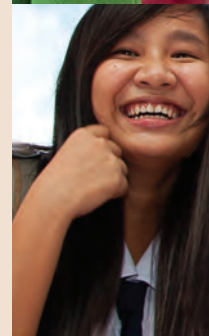


**HANSAE**

CORPORATE SOCIAL RESPONSIBILITY REPORT  
2016



## ABOUT THIS REPORT

### Report Profile

5<sup>th</sup> Annual GRI Sustainability Report

Reporting Period: January - December 2016 (Unless otherwise specified)

Reporting Cycle: Annual

Contact point for questions regarding the report or its contents: [compliance@hansae.com](mailto:compliance@hansae.com)

### Scope of Reporting

This report is published in accordance with the Global Reporting Initiative (GRI) G3.1 guidelines at Application Level C and covers all qualitative and quantitative data and activities pertaining to calendar year 2016. The scope, boundary and measurement 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 42.

### Highlights of CSR Report 2016

This report features various trainings and programs provided to employees at headquarters and overseas, to promote workers' engagement in all offices and factories. This report also highlights the various efforts to reduce environmental footprint at local communities in order to approach environmental sustainability.

## HANSAE MINI HISTORY

1982. 11	Founded Hansae Co., Ltd.
1988. 01	Established the first local subsidiary in Saipan
2001. 03	Established Hansae Vietnam Co., Ltd., the 1 <sup>st</sup> local corporation in Vietnam
2002. 02	Was awarded 'Li & Fung - Valued Business Partner of the Year 2002'
2003. 01	Was awarded 'Target 2002 Vendor Award of Excellence'
2005. 02	Established Hansae TN Co., Ltd., the 2 <sup>nd</sup> local corporation in Vietnam
2005. 08	Established PT. Hansae Indonesia Utama, the 1 <sup>st</sup> local corporation (KBN) in Indonesia
2005. 09	Established Hansae Pinula S.A., the 1 <sup>st</sup> local corporation in Guatemala
2006. 11	Established PT. Hansae Karawang Indonesia, the 2 <sup>nd</sup> local corporation in Indonesia
2007. 04	Awarded 'Target Partner Award of Excellence' for five years in a row (2007-2011)
2008. 05	Awarded 'Wal-Mart GP SOY (Supplier of the Year)'
2008. 05	Established New York Office in New York, NY
2009. 11	Established Hanoi Office in Hanoi, Vietnam
2010. 08	Awarded 'Kohl's Trophy' in Kids Division
2010. 08	Established Hansae Global S.A., the 2 <sup>nd</sup> local corporation in Guatemala
2010. 11	Established Hansae TG Co., Ltd., the 3 <sup>rd</sup> local corporation in Vietnam
2011. 03	Awarded '2010 Carter's Factory OQL 5 Banner Award'
2012. 07	Awarded '2012 Global CEO of Korea' - Vice Chairman/CEO Mr. Yong Baek Lee
2013. 02	Acquired C&T VINA Co., Ltd., the fabric factory in Vietnam
2013. 02	Acquired Myanmar Ayeyarwaddy MFG, the 1 <sup>st</sup> local corporation in Myanmar
2013. 09	Established Ho Chi Minh Office in Ho Chi Minh, Vietnam
2014. 05	Established Semarang Office in Semarang, Indonesia
2014. 07	Acquired Costec International Co., Ltd., the 2 <sup>nd</sup> local corporation in Myanmar
2015. 01	Awarded the appreciation plaque from the Ministry of Labor Nicaragua
2016. 10	Advanced to Haiti

## HANSAE YES24 HOLDINGS



## CONTENTS

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ABOUT THIS REPORT	02
HANSAE MINI HISTORY	02

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1. ABOUT HANSAE	04
1.1 CEO MESSAGE & VISION	04
1.2 PHILOSOPHY	06
1.3 ORGANIZATION	06
1.4 2016 PERFORMANCE	07
1.5 GLOBAL NETWORK	08
1.6 CUSTOMERS	10

---

2. SOCIAL COMPLIANCE	12
2.1 CORPORATE SUSTAINABLE INDEX	12
2.2 SUSTAINABLE MANAGEMENT SYSTEM	13
2.3 EMPLOYEE TRAINING & DEVELOPMENT (OVERSEAS)	18
2.4 EMPLOYEE TRAINING & DEVELOPMENT (HQ)	24

---

3. COMMUNITY PROGRAM	26
3.1 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES	26
3.2 DONATIONS	31
3.3 AWARDS AND RECOGNITIONS	32

---

4. ENVIRONMENTAL SUSTAINABILITY	34
4.1 ENVIRONMENTAL MANAGEMENT SYSTEM	34
4.2 GREEN ACTIVITIES	35

---

5. PRODUCTION OPTIMIZATION	38
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GRI INDEX	42
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# 1 ABOUT HANSÆ

## 1.1 CEO MESSAGE & VISION

I would like to express my sincere gratitude for your continued interest and support for Hansæ.

In recent years, the uncertain economy and fierce competition in society emphasized the increasing importance of sustainable management for a company's survival. The constantly changing fashion trend, alongside consumer's preference towards ethical production and consumption has given Hansæ a new challenge, and we are finding solutions to this challenge through innovation and cooperation.

The fifth annual CSR report contains Hansæ's various activities and their achievements in 2016. In particular, Hansæ inspected its internal systems and promoted diverse activities in order to highlight workers' engagement, encouraging communication and participation of both domestic and overseas employees. In addition, as a member of a global society, Hansæ is actively involved in social contribution activities through educational support, financial assistance, donation and more, with a sense of responsibility for the development of local communities. We will continue to explore various measures to fully fulfill our social responsibilities.

Hansæ is also making arduous efforts to improve and to preserve the environment for sustainable management. In 2016, we constantly strived to reduce greenhouse gas emissions through reductions in energy usage, and we also paid attention to reducing water usage. In addition, we sought to minimize the environmental impact of our production activities by setting targets for elimination of hazardous chemical substances. Hansæ will give its best efforts to not only secure its position as the preferred strategic partner of popular overseas brands, but also serve as a global company that cares for the local environment.

"Enriching customers' lives and leading world fashion culture by providing the best quality clothing at reasonable prices." Keeping this mission in mind, we will continue with our efforts to lead the creation of economic, social and environmental values. I ask for your continued support and encouragement.

Thank you.



CEO  
Hansæ Co., Ltd.

Yong Baek Lee



I would like to thank all of you for your support for Hansae Fashion Worldwide.

The fashion market is rapidly changing every moment, and Hansae has been adapting to the changes by promoting continuous development and by securing its position as one of the best production partners providing total service for many buyers. Currently, Hansae is preparing itself in multifaceted directions in accordance with the 21<sup>st</sup> century management trend 'Sustainable Management', to become a company capable of sustainable growth.

Efficient supply and demand of raw materials, accurate cost calculation, development of new buyers and continuous revenue growth and profit creation are Hansae's driving forces of growth. Hansae will continue to put efforts into strengthening its competitiveness by providing support to these activities through optimization of automation, LEAN, CGS, and GSD to increase production capacity.

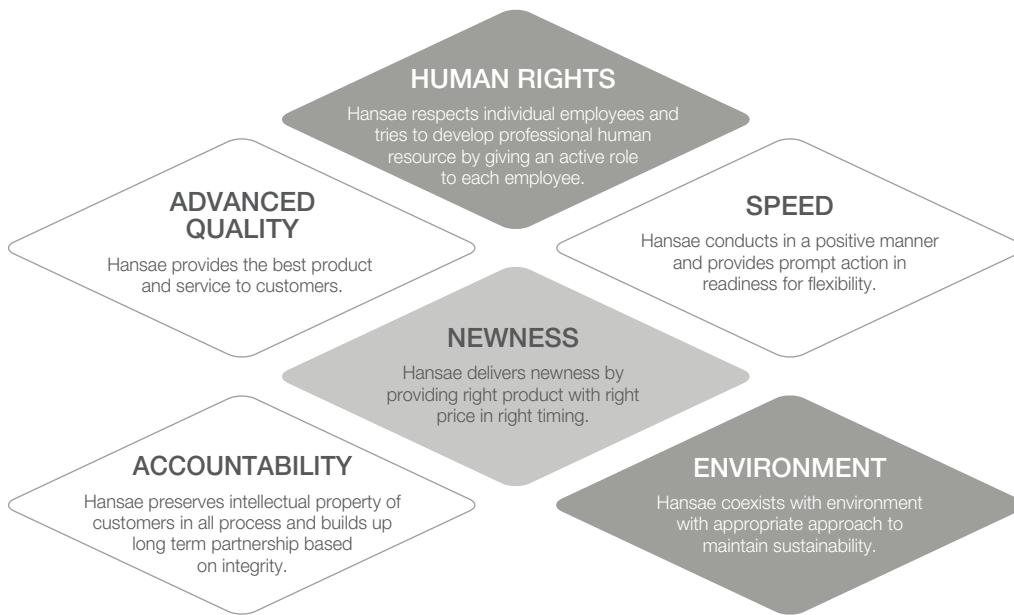
In addition, Hansae continuously gives back to the local communities that enable our global production through various social contribution activities. We build independence and business competence of the local employees by providing supervisory skills training for upper management and various personal and career advancement programs for workers. By fulfilling our social responsibilities, we aim to grow into a company practicing sustainable management, where not only an individual but the entire employees can grow together.

Hansae has achieved the unimaginable until now, but I believe this is just the beginning. Through various communication channels, Hansae will listen to its employees and stakeholders for further development. We look forward to your continued interest as we take steps to achieve our vision for "Fashion Worldwide".

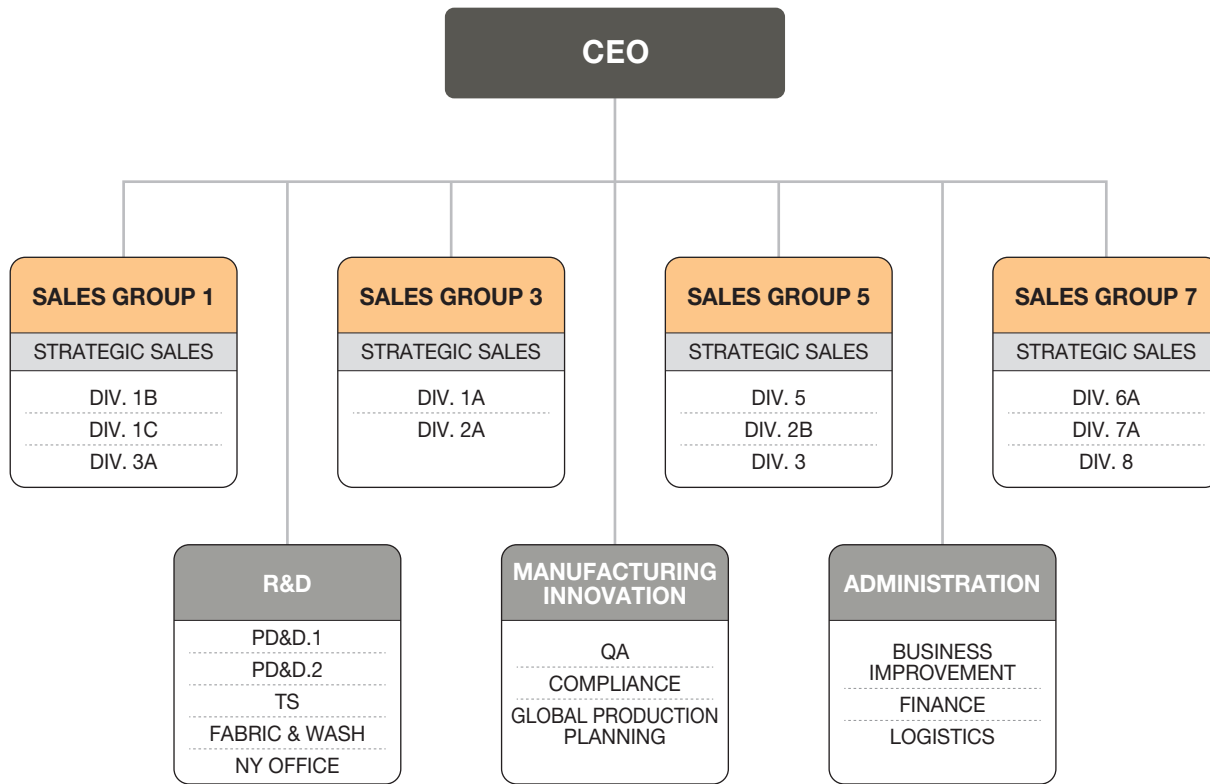
Thank you.

CEO  
**Hansae Co., Ltd.**  
Ik Whan Kim

## 1.2 PHILOSOPHY

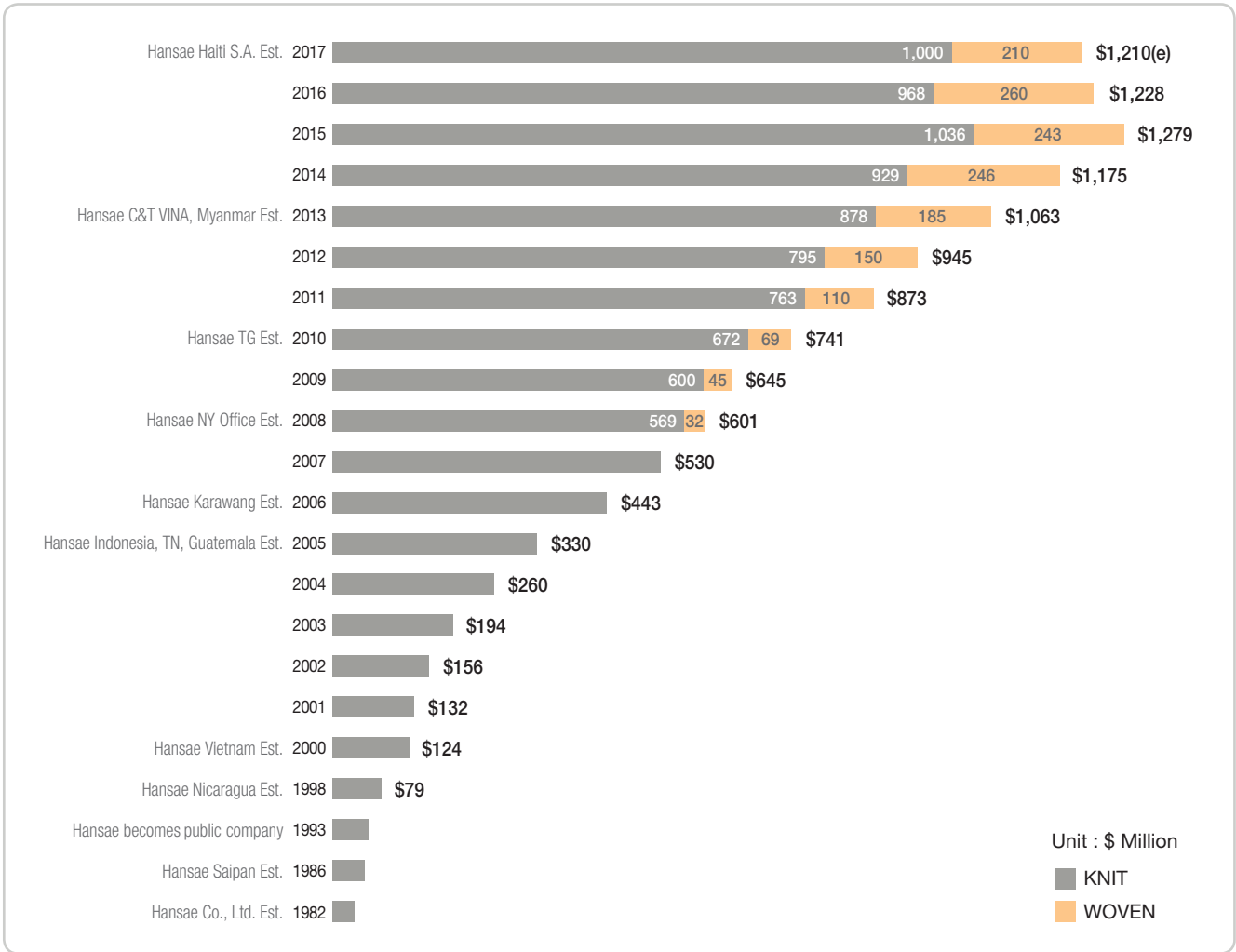


## 1.3 ORGANIZATION

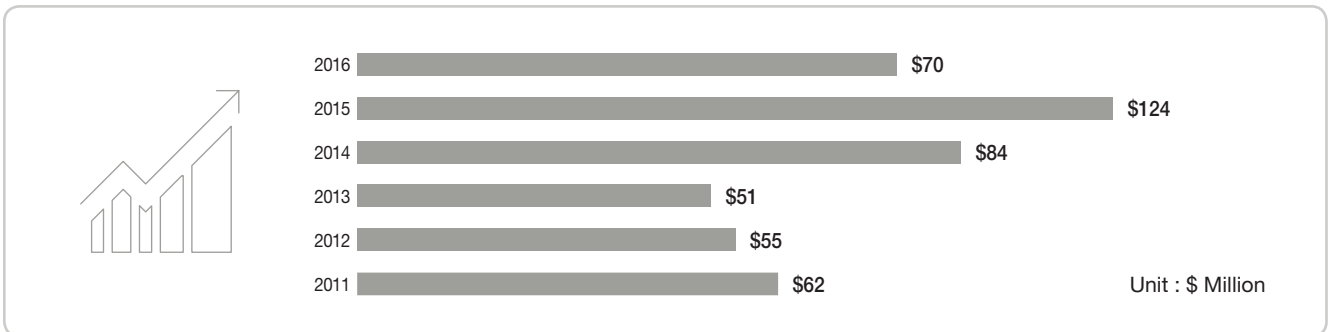


# 1.4 2016 PERFORMANCE

## → Sales Volume



## → Operating Profit



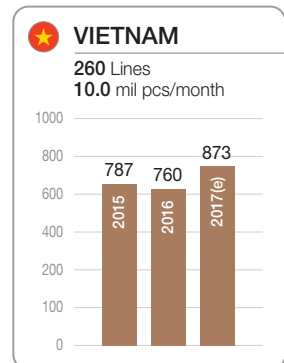
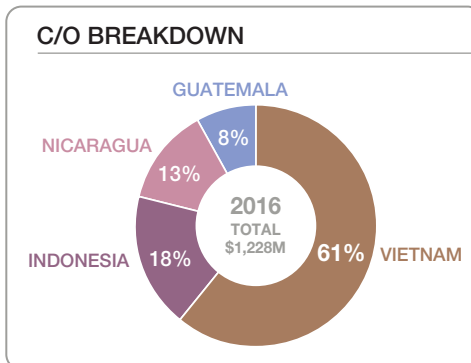
## 1.5 GLOBAL NETWORK

# Fashion Worldwide



Unit : \$ Million

➔ Capacity by Country







➔ Production Capacity



**6** Countries

- Vietnam
- Myanmar
- Guatemala
- Indonesia
- Nicaragua
- Haiti



**31,339**  
Employees



**11** Mills

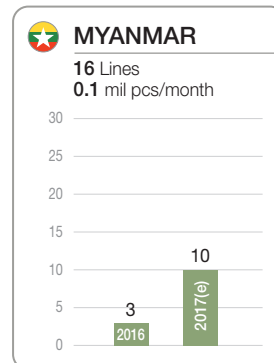
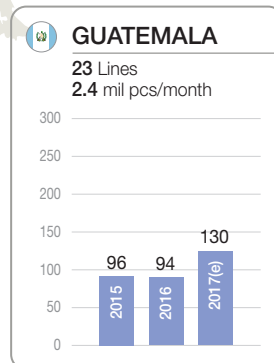
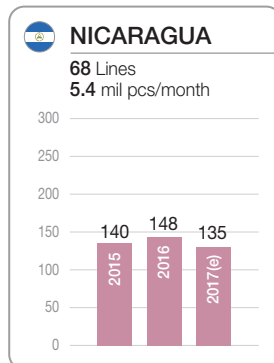
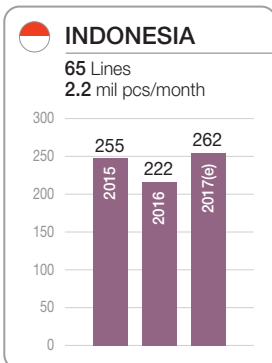


**20.1**  
Million PCS / Month



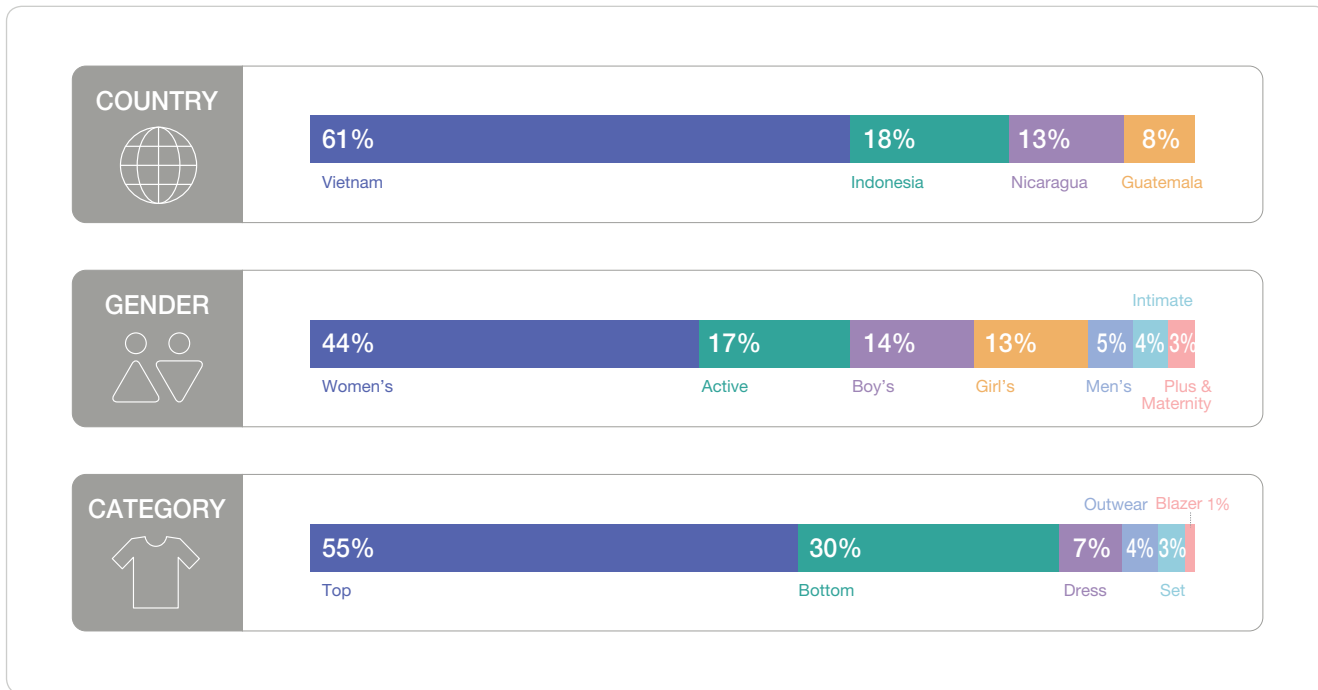
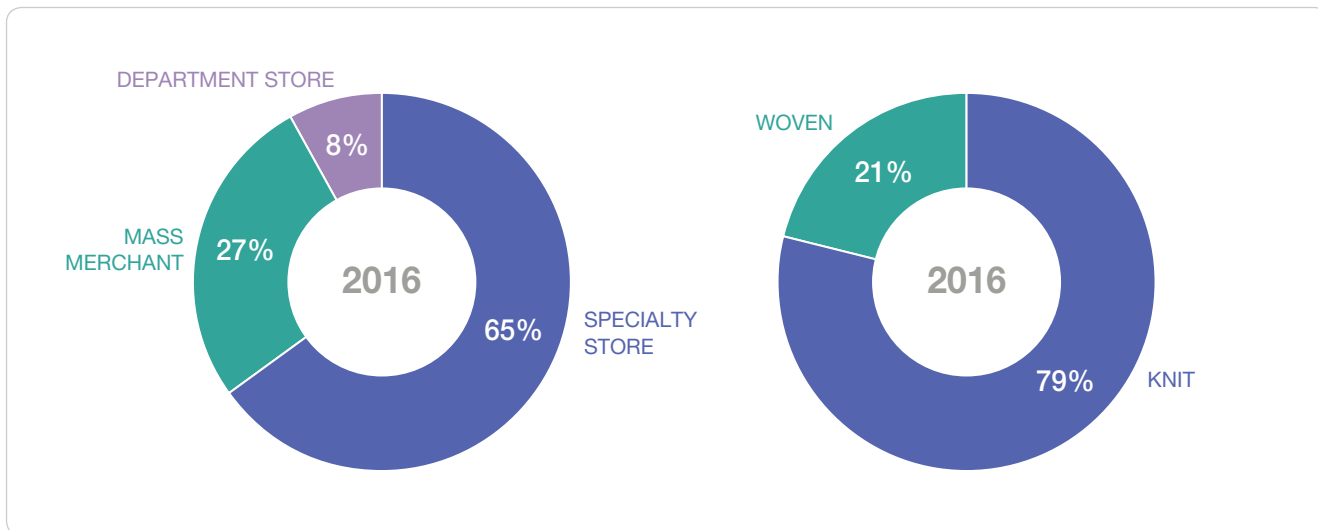
**432** Line  
Production Capacity

Unit : \$ Million

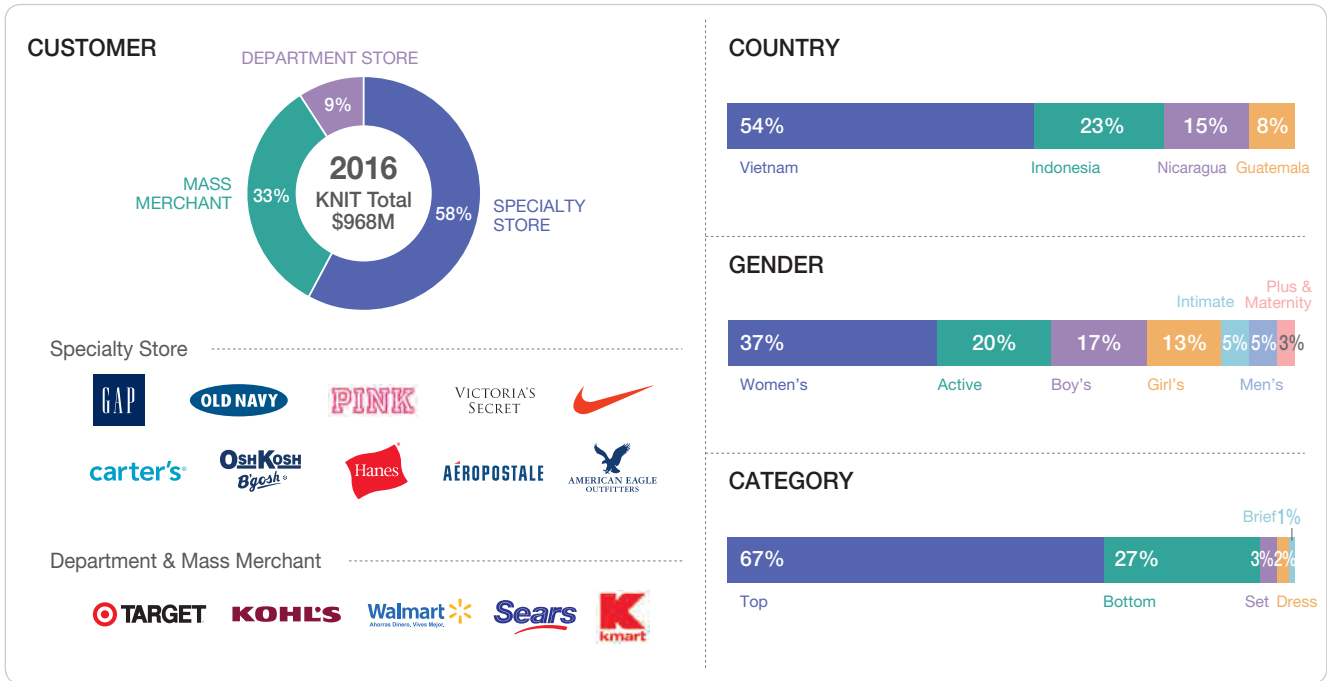


## 1.6 CUSTOMERS

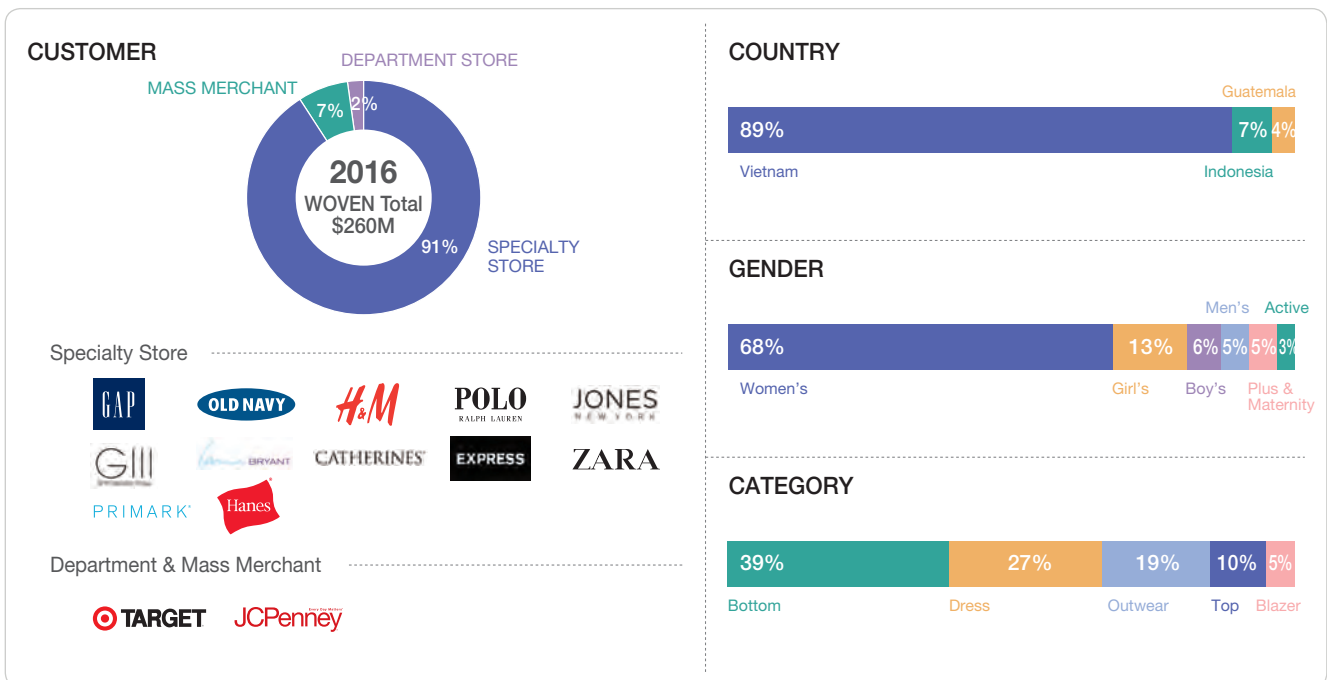
### → Customers



→ KNIT Business 2016

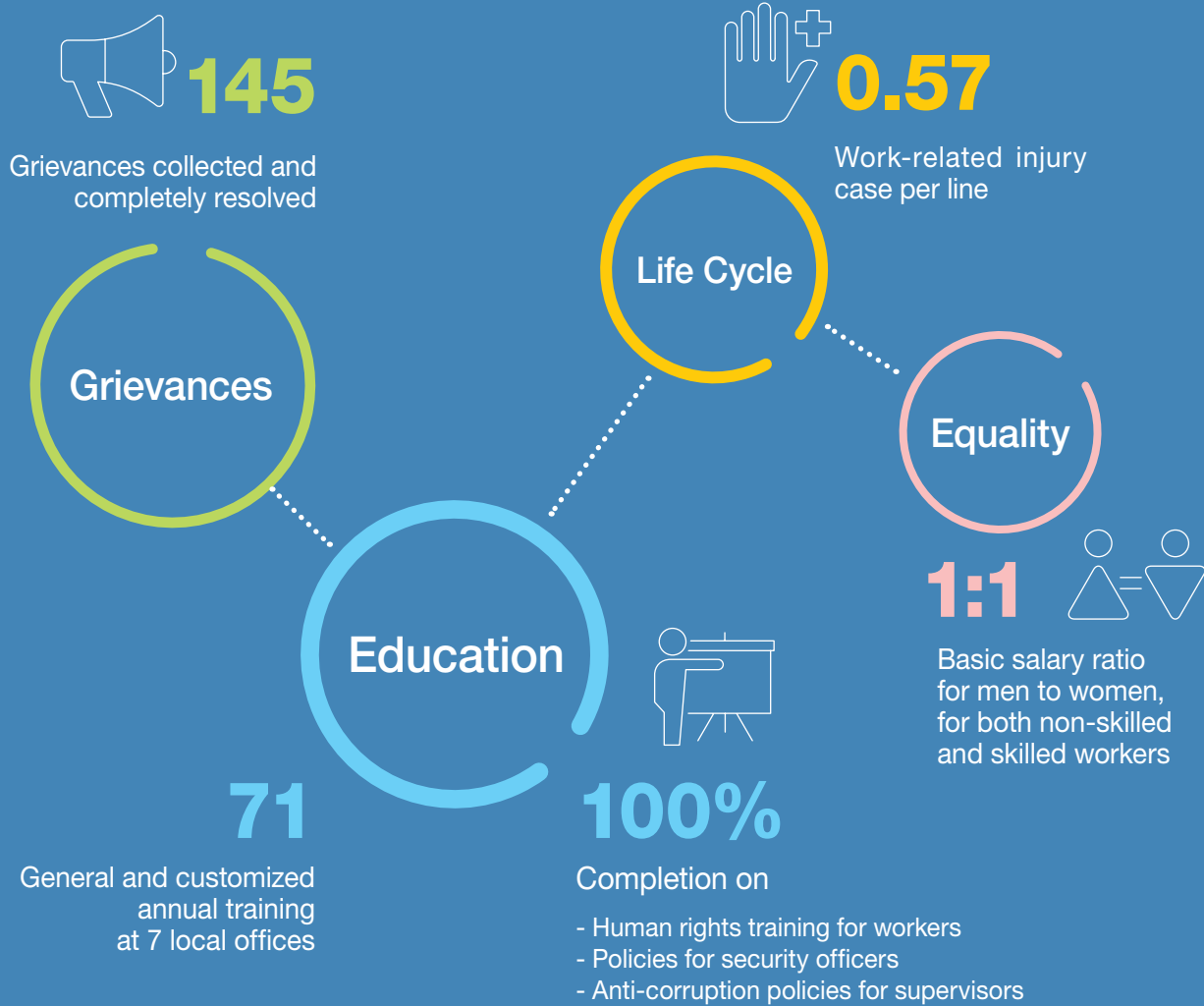


→ WOVEN Business 2016



# 2 SOCIAL COMPLIANCE

## 2.1 CORPORATE SUSTAINABLE INDEX



## 2.2 SUSTAINABLE MANAGEMENT SYSTEM

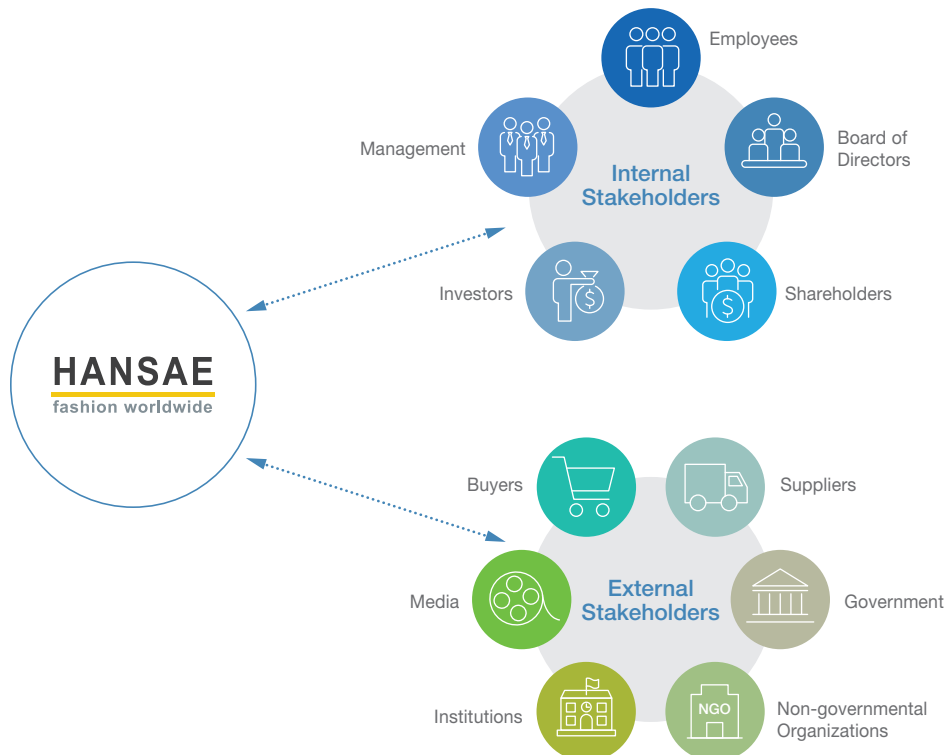
Hansae is committed to developing management mechanisms to build a sustainable business which coexists with its affiliated organizations and local communities. We have conducted internal reviews on the existing management systems to identify areas of improvement and to strengthen our policies and procedures which govern our action plans both at headquarters and local offices.

Our goal in the past was simply to become the best global garment vendor. Now, we look forward to becoming a long-term primary choice for our partners by establishing a sustainable management plan which profits all of our stakeholders.

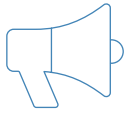
### 1. STAKEHOLDER ENGAGEMENT



Stakeholders are internal and external entities who influence or are influenced by a company's performance and play a crucial role in company's development. Hansae acknowledges its various stakeholders who are directly or indirectly affected by Hansae's activities and promotes interactive communication and cooperation in order to inform our progress as well as to listen to their opinions for improvement.



## 2. GRIEVANCE MECHANISM



Grievance can be defined as a claim of an employee against a company or an employer. As a way to listen to the workers' voice and to make an effective communication channel which helps the company and workers to understand each other, Hansae Vietnam has established a procedure of grievance handling which includes grievance committee, channels, and procedure to follow. Outlined is the demonstration of the actual grievance channel currently utilized at Hansae Vietnam.

### → Principles

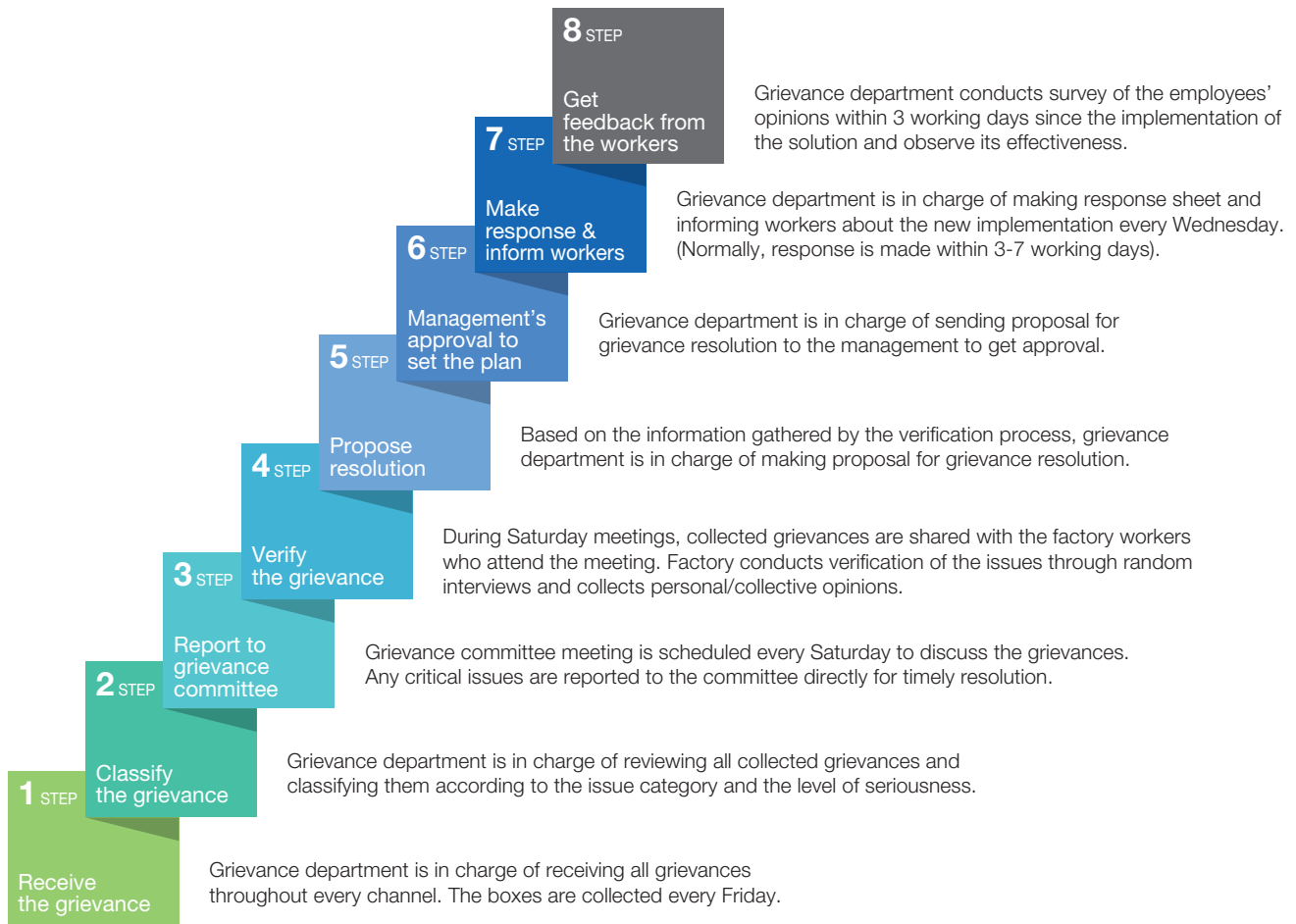
- **Stability:** Hansae Vietnam aims to harmonize interests of both parties and to avoid conflict by complying with legal requirements, regulations, buyer standards, and collective bargaining agreement.
- **Trust building:** Trust can be regarded as a key factor to enhance the effectiveness of grievance system.
- **Convenience:** Hansae Vietnam ensures that all grievance channels are to be built towards the convenience and safety of the workers.
- **Quick response:** Hansae Vietnam will provide solutions/ suggestions promptly so that employees can get responses on-time and corrections can be settled quickly.
- **Prevention:** Correction of all the issues/complaints must be long-term methods that can prevent reoccurrence of the similar issue.



### → Grievance Committee

<b>Board of Directors</b>	• Vice President • Managing Director • General Manager
<b>Trade Union</b>	• Trade Union Chairman • Factory Representative of the Trade Union
<b>Grievance Dept.</b>	• Manager of Grievance Dept.
<b>Compliance Dept.</b>	• Representative of Compliance Dept.
<b>Others</b>	• HR Manager • C&B Manager • Other related Dept.

➔ Grievance Procedure

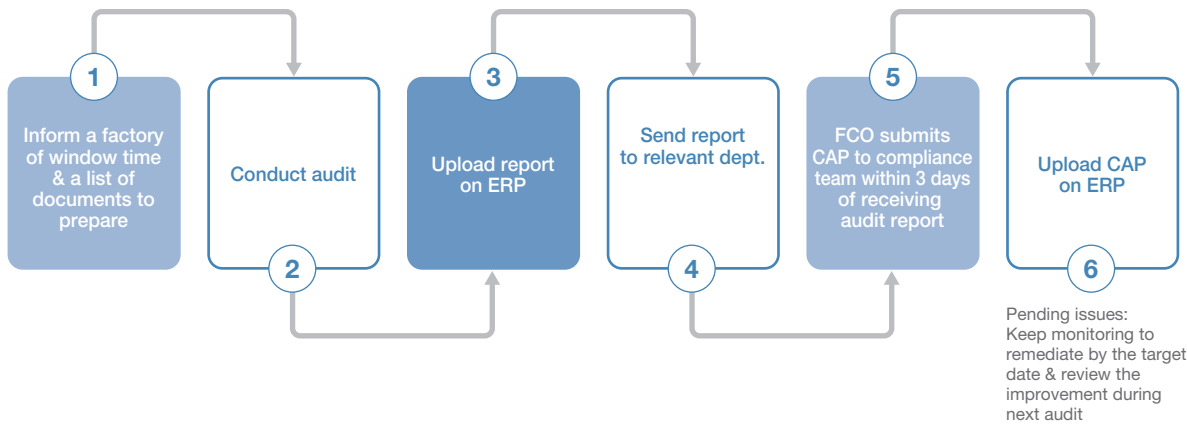


### 3. INTERNAL AUDIT PROCESS



Hansae uses a number of methods to monitor the implementation of sustainable management system, and the internal audit ('Self-audit') is one of the most important methods.

#### ➔ Internal Audit Process



#### ➔ Self-audit Checklist

There is a self-audit checklist developed by HQ Compliance team, and the scope of questions listed on the checklist ranges from basic requirements related to labor issues, such as wages and working hours, to health and safety and environment-related requirements.

Category	No.	Question	Documents	Score	Yes	No	Y/N	Remarks
Payment (Wages)	1	Factory pays at least minimum wage.	근로기준법 최저임금	5				
	2	Factory pays regularly. There is no unpaid wage.	월급 지급내역서, 임금 지급명세서	5				
	3	Over-time/nightly compensation payable with legal limit.	근로기준법	5				
	4	Factory deducts only legal deduction on payment.	근로기준법 제42조	5				
	5	Factory pays holiday allowance and vacation day.	근로기준법 제53조	5				
	6	Factory has overtime record documents.	근로시간 기록부	5				
	7	Factory pays back overtime to labor.	근로기준법 제54조	5				
Working Hours	1	Factory working hours comply with 87 hours.	근로기준법 제55조	5				
	2	Shift working hours comply with legal limit.	근로기준법 제56조	5				
	3	Factory working hours comply with legal limit.	근로기준법 제57조	5				
	4	Working hours for pregnant women, minor children or women have child care are limited with legal limit.	근로기준법 제58조	5				
	5	Factory provides 1 day off in 7.	근로기준법 제59조	5				
	6	Factory grants their time rest by themselves.	근로기준법 제60조	5				
	7	Factory provides the night allowance to the workers.	근로기준법 제61조	5				
	8	Working hours of pregnant, low-occupancy and period are same as past people.	근로기준법 제62조	5				
Health & Safety (Training)	1	Factory has the safety training for the workers.	안전보건법 제11조	5				
	2	The records of the training and self-training for the workers.	안전보건법 제12조	5				
	3	The records of the training and self-training for the workers.	안전보건법 제13조	5				



### → Self-Audit by Local Compliance Team

Local compliance teams in each local office conduct self-audit using the above self-audit checklist on a monthly basis at each owned-factory. The self-audit includes factory tour, documents review, and workers interview.

All issues found during local compliance team's self-audit at each factory are uploaded on Hansae's ERP, through which HQ Compliance team reviews the issues as well.

### → Scope and Frequency of Self-Audit

Self-audit is not limited to owned factories. Local compliance teams also conduct self-audit at subcontracted factories under their umbrella including both garment factories and supporting factories for post-processing such as embroidery, printing and washing.

This is not only to prepare for the external audits by 3<sup>rd</sup> parties or brands but also to ensure that they are in compliance with Hansae's Code of Conduct as business partners. Based on self-audit results, HQ Compliance team evaluates the level of compliance of each factory and inform to relevant sales departments to help their decision making by pre-alerting the possible consequences of using factories in low performance.

The frequency of self-audit per type of factory is as follows:

However, below is a minimum requirement and self-audit can be conducted as frequently as required depending on the situation, necessity, or request from internal/external parties.

Factory Type	Frequency
Owned	Monthly
Subcontracted - Garment	Quarterly
Subcontracted - Supporting	Bi-annually

### → Self-Audit Rating

Currently, HQ Compliance team is developing the self-audit rating system through which self-audit results uploaded by local compliance teams can be converted into a score from 0 to 100 and rated by colors according to the range of the score. Scores and color ratings will be used as important measures of evaluating the compliance performance of factories, and HQ Compliance team will be able to establish clearer direction and more effective plans of monitoring and managing the factories through this performance review and analysis.

With on-going monitoring through the internal audit procedure, Hansae compliance organization will ensure that all factories doing business with Hansae are in compliance with applicable local law and clients' standards.

## 2.3 EMPLOYEE TRAINING & DEVELOPMENT (OVERSEAS)

### 1. PROVIDED TRAININGS

Every year, Hansae provides various training programs at each local office to educate factory workers and management on issues related to workplace safety and maintenance. The purpose of the trainings is to increase workers' awareness on labor, health and safety, security and other matters so that all factory personnel can take responsibility over day-to-day risks at factory.

#### → Training Provided in 2016

Field	Training Provided	Total Participants	Total Training Hours
 LABOR	New Hires Orientation	6,273	61,786
	Labor Law	19,449	15,392
	Grievance / Abuse and Harassment	17,274	17,355
	Collective Agreement / Internal Regulation	13,794	12,637
	Integrity and Ethics	9,269	9,237
	Supervisory Skills Training	281	2,440
	Communication Skill	117	501
	Team Work	65	155
 HEALTH & SAFETY	Fire Safety	14,016	14,036
	Evacuations Simulation (2 times/year)	31,257	40,735
	First-Aid	4,845	4,594
	Chemical Handling (MSDS, PPE)	333	1,228
	Electric Hazards	125	405
	PPE Safety	18,769	15,701
	Health & Safety	13,716	12,629
	Hygiene & Occupational Safety	17,949	140,165
	TB (Tuberculosis)	5,044	1,299
	HIV / AIDS	15,162	10,949
	Food (Canteen Subcontractor's Manager)	38	55
	Breastfeeding	87	173
	Maternity-Preventive Medicine	105	201
	Ergonomics	190	511
	Risk Factors	14,234	11,737
	Preventive and Corrective Maintenance	9,212	9,470
	Boiler & Air Compressor Certificate Training	59	1,374
	Environment	9,233	9,340
	Waste Management Training	136	187
	Load Handling	277	369
Product Safety	4,550	3,436	
 SECURITY	Security Awareness Training	18,164	14,942
	7 Points Container Inspection	557	746
	IT Security Training	363	425
BRAND PROTECTION	Brand Protection	18,981	15,293
<b>Total</b>		<b>263,924</b>	<b>429,503</b>

In addition to the listed trainings, each local factory provides over 30 different types of trainings customized to factory's needs or to the local environment. Better Work training programs are also conducted at local offices for career development and workplace safety.



Fire Drill Training



First Aid Training



Security Training



Abuse & Harassment Training



Grievance Training

## 2. BETTER WORK



Better Work is a flagship program of the United Nation's International Labour Organization and a joint initiative with the World Bank Group's International Finance Corporation. The program combines independent assessments with advisory and training services to support improvements through workplace cooperation. All of Hansae's owned factories in Vietnam, Indonesia, Nicaragua and Haiti have joined Better Work programs since the beginning of each country's program. This year, Hansae has participated in various Better Work training programs which include the following:

### ➔ Better Work Training in 2016

Training Course	Targeted Improvement
Investigation of Work Accidents	To improve ways to investigate work accidents
Management Skill for Middle Managers	To boost confidence and effectiveness of middle managers through improving management styles and techniques, promoting effective communication in managerial position, and guiding better coaching skills and conflict management
Occupational Safety and Health Training	To improve OSH knowledge and skills and to update OSH regulations
Preventing Sexual Harassment in the Workplace	To promote greater factory awareness on sexual harassment in all its forms and to develop practical strategies to address and prevent sexual harassment in workplace
Set up Health and Safety Management System at the Factory	To help the factory effectively set up OSH management system based on Management System methodology, and to support the factory by highlighting the legal requirements on occupational health and safety and showing how to apply the requirements in reality
Supervisory Skills Training	To improve the supervision and communication skills of supervisors in factory
Use and Handling of Chemicals	To improve safety when handling chemicals in the workplace
Workplace Cooperation and Communication Training	To improve workplace cooperation and communication, create harmonious workers-management relations, and to prosper a productive environment for business

### [ SUPERVISORY SKILLS TRAINING ]

A supervisor in the factory is defined as the leader of a team who oversees and manages workers and production activities. The importance of a supervisor's responsibility in each factory has been increasingly emphasized. Supervisors' role of upholding workers' rights and solving work related problems is essential for sustainable factory management. Among Better Work training programs, Hansae Vietnam and Hansae International participated in Supervisory Skills Training in 2016. The purpose of this training program was to clearly define the roles and responsibilities of a supervisor, and to develop interpersonal skills and professionalism of each supervisor.

The content of the training mainly focused on how to become a professional supervisor, build good relationships and create positive influence for workers, and general worker management. The training was conducted for 6 groups of workers in Vietnam and for 3 groups of workers in Nicaragua.

The training has received positive feedback from factory supervisors that they have become capable of practicing emotional control and respectful listening, building good relationships with workers, and better managing workers.

< Hansae Vietnam Co., Ltd. >



< Hansae International, S.A. >



### 3. WORKPLACE COOPERATION PROGRAM

Workplace Cooperation (WPC) Program is dedicated to educate effective methods of discussion for management and workers to understand the differences of employees at different levels and resolve conflicts and misunderstandings. On June 10<sup>th</sup>, 2016, Better Work conducted WPC Program at Hansae Vietnam to a total of 30 workers who joined group discussions, case studies, and various activities led by the Better Work trainer to experience the importance of proper communication. The training materials were delivered to colleagues through sharing of the participants' experiences during work.

Expected Outcomes of the Program
<ul style="list-style-type: none"> <li>• Dispute prevention through conflict resolution</li> <li>• Reduced conflict resolution time</li> <li>• Improved productivity, working conditions and environment through direct communication</li> <li>• Development of confidence and trust between managers and workers</li> <li>• Improved decision making skills for management and workers</li> <li>• Shared common interests at different levels</li> <li>• Increased motivation through involvement</li> </ul>

< WPC Program at Hansae VN >



WPC Program was also conducted at Hansae Global in Guatemala through Gap Inc. as a part of training provided to factories. The program launched at Hansae Global in June 2016, and was conducted 5 times to the management first and to the local workers afterwards. The program focused on improving communication skills between managers and workers through involving participants in role-playing, surveys, and other activities.

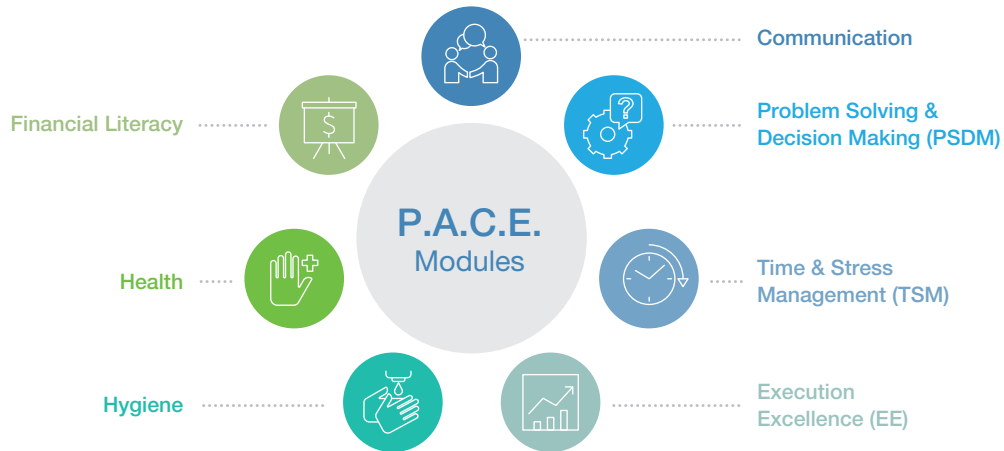
< WPC Program at Hansae Global >



## 4. P.A.C.E. (PERSONAL ADVANCEMENT AND CAREER ENHANCEMENT)

P.A.C.E. program has been run by Gap Inc. since 2006 and is an initiative to empower women in various ways both at workplace at at homes. Currently the program reaches women in 12 countries including Vietnam in which Hansae also joins the movement. Since 2013, Hansae has annually participated in P.A.C.E. at Hansae TN office in Vietnam to promote personal and career development for women. The 3<sup>rd</sup> training cycle launched in April 2017 and will continue until March 2018 with 260 participants and 12 trainers.

### ➔ 2016 P.A.C.E. Modules



From April to May 2017, 252 workers participated in the Communication module with the following average pre-test and post-test scores:

#### Hansae TN

Modules	Average Percentage		Average Improvement
	% Pre-test	% Post-test	
Communication	43	60	40%

From previous cycles, Hansae noticed overall improvements in female workers' knowledge and awareness in communication, time and stress management, problem solving and decision making. Hansae hopes to target a larger audience in the upcoming training cycles and conduct training to more than 1,000 participants.



## 5. LOCAL COMPLIANCE TEAM INTERVIEW



Hansae Utama Compliance Team in Indonesia



### Q Please explain a little bit about yourself.

**A** Ms. Anggra (on the left): Hello, my name is Anggra Risa, and I began my career at Hansae in 2015. I'm a sociable and energetic person who enjoys challenges and is always eager to learn something new.

Ms. Yaning (on the right): My name is Yaning Santura, and I joined Hansae 10 months ago. I am an easy going person who likes simple things and is dedicated to learning continuously. At any given circumstance, I always try my hardest to be better and to never give up.

### Q Please briefly describe your day-to-day tasks at Hansae as a Compliance officer.

**A** As a Compliance officer, we handle a wide range of tasks. We make corrective action plan (CAP) for our main factory after each audit based on auditor's findings and work with the Compliance team at headquarters to improve the issues. We monitor CAP for our subcontracted factories as well. On a monthly, quarterly and yearly basis, we conduct self-audit at our main factory (Utama), subcontracted factories and suppliers respectively. It is our priority to evaluate, investigate and document reports of non-compliant activities and improve the issues to ensure that the factory is in compliance with the local labor law as well as buyer and vendor Code of Conduct. We also handle environmental sustainability by updating the Higg Index on a monthly basis.

### Q What is the most rewarding/challenging thing about working as a Compliance team member?

**A** We are really proud as members of Compliance team because we can communicate and establish working relationships with many people from inside and outside of company. These relationships turn out to be very valuable and rewarding in the long run.

One thing that is a bit challenging compared to other tasks is the completion of Higg Index. Due to its process, we need sufficient time to collect data in order to fill out the index and provide the necessary documentations. Thankfully, with the help of various people we are able to successfully complete it.

### Q What was the best achievement you had and what was its outcome?

**A** We always try our best to comply with the local labor law and to ensure that the workers perform their jobs with pleasure. Workers who understand the importance of health & safety, fire safety and other compliance issues support sustainability in the workplace much better than workers who are less interested in the issues. We believe that 80% of success comes from the workers.

This year our Higg Index score increased 17% from last year, which is a big improvement for us! Since we find the completion of the index challenging, we are especially proud and excited for this achievement.

### Q How do you manage working with team members and members of the factory?

**A** At our office, we conduct a meeting by end of each week to discuss any pending issues at the factory in need of improvement and search for ways to resolve them. We also hold periodic meetings with HR department and FCO every month to discuss and find solution to the pending issues. For self-assessments, we conduct monthly audit for Utama ourselves and appoint HR personnel from subcontracted factories as Compliance officer to manage all health & safety issues and make sure that they report to us every week. Utama Compliance team reviews all audit reports and CAP and assist in making improvements.

### Q What are your goals you would like to achieve at Hansae?

**A** Because compliance is our priority, our goal is to achieve 100% compliance for all issues! In addition to adhering to social compliance guidelines, we hope to plan and implement energy-saving strategies and coordinate environmental management activities. We hope that Hansae becomes more successful in the future by following the applicable rules, local laws and buyers' Code of Conduct for social compliance and environmental guidelines.

## 2.4 EMPLOYEE TRAINING & DEVELOPMENT (HQ)

### [ MINI MBA PROGRAM ]

In order to strengthen the management capacity of company managers and enhance their ability to actively respond to the rapidly changing business environment, Hansae conducted mini MBA program in cooperation with International Management Institute (IMI) of The Federation of Korean Industries. Under the guidance and teachings of advisors including university professors and company executives, 129 Hansae managers participated in the 3-day course and completed the pre-study of core MBA program. The mini MBA program offered comprehensive education on accounting, marketing, strategic management and core leadership competency along with a brief introduction to various MBA opportunities available in certified institutions.



### [ NEW EMPLOYEES TRAINING WORKSHOP IN VIETNAM ]

As a part of an annual event, Hansae held the New Employees Training Workshop in Vietnam. During this 5-day workshop, new employees, who recently finished their 6 months of internship and was promoted to permanent staff, had a chance to visit Hansae-owned factories and gained better understanding of the production processes from the purchase of raw materials to loading of finished products. New employees this year also visited Ho Chi Minh Sales office and C&T Vina, and was able to acquire knowledge on local sales and textiles production processes as well. Besides the field trip, our new staffs had a valuable experience of visiting famous tourist sites in the city of Ho Chi Minh such as Independence Palace, Saigon Central Post Office, and Notre-Dame Cathedral Basilica of Saigon.





[ LECTURE MEETING EVENT ]

Every quarter, Hansae holds lecture meeting events covering various subjects to induce creativity and better living of employees. During the fourth quarterly lecture meeting which was held in December 19<sup>th</sup>, 2016, Hansae invited Professor Kim of Ajou University. On this day, Professor Kim explained the principle of the "Meta Cognition", which is the cognition of knowledge. The professor interacted with Hansae employees on the subject of changing perception of objects to stimulate creative thinking. In addition, Professor Kim shared the progress on his research on developing creative talents from young age by changing the process and order of task completion.



[ LONG-TERM EMPLOYEES COMPENSATION TRIP ]

Hansae offers compensation trip for long-term employees as one of ways to reward and recognize the contributions of those who dedicated their effort to Hansae for over 5 years. During the 2016 trip, long-term employees and their families enjoyed a week-long travel to Hawaii including sightseeing at Akaka Falls, Mauna Kea and Waikiki Beach.



[ HIKING ]

Every year, in order to have meaningful time of enhancing teamwork and developing physical strength, each Hansae division holds annual hiking rally. By overcoming challenges along with their team members, employees are able to give themselves boost for better performance at work. All employees' opinions are considered when selecting the hiking location and their family members are welcomed to join the hiking.



# 3 COMMUNITY PROGRAM

## 3.1 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES



Hansae has continuously searched for opportunities to partake in diverse corporate social responsible activities in different sectors in order to serve the society at all levels. This year, Hansae has actively supported numerous cultural and social activities, both at headquarters and overseas, to fulfill its responsibility of growing together with the local community as a global citizen.

### 1. DOMESTIC ACTIVITIES

#### [ GIFT OF MEMORY FOR THE DISABLED ]

Hansae donated 20 custom-made clothing for a disabled child in Utah, U.S.A., in 2016. Hansae came across the news that a family in U.S.A. was looking for one of Hansae-made t-shirts no longer available on the market, and that the family received over 150 pieces of the same t-shirt from across the world upon posting the inquiry on social media. Hansae contributed to this positive movement by designing customized clothing for the child in different sizes so that she can also wear Hansae-made clothing when she grows up.



#### [ SPONSORSHIP FOR 'GIVE AND TALK CONCERT' ]

Yes24 sponsored 'Give and Talk Concert' in collaboration with UNICEF for the upcoming 'World Day for the Prevention of Child Abuse' on November 11<sup>th</sup>, 2016. The concert was hosted at Yes24 Live Hall at Gwangjin District in Seoul, and popular artists from Brand New Music participated through talent donation in the fundraising. The fund raised from ticket sales was donated entirely to children and teenagers suffering from violence through UNICEF Korea.



[ CULTURE SUNSHINE CONCERT FOR THE NEED ]

For the third year in a row, Hansae sponsored 'Culture Sunshine Concert' at IBK Chamber Hall, Seoul Arts Center on November 23<sup>rd</sup>, 2016. 'Culture Sunshine Concert' provides opportunity for the culturally underprivileged families to enjoy concerts. Korean Chamber Orchestra joined the event to present classical music, and music critic Mr. Jang accompanied the performance to provide detailed explanations of the repertoire. 500 people, including Hansae employees, the Korea Cultural Association for the Disabled, community relief center members and multicultural families, attended the event. Executive Vice President Yoon of Hansae commented "We will continue with the systematic contributions to social activities in order to support cultural sharing with everyone."



[ SPONSORSHIP MOU WITH 119 FIREOFFICERS' WELFARE FOUNDATION ]

FRJ Jeans, a subsidiary denim brand of Hansae Yes24 Holdings, signed MOU of sponsorship with 119 Fireofficers' Welfare Foundation on October 25<sup>th</sup>, 2016. FRJ Jeans committed to donating portion of profit derived from 2016 F/W new arrivals to the foundation and also offer special discount coupons on apparel for firefighters. A representative encouraged the society to "provide warmth and sponsorships for firefighters who are in need of assistance to serve our community."



[ SPONSORSHIP FOR BADUK COMPETITION ]

Hansae's enthusiasm for Baduk has led the company to sponsor in University Baduk competitions for the seventh year in a row since 2010.

'The 10<sup>th</sup> Relay University Competition', which Hansae is the main sponsor of, hosted students and alumni from 20 different universities and was aired for 4 months on Baduk TV channel in 2016. A representative of Hansae commented that "Hansae will contribute to the future of Baduk in Korea through continuous sponsorship to university competitions."



## 2. LOCAL ACTIVITIES

### [ GIVING BACK TO THE COMMUNITY ]

#### ➔ Donation of Children's Bookstand

Hansae delivered 100 books each to 80 elementary schools in Ho Chi Minh City and to 20 elementary schools in Cu Chi District, donating total of 10,000 books for childhood education in Vietnam. The selection committee, which was formed by famous Vietnamese children's novel authors, carefully selected the list of books for donation. The ceremony took place at Intercontinental Kumho Asiana Hotel on May 18<sup>th</sup>, 2017 and the books have been delivered to each school by the beginning of June. The shelf is also displayed at Hansae VN, TN and TG showroom for viewing.



#### ➔ Construction of Auditorium at State School Maria Auxiliadora

Taking a step further from monetary donations, in March 2016 Hansae constructed an auditorium at State School Maria Auxiliadora in Nicaragua. The new auditorium enabled students to receive physical education even on rainy days and also enabled injured students to participate in the education under safe environment. Hansae believes that investing in education equals investing in children's future, and provided this facility in hopes of helping children study in better condition. In addition, Hansae provided small bundles of stationary goods to students to assist their education.



➔ Giving of Gifts to Employees on Various Occasions

Hansae is grateful for all of its employees who make Hansae's businesses come together, and continues to look for different ways to show appreciation for their hard work. As a part of this effort, Hansae provides various gifts to employees and their family members and to the local community members. This year, Hansae has provided gifts during the following occasions:



- Presenting gifts to employees and their family members during Tet Holiday, Liberation Day, International Labor Day, International Children's Day and Independence Day (Hansae VN/TN/TG)
- Gifting of mooncakes during mid-Autumn to employees at all factories and to students at kindergarten and primary schools in Tan Huong District (Hansae TN/TG)
- Providing personal cups to each worker at factory annually (Hansae VN)

Gifts for Holidays



Mooncakes



Providing personal water cups



[ EMPLOYEE BENEFIT AND WELFARE ]

➔ Company Festival



Hansae organizes annual festivals to provide entertainment for workers in appreciation of their efforts. Employees enjoy and participate in diverse activities and receive awards for competitions.

➔ Teambuilding Activities



To encourage cooperation at workplace, Hansae organizes entertaining teambuilding activities for factory workers and the management to upbuild harmony.

➔ Flower Decoration & Miss Ao Dai Contest



Employees participate in flower decoration events to display their special talents, and also enter Miss Ao Dai Contests to show their traditional outfits.

➔ Talk Show with Mr. Phan Thanh Nhien



Mr. Phan Thanh Nhien, the first Vietnamese to climb Mt. Everest, visited Hansae factories to share his inspiring stories with the employees.

### 3.2 DONATIONS



Hansae utilizes donations as another essential way to fulfilling its social responsibility. In conjunction with Hansae headquarter's efforts, Hansae's local offices provide donations to local communities via scholarships, financial aids and contributions for good cause, to partake in the regional development.

Country	C/O	Donation Program	Description	Amount
KOREA	Head-quarters	Roslyn S. Jaffe Awards	Annual donation to Roslyn S. Jaffe Awards to commemorate people and organizations that contribute to empowering women and children	\$ 10,000
VIETNAM	Hansae Vietnam Co., Ltd.	Scholarships	210 scholarships to students at 7 high schools in Cu Chi District	VND 84,000,000
		Scholarships	210 scholarships to students at 7 high schools in Cu Chi District	VND 105,000,000
		Community Outreach Program	Donation of 100,000,000 VND to young football team in Cu Chi District	VND 100,000,000
		Scholarships	128 scholarships to trade union members' children	VND 89,600,000
		Community Outreach Program	Donation of 3,960,000 VND to Drug Prevention Department, Ho Chi Minh city to make propaganda banners in Cu Chi District	VND 3,960,000
	Hansae TN Co., Ltd.	Trade Union Benefit	Support for trade union members for various cases, including marriage, death, sickness, pregnancy and difficult situations	VND 8,500,000
		Scholarships	Scholarships to union members' children	VND 67,169,000
		Trade Union Benefit	Support for 5 trade union members to build houses in 2016 through "Mái ấm công đoàn" program	VND 175,000,000
		Community Outreach Program	Donation for Dioxin (Agent Orange)* and for poor people	VND 52,047,000
	Hansae TG Co., Ltd.	"Poor Pension Fund" in Tien Giang Province	Donation to "Poor Pension Fund", a fund represented by Fatherland Front Committee, in which the amount will be donated to poor households in Cai Be District	VND 100,000,000
		"Contribution on Tet to Disadvantaged Workers" Program 2016	Donation to contribute to disadvantaged workers in Tan Huong Industrial Park	VND 60,000,000
		"Memory Day of Traffic Victims" Banner	Financial support for contribution, training and protection of National Defense in Tien Giang Province	VND 2,000,000
		National Defense Fund	Donation to buy banners for traffic safety propaganda	VND 11,800,000
Disadvantaged Workers on International Labor Day		Donation to contribute to disadvantaged worker through a program launched by a trade union in Tan Huong Industrial Park	VND 15,000,000	
Tennis Club in Tien Giang Province	Donation to Tennis Federation in Tien Giang Province	VND 10,000,000		
NICARAGUA	Hansae International S.A.	Ministry of Labour of Masaya Delegation	Financial aid for event for Mixed Commissions	C\$ 2,800
		National Free Trade Zone Corporation	Donation of t-shirts for flood victims	C\$ 221,250
		Donation to Unions	Donation of t-shirts to unions	C\$ 45,000
		Economic donation for the Association of God	Monetary donation	C\$ 15,000
		Economic aid to the Ministry of Health in Niquinohomo	Donation to National Health Worker event	C\$ 2,000
		SINAPRED	Donation of t-shirts for flood victims on the Caribbean coast	C\$ 450,000
National Free Trade Zone Corporation	Support for Cyclist Marathon of Free Zones	C\$ 15,000		

\* Dioxin is a chemical contaminant in the mixture known as 'Agent Orange', which was used during the Vietnam War. This donation is to assist the local people affected by the contaminant.



Scholarship to high schools (Hansae VN)



Trade union scholarship to union members' children (Hansae VN, TN)



Donation for Dioxin and for poor people (Hansae TN)



Building houses for trade union members through Mái ấm công đoàn program (Hansae TN)



### 3.3 AWARDS AND RECOGNITIONS

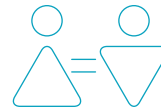


Hansae believes that participating in diverse social activities not only enhances corporate value, but also acts as a cornerstone for economic and social development. Hansae is strongly committed to serving its internal and external communities, and has been recognized domestically and internationally for its social contributions.

#### 1. DOMESTIC COMMUNITY

##### [ NOMINATION FOR COMPANY WITH GENDER EQUALITY ]

Hansae was ranked joint-first with Naver as the most women-friendly business in Korea in a study by Meerae Forum and CEO Score 2015. Meerae Forum and CEO Score collected data from 243 of Korea's biggest companies with more than 500 employees from 2013 to 2015 through a survey with 5 indicators - years of service, increase in employment, wage, gender ratio and executives proportions - and Hansae ranked high scores in female executives proportions and female employment ratio. The score measured the level of imbalance between male and female employees for each indicator and awarded high scores for indicators with smallest gaps. "Women friendly" working condition can serve as a factor to encourage female employees, and Hansae ensures to keep making efforts to remove the glass ceiling for female employees.



##### [ INNOVATIVE EXPORTER AWARD ]

Hansae International, S. A., a subsidiary of Hansae in Nicaragua, won the "Innovative Exporter(Exportador Innovador)" award at Export Award 2016 (Premio AI Exportador 2016) hosted by APEN(Asociación de Productores y Exportadores de Nicaragua) on March 29<sup>th</sup>, 2016 in recognition for its innovative actions in the textile industry including leading the increase in exported goods and maintaining employment for local community.

A representative of Hansae International, S.A. said, "Hansae will continuously endeavor to contribute to stimulating the regional economy and to build stronger relationship between South Korea and Nicaragua."



##### [ TOP 100 CEO OF THE YEAR ]

Chairman Dong Nyung Kim of Hansae Yes24 Holdings was recognized as the 'Top 100 CEO of the Year' by Maeil Economy News Korea for the fifth year in 2016. Combined with the overall performance of the company and global strategy, Chairman Kim's management philosophy of taking slow and careful steps and communicating with employees has been selected as the highlight of the recognition.





## 2. LOCAL COMMUNITY

### ➔ VIETNAM

#### Hansae VN

- 1) Ho Chi Minh City Export Processing and Industrial Zones Authority (HEPZA) - 2016/02/03

Achievement: Outstanding achievement in caring for workers' activities on Tet Holiday in 2016



#### Hansae TN

- 2) Merit of Confederation Labor of Tay Ninh Province - 2016/06/03

Achievement: Outstanding achievement in achieving "Worker's Month" for the seventh time in 2016



- 3) Merit of Confederation Labor of Tay Ninh Province - 2017/01/04

Achievement: Outstanding achievement in trade union activities in 2016



#### Hansae TG

- 4) Executive Committee of the Labor Confederation Tien Giang Province - 2016/12/12

Achievement: Outstanding achievement in good labor emulation and strong trade union in 2016



- 5) Executive Committee of Vietnam General Confederation of Labor - 2017/04/24

Achievement: Outstanding achievement in green, clean and beautiful movement, ensuring labor safety in 2016



### ➔ NICARAGUA

#### Hansae International, S.A.

- 6) El Ministerio del Trabajo Nicaragua MITRAB - 2016/08/09

Achievements: Compliance with equality and non-discrimination at work



## 3. CUSTOMER RELATIONSHIP

### [ TARGET VIETNAM IMPROVEMENT PROGRAM (VIP) AWARDS CEREMONY ]

Hansae TN collaborated with Target and International Finance Corporation on Vietnam Improvement Program (VIP) since January 2016 to reduce factory's environmental footprint and to save costs by improving the inefficient use of energy, water and other resources. VIP program provided advice, training and assistance to facilities with cutting, sewing, dyeing, printing and washing capabilities on specific ways of decreasing water and energy usage. The project lasted for 17 months, and Hansae TN was able to reduce its electricity usage by 13%. On June 21<sup>st</sup>, 2017, Hansae and other participants of the program, including 10 other garment factories and fabric mills, attended the Target VIP Awards Ceremony and reconfirmed their commitment for reduction of environmental footprint and continued improvement.

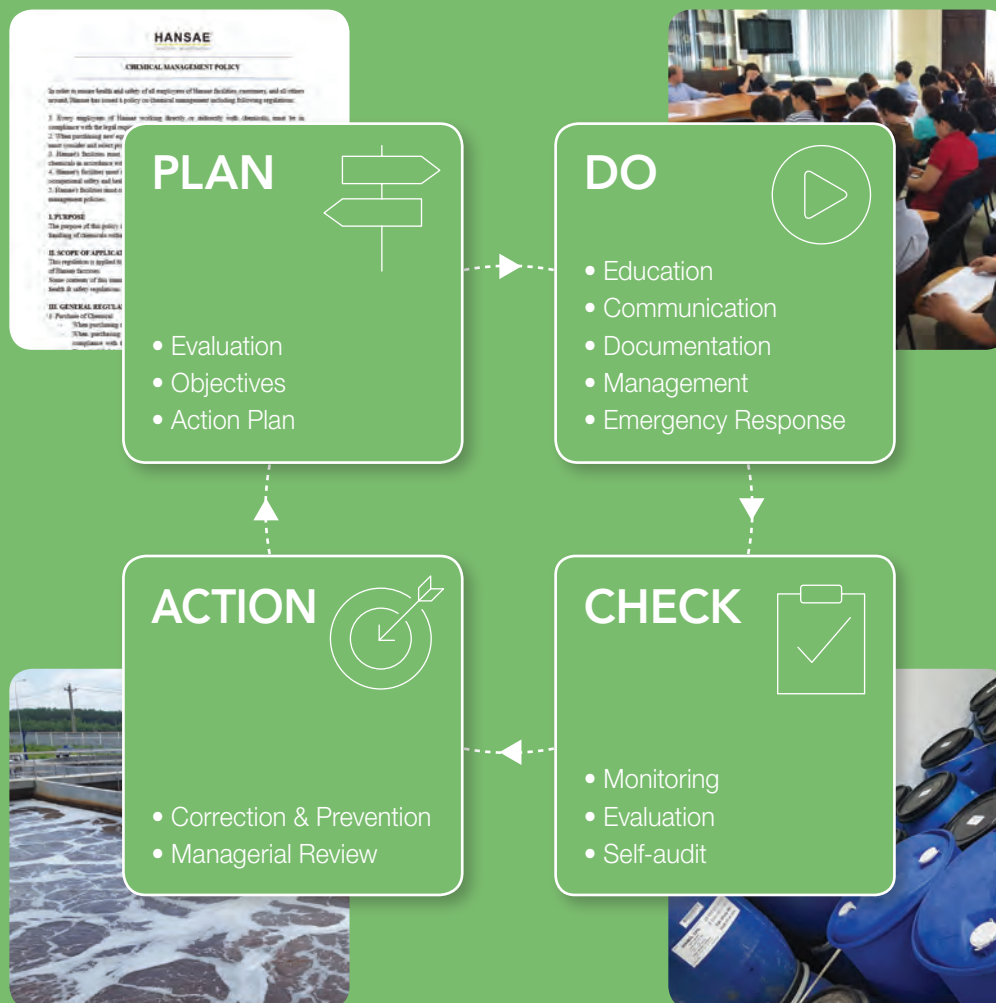


# 4 ENVIRONMENTAL SUSTAINABILITY

## 4.1 ENVIRONMENTAL MANAGEMENT SYSTEM



Hansae has applied and set up the overall management system for developing, implementing, achieving, reviewing and maintaining the environmental policy in order to ensure the company's rigorous participation in the protection and improvement of our environment.



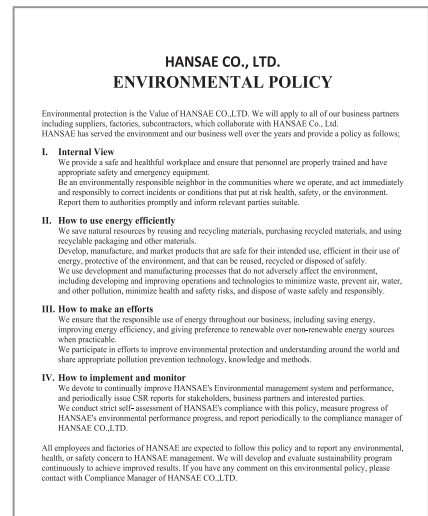
## 4.2 GREEN ACTIVITIES



This report is printed on paper cut from sustainable management certified forests. KFCC certification is the certification of products made from materials produced from sustainably managed forests. Hansae published this year's CSR report using KFCC certified paper for the first time.

### 1. ENVIRONMENTAL POLICY

Hansae established its own environmental policy to manage its own environmental footprint. Our policy serves as a guideline for all employees and factories to follow in order to find ways for continuous improvement and make meaningful difference.



### 2. CDP (CARBON DISCLOSURE PROJECT)

In order to monitor and reduce the environmental impact induced by its productions, Hansae has participated in CDP since 2011 and disclosed environmental performance including annual carbon emissions.



### 3. HIGG INDEX

Hansae's owned and subcontracted facilities have conducted self-assessments utilizing Higg Index version 2.0. In order to better understand the Higg Index assessment, verification audit by the 3<sup>rd</sup> party audit firm has been conducted in various Hansae facilities and their subcontractors.

Hansae has been actively engaged in Higg Index Survey Project since 2013 and the number of participating factories are constantly increasing. Hansae's owned fabric dyeing mill (C&T Vina) has participated in this project since 2014.

	2013	2014	2015	2016
Owned	14	23	23	22
Subcontracted	19	31	35	46
TOTAL	33	54	58	68



## 4. VERTICAL FABRIC DYEING MILL C&T VINA IN HO CHI MINH, VIETNAM

### → Green Activities

C&T Vina, one of Hansae's textile subsidiaries, has been taking initiatives of the following activities in order to make contributions to environmental sustainability:



**Reducing dye stuff usage, saving waste water treatment, and reducing water consumption**

- Automatic Chemical Feeder
 



- Replacement of old dyeing machineries
 






**Reducing electricity usage**

- Installation of acrylic roof for daylight use in the production area
 

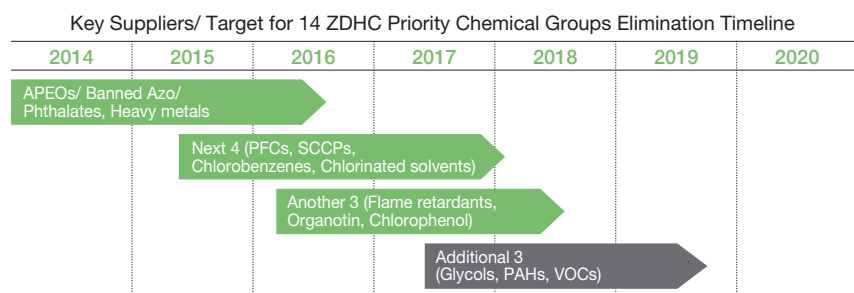


- Installation of LED Lamp
 




### → Goal of Chemical Management

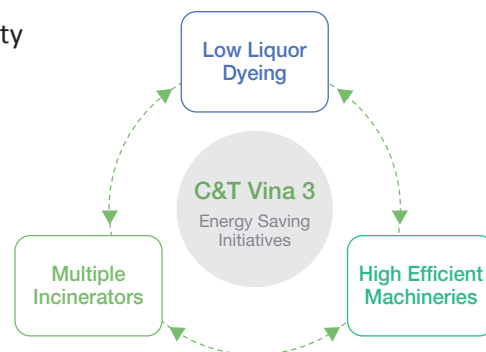
C&T Vina has organized the chemical management team and set up a goal to eliminate 14 ZDHC priority chemical groups from its supply chain according to the below timeline.



### → C&T Vina Mill No. 3, Printing and Dyeing Facility

3<sup>rd</sup> factory of C&T Vina will be set up in 2018 with the following energy saving installation:

- Low Liquor Dyeing
- High Efficient Machineries - Saving fuel usage and reducing air emission
- Multiple Incinerators - Using rubber wood as material for boiler



## 5. ENERGY MANAGEMENT SYSTEM



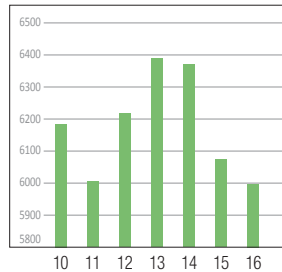
Hansae plans to expand its business by building additional factories all over the world. Therefore, Hansae has set up the new management strategy to maximize the efficiency of energy use and take necessary action plan to create remarkable results. For sustainable garment industry, Hansae will adopt the most efficient ways possible for energy management. Since 2010, Hansae has been tracking the amount of energy usage including the usage of electricity, oil, water and Co<sup>2</sup> emission from Hansae's factories and subsidiaries overseas. Hansae has actively been working on the reduction of energy use.

### → Annual Utility Consumption

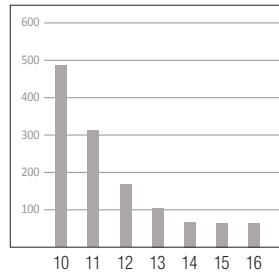
Period	#of Lines	Electricity (Kw)	Oil (Liter)	Co <sup>2</sup> Emission (MT)	Water (M <sup>3</sup> )
2010	284	21,089,890	1,654,882	13,962	1,054,202
2011	338	24,402,190	1,266,333	14,572	1,035,737
2012	364	27,151,446	734,006	14,600	989,301
2013	400	30,694,381	505,782	15,699	923,822
2014	448	34,234,252	359,906	17,002	919,043
2015	458	33,377,398	356,817	15,570	837,330
2016	444	31,935,203	344,925	13,565	869,724

### → Average per Line

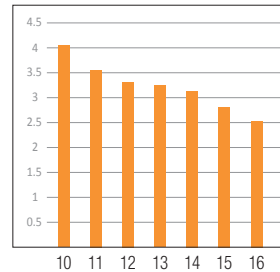
Electricity (kw)



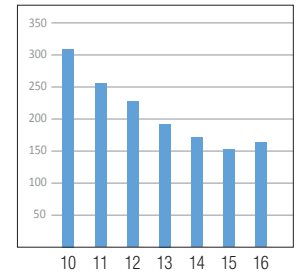
Oil (liter)



Co<sup>2</sup> Emission (MT)



Water (M<sup>3</sup>)

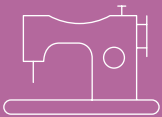


### → Environmental Achievements

Base Year : 2010	in 2011	in 2012	in 2013	in 2014	in 2015	Progress in 2016
Electricity (kw)	↓3%	↑0.5%	↑3%	↑2.9%	↓5%	↓1%
Oil (liter)	↓36%	↓65%	↓78%	↓86%	↓3%	↓0.2%
Co <sup>2</sup> Emission (MT)	↓12%	↓18%	↓20%	↓23%	↓10%	↓10%
Water (M <sup>3</sup> )	↓17%	↓27%	↓38%	↓45%	↓11%	↑7%

# 5 PRODUCTION OPTIMIZATION

## 1. GENERAL SEWING DATA IMPLEMENTATION



Our GSD implementation creates a "discipline" for our facility - a common standard language for engineering, pre-costing, and productivity applicable to every phase of our operation.

**The Target Result: Unsurpassed accuracy, efficiency and cost savings.**

**Hansae relies on GSD for:**

- Methods Engineering
- Methods Improvement
- Line Balancing
- Operator Training/Learning Curve Analysis
- Style Change Evaluation
- Pre-production Planning
- Costing of New Designs
- Management Reporting Information

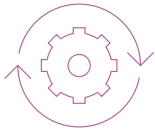


GSD Training



The System

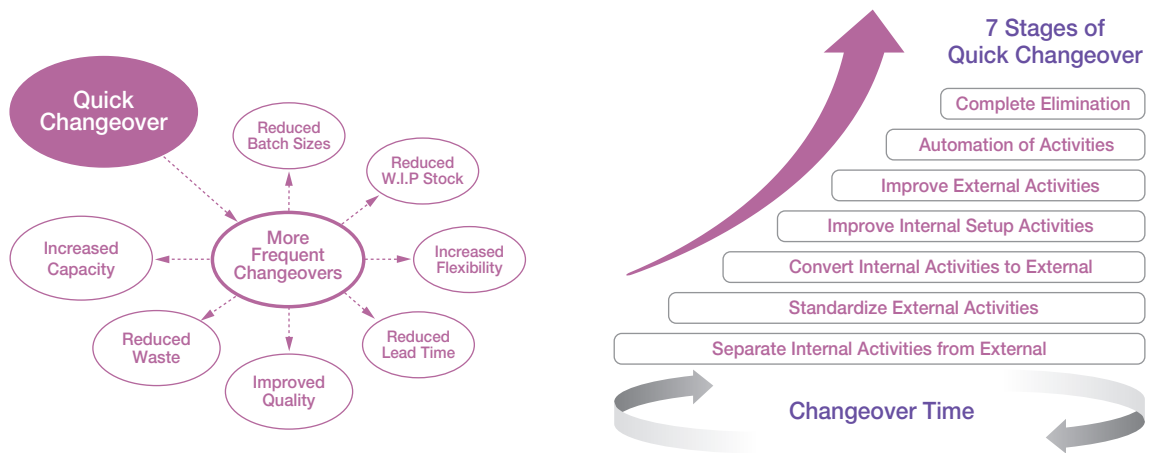
## 2. WHAT IS QUICK CHANGEOVER AND WHY IS IT IMPORTANT?



LEAN principles are all centered on process improvement which ultimately leads to improved efficiency which leads to higher profitability. The concept is simple, but getting there is usually harder than one can imagine.

One of the vast building blocks of LEAN relates to quick changeover setup. The faster the changeover times, the shorter downtime of equipment (DOWNTIME is the definition of the Eight Deadly Waste of a manufacturing environment).

The Quick Changeover is a set of techniques that make it possible to perform machines setup and changeover operations in the shortest time possible and it can be used and applied in almost all operation or process.



## 3. QUICK CHANGEOVER IMPLEMENTATION

### Our benefits in implementing QCO

- Reduce machine downtime during changeover
- Eliminate or reduce operator's idle time (waste) during start up
- Reduce lead time
- Improve responsiveness to customer demand
- Improve on-time delivery performance
- Lower WIP and inventory level



Quick Changeover Kickoff Meeting

### Quick Changeover preparations Converting internal to external activities



Changeover Meeting



Machine preparation using actual materials for new style



Advanced training of operators in critical process before actual changeover

## 4. QUALITY IMPROVEMENT

The fast changing economic conditions such as global competition, declining profit margin, customer demand for high quality product, product variety and reduced lead-time, etc., have a major impact on garment industries. The demand for higher value at lower price is increasing, and to survive, Hansae needs to improve its operations through producing the right quality at once and reducing waste.

It is important to identify, quantify and eliminate sources of variation in an operational process, to optimize the operation variables, and to improve and sustain process performance with well-executed control plans. We can gain higher productivity and profitability with improved quality product by minimizing the need for reworks. It also minimizes cost and internally improves over time.

**ISQ(In-Station-Quality)** is a method to improve quality from each station, prevent defects from the source and allow operators to find the defects

**Benefits of ISQ**

- Prevent defects
- Save time to repair and re-inspect
- Improve productivity
- Attract more customers through quality improvement



ISQ Training

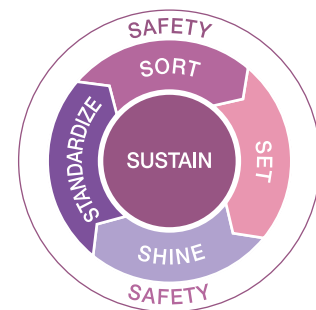
## 5. 6S IMPLEMENTATION

We do believe that 6S is a structured approach to getting our workplace cleaned up, organized & standardized, creating efficiency rather than waste, and sustaining improvements.

When our employees see that we care about them and their work area, and that we value their input, they care more about their job. The clean, organized workplace that results from 6S is a more pleasant workplace that leads to improved employees' attitudes. The focus on cleanliness, organization, labor-saving efficiency, equipment of right tools and quality standards usage leads to an increased pride in workmanship. Add in the improved safety (lower numbers of injuries) resulting from 6S and we have a workforce that is happier (less turn-over), more motivated, is getting more done with less effort, and is interested in improving their workplace and our products.

**Benefits of 6S**

- Less waste (improved efficiency)
- Reduced space used for storage
- Improved maintenance
- Improved safety
- Better, more committed employees
- Improved quality



6S Kickoff Meeting



6S Training



6S Recognition and Awarding



## 6. TPM - TOTAL PRODUCTIVE MAINTENANCE



It is important to understand that maintaining and taking care of machines that we are using have a significant role in improving productivity and quality.

A fundamental component of TPM is the establishment of standards by the individuals performing work to define the right way to maintain the equipment in "like new" condition.

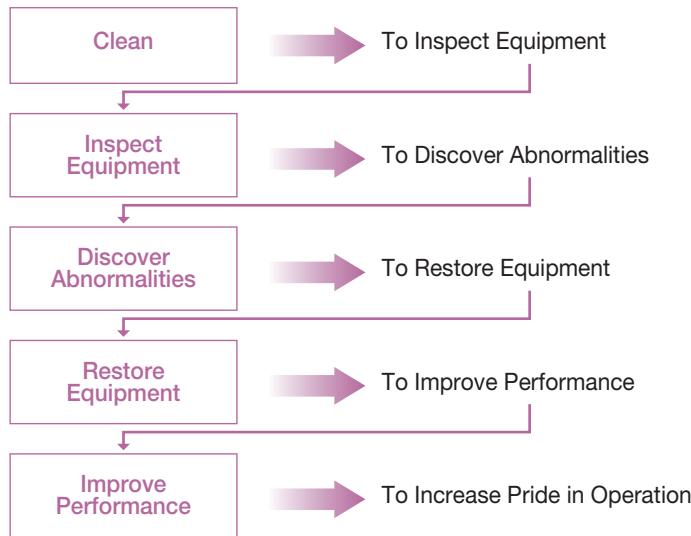
Throughout the year, we hold training events where we train employees on maintaining our machines. These events, like all of our other training programs, play a very important role in our continuous improvement efforts.

### Benefits of TPM - CIL

- Increased equipment productivity
- Reduced equipment downtime
- Increased plant capacity
- Lower maintenance and production costs
- Approaching zero equipment-caused defects
- Enhanced job satisfaction
- Increased return on investment



Clean-Inspect-Lubricate Training



*The Role of CLEAN in Autonomous Maintenance*

# GRI INDEX 3.1

	Disclosure	Category	Detail
<b>Strategy and Analysis</b>			
1.1	Statement from the most senior decision-maker of the organization.	About Hansae	CEO Message & Vision
<b>Organizational Profile</b>			
2.1	Name of the organization.	About Hansae	Philosophy
2.2	Primary brands, products, and/or services.	About Hansae	Customers
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	About Hansae	Organization
2.4	Location of organization's headquarters.	About Hansae	Global Network
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	About Hansae	Global Network
2.6	Nature of ownership and legal form.	About Hansae	Organization
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	About Hansae	Customers
2.8	Scale of the reporting organization.	About Hansae	History & Performance
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	About This Report	About This Report
2.10	Awards received in the reporting period.	Community Program	Awards and Recognitions
<b>Report Parameters</b>			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	About This Report	About This Report
3.2	Date of most recent previous report (if any).	About This Report	About This Report
3.3	Reporting cycle (annual, biennial, etc.)	About This Report	About This Report
3.4	Contact point for questions regarding the report or its contents.	About This Report	About This Report
3.5	Process for defining report content.	About This Report	About This Report
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	About This Report	About This Report
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	About This Report	About This Report
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	About This Report	About This Report
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	About This Report	About This Report
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI Index	GRI Index
<b>Governance, Commitments, and Engagement</b>			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	About Hansae	Organization
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	About Hansae	CEO Message & Vision
4.14	List of stakeholder groups engaged by the organization.	Social Compliance	Sustainable Management System
<b>Economic</b>			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	About Hansae	History & Performance
<b>Environmental</b>			
EN4	Indirect energy consumption by primary source.	Environmental Sustainability	Annual Utility Consumption
EN5	Energy saved due to conservation and efficiency improvements.	Environmental Sustainability	Environmental Achievements
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Environmental Sustainability	Energy Management System
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Environmental Sustainability	Energy Management System
EN16	Total direct and indirect greenhouse gas emissions by weight.	Environmental Sustainability	Energy Management System
<b>Social: Labor Practices and Decent Work</b>			
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Social Compliance	Corporate Sustainable Index
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Social Compliance	Employee Training & Development
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Social Compliance	Employee Training & Development
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Social Compliance	Corporate Sustainable Index
<b>Social: Human Rights</b>			
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Social Compliance	Employee Training & Development
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Social Compliance	Corporate Sustainable Index
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Social Compliance	Corporate Sustainable Index
<b>Social: Society</b>			
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Social Compliance	Corporate Sustainable Index



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