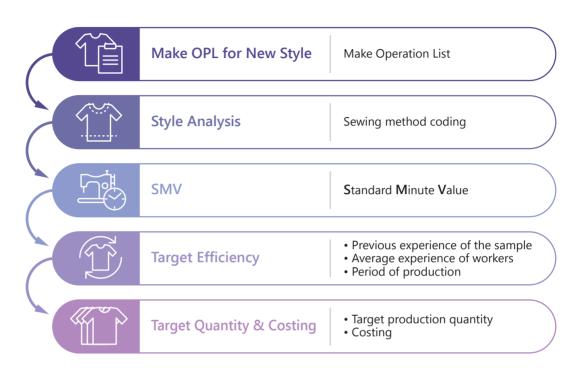
The mission is to optimize the entire production process through 5 key activities.



# Organization

#### **Planner Industrial 6S Entire** Engineer **Process** Schedule Management • Lean Audit Control Engineer's perspective Planning of 5 key activities **Buyer Compliance monitoring** · Analysis Management • 6S Management Make decisions Sort / Set In Order / Shine / based on data analysis Sustain / Standardize / Safe **HANSAE** Innovation Center **Technician Analysis** • Manufacturing Process Flow Analysis Pilot sample making and organize Analyze the overall production flow by calculating the production manufacturing process **Technical** General efficiency of non-sewing processes **Innovation Sewing Data** • Technical Support Provide GSD analysis support and technical support for line managers

# **Style Analysis**



#### **Activities**



Technical engineer makes a sample. GSD analyst takes video. GSD analyst makes SMV on GSD program.



Mechanic adjusts machines using actual materials for new styles.



Quality check and lay out sequence.



After production styles change, QCO (quick change over) team identify and solve emergency issues and problems to reduce lead time.

# **General Standard Disclosure 4.0**

GRI Indicator	Disclosure	Section	Page
C4 1	Strategy and Analysis  Statement from the most senior decision-maker of the organization about the relevance of sustainability	Manage from CEO	T
G4-1	to the organization and the organization's strategy for addressing sustainability.	Message from CEO	5
	Organizational Profile	1	
G4-3	Name of the organization.	About Hansae	2
G4-4	Primary brands, products, and services.	Markets Served	11
G4-5	Location of the organization's headquarters.	Global Network	8-9
G4-6	Number of countries where the organization operates that are specifically relevant to the sustainability topics covered in the report.		8-9
G4-7	Nature of ownership and legal form.	Organization Structure	7
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	Markets Served	10
G4-9	Scale of the organization.	Global Network	8-9
G4-10	Total number of employees by employment type, gender, employment contract, and region.	Global Network	9
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	About This Report	2
C4 22	Identified Material Aspects and Boundaries  Effect of any restatements of information provided in previous reports.	There are no restatements	T
G4-22	Lifect of any restatements of information provided in previous reports.	from previous reports.	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	There are no significant changes	
G4-23	Significant changes from previous reporting periods in the scope and Aspect boundaries.	from previous reporting periods in	
		the Scope and Aspect Boundaries.	
	Stakeholder Engagement	the scope and Aspect Boundaries.	
G4-24	List of stakeholder groups engaged by the organization.	Stakeholder Engagement	11
G4-25	Basis for identification and selection of stakeholders with whom to engage.	Stakeholder Engagement	11
U4-23	Report Profile	Stakenoider Engagement	1 11
G4-28	Reporting period (fiscal or calendar year) for information provided.	About This Report	2
G4-28 G4-29	Date of most recent previous report.	About This Report	2
G4-29 G4-30	Reporting cycle.	About This Report	2
G4-31	Contact point for questions regarding the report or its contents.	About This Report	2
G4-31 G4-32	'In accordance' option and GRI Content Index.	About This Report, GRI Index	2, 46
04 32	Ethics and Integrity	About This Report, GREINGEN	2,40
G4-56	Organization's values, principles, standards and norms of behavior.	Philosophy and Values	6
O+ 30	Economic Category	Trinosopriy and values	
	Aspect: Economic Performance		
G4-EC1	Direct economic value generated and distributed.	2017 & 2018 Performance	6
O I LCI	Aspect: Market Presence	2017 & 2010 For formance	
G4-EC5	Ratio of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Factory Operations	17
G-7 EC5	Environmental Category  Aspect: Energy	Tactory Operations	17
G4-EN3	Energy consumption within the organization.	Energy and GHG Emissions Management System	15
G4-EN6	Reduction of energy consumption.	Energy and GHG Emissions Management System	15
U4-LINU	Aspect: Water	Energy and Grid Emissions Management System	13
G4-EN8	Total water withdrawal by source.	Energy and GHG Emissions Management System	15
U4-LIVO	Aspect: Emissions	Energy and Grid Emissions Management System	1 13
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1).	Energy and GHG Emissions Management System	15
G4-EN15	Energy indirect greenhouse gas (GHG) emissions (scope 2).	Energy and GHG Emissions Management System	15
G4-EN19	Reduction of greenhouse gas (GHG) emissions.	Energy and GHG Emissions Management System	15
G4-EINI3	Aspect: Compliance	Energy and Grid Emissions Management System	13
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance	There were no fines or non-monetary	
G4-EINZ9	with environmental laws and regulations.	sanctions for non-compliance with	
	with Chillion Heritan laws and regulations.	environmental laws and regulations.	
	Labor Practices and Decent Work	environmentariaws and regulations.	
	Aspect: Employment		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	Factory Operations	17
G4-LA3	Return to work and retention rates after parental leave, by gender.	Factory Operations	17
OT LAS	Aspect: Occupational Health and Safety	Tactory Operations	1/
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism,	Factory Operations	
	and total number of work-related fatalities, by region and by gender.	7 - 1 - 1 - 1	17
	Aspect: Training and Education	1	1
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	Sustainable Development Programs	26
			1
		Sustainable Development Programs	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees	Sustainable Development Programs	20-25
		Sustainable Development Programs	20-25
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  Aspect: Equal Renumeration for Women and Men	-	
	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  Aspect: Equal Renumeration for Women and Men	Factory Operations	20-25
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**	-	
G4-LA13	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**	Factory Operations	17
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights	Factory Operations Factory Operations	
G4-LA13	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**	Factory Operations	17
G4-LA13 G4-HR2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**	Factory Operations  Factory Operations Sustainable Development Programs	26
G4-LA13	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor,	Factory Operations Factory Operations	17
G4-LA13 G4-HR2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Factory Operations  Factory Operations Sustainable Development Programs	26
G4-LA13 G4-HR2 G4-HR5	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  **Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  **Aspect: Forced of Compulsory Labor**	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations	26
G4-LA13 G4-HR2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  **Aspect: Forced of Compulsory Labor**  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor,	Factory Operations  Factory Operations Sustainable Development Programs	26
G4-LA13 G4-HR2 G4-HR5	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory Labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations	26
G4-LA13 G4-LA13 G4-HR2 G4-HR5 G4-HR6	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  **Aspect: Forced of Compulsory Labor**  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.  **Aspect: Security Practices**	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations  Factory Operations	26 17 17
G4-LA13 G4-HR2 G4-HR5	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men** Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory Labor*  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor, aspect: Security Practices  Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations	26
G4-LA13 G4-HR2 G4-HR5 G4-HR6 G4-HR7	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  **Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory Labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor,  **Aspect: Security Practices**  Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.  **Aspect: Human Rights Grievance Mechanisms**	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations  Factory Operations  Factory Operations	26 17 17 17 17
G4-LA13 G4-HR2 G4-HR5 G4-HR6 G4-HR7	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory Labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.  **Aspect: Security Practices**  Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.  **Aspect: Human Rights Grievance Mechanisms**  Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations  Factory Operations	26 17 17
G4-LA13 G4-LA13 G4-HR5 G4-HR6 G4-HR7	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men** Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.  **Aspect: Forced of Compulsory Labor**  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.  **Aspect: Security Practices**  Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.  **Aspect: Human Rights Grievance Mechanisms**  Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.  Society	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations  Factory Operations  Factory Operations	26 17 17 17 17
G4-LA13 G4-HR2 G4-HR5 G4-HR6	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  **Aspect: Equal Renumeration for Women and Men**  Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.  **Human Rights**  **Aspect: Investment**  Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  **Aspect: Child Labor**  Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory Labor.  Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.  **Aspect: Security Practices**  Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.  **Aspect: Human Rights Grievance Mechanisms**  Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	Factory Operations  Factory Operations Sustainable Development Programs  Factory Operations  Factory Operations  Factory Operations	26 17 17 17 17

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