



About This Report

This is our seventh Environmental, Social & Governance Report covering topics from calendar year 2019 to 2020, from January 2019 to December 2020, unless otherwise noted. We report on our performance, target and the progress only on our wholly owned facilities.

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 our focus on workers' engagement activities to create working environment where each worker can excel and develop their potential.

This report has been published in accordance with the Global Reporting Initiative (GRI) Standards: Core option and covers all qualitative and quantitative data and activities pertaining to year 2019 and 2020. 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 54.

Hansae vision is aligned with the SDGs, the UN Sustainable Development Goals (SDGs). Please direct your questions regarding the report or its contents to compliance@hansae.com.

Hansae Mini History

2020. 01	Established Hansae Myanmar, the 2 nd local corporation in Myanmar
2018. 09	Acquired PT. Bomim Permata Abadi, the 1 st local corporation in Semarang, Indonesia
2018. 01	Acquired Modas B.I. Apparel in Guatemala
2017. 06	Established Da Nang branch Vietnam
2017. 01	Established Hansae Haiti, S.A., the 1 st local corporation in Haiti
2016. 10	Established Bentonville Office in Arkansas, U.S.A.
2014. 07	Acquired Costec International Co., Ltd., the 2 nd local corporation in Myanmar
2014. 05	Established Semarang Office in Semarang, Indonesia
2013. 09	Established Ho Chi Minh Office in Ho Chi Minh, Vietnam
2013. 02	Acquired Myanmar Ayeyarwaddy MFG, the 1 st local corporation in Myanmar
2013. 02	Acquired C&T VINA Co., Ltd., the fabric factory in Vietnam
2012. 10	Established Shanghai sourcing office in Shanghai, China
2010. 11	Established Hansae TG Co., Ltd., the 3 rd local corporation in Vietnam
2010. 09	Established Hansae Global S.A., the 2 nd local corporation in Guatemala
2009. 11	Established Hanoi Office in Hanoi, Vietnam
2008. 05	Established New York Office in New York, U.S.A.
2006. 11	Established PT. Hansae Karawang Indonesia, the 2 nd local corporation in Indonesia
2005. 09	Established Hansae Pinula S.A., the 1 st local corporation in Guatemala
2005. 08	Established PT. Hansae Indonesia Utama, the 1 st local corporation in Indonesia
2005. 04	Established Hansae TN Co., Ltd., the 2 nd local corporation in Vietnam
2001. 03	Established Hansae Vietnam Co., Ltd., the 1 st local corporation in Vietnam
2000. 01	Listed on the Korea Stock Exchange
1998. 07	Established Hansae International S.A., the 1 st 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

Dear Stakeholders,

In this report, we have outlined our corporate activities across social and business arenas, which play an integral role in driving continued success into the future.

It is our hope that the proceeding pages will demonstrate why we are so excited about delivering on the expectations of our stakeholders and the needs of our client partners and customers.

Three areas of particular interests and of utmost importance, which we will be highlighting, are the following topics: Worker Engagement, Environmental Preservation, and our support to the ongoing COVID-19 pandemic.

The COVID-19 pandemic remains volatile and ever evolving. A global contraction looms in the face of this adversity not only for the fashion industry but for many others as well.

As such, Hansae has chosen to take a proactive stance, allowing us to stave off a pending recession with innovative thinking and immediate action.

Hansae has been successful in turning this crisis into new opportunities to bring greater support to society while continuing to deliver on our corporate demands.

One of the ways in which Hansae has been able to rise to this global challenge has been through the introduction of a company-wide collaboration tool called HAMS (Hansae Advanced Management System), which was launched in 2019.

HAMS frees us from any constraints in communication between overseas corporations and headquarters. Furthermore, HAMS significantly improves efficiency and productivity in our factories because it is a more direct communication channel void of clutter and congestion.

In the face of the ongoing virus threat, we have continued our efforts on worker engagement and to bolster employee wellness by offering lifelong skills training and safety support materials which cohesively have helped to create a better working environment overall.

In 2020, we set safety above all else for all our clients and colleagues in order to help prevent the spread of the COVID-19 pandemic while allowing for operations to continue in a safe and healthy manner.

As we pursue our vision, Hansae has focused on environmental sustainability and aligned production practices to meet our reduction targets in decreasing our environmental footprint and in increasing biomass consumption.


We have worked on many of the most demanding environmental projects steadily decreasing our dependence and consumption rates on oil, coal, water usage, and carbon dioxide emissions in our factories.

We fully understand the growing concerns and importance of environmental sustainability and will continue to align increased efforts to do all that we can in the global struggle to protect the environment.


At Hansae we have positioned ourselves as a global leader in fashion with the vision to enrich customers' lives and to lead world fashion culture by providing the highest quality clothing at reasonable prices.

We look forward to and appreciate your continued support on our journey as we take further steps into advancing our goals to fulfill our mission.

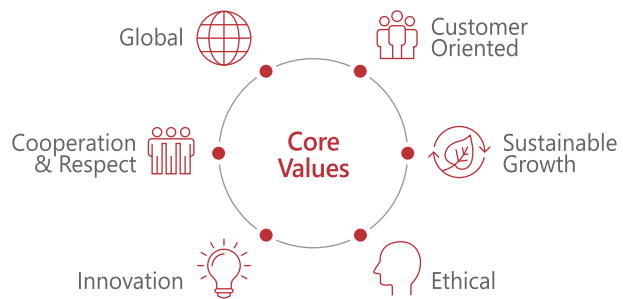
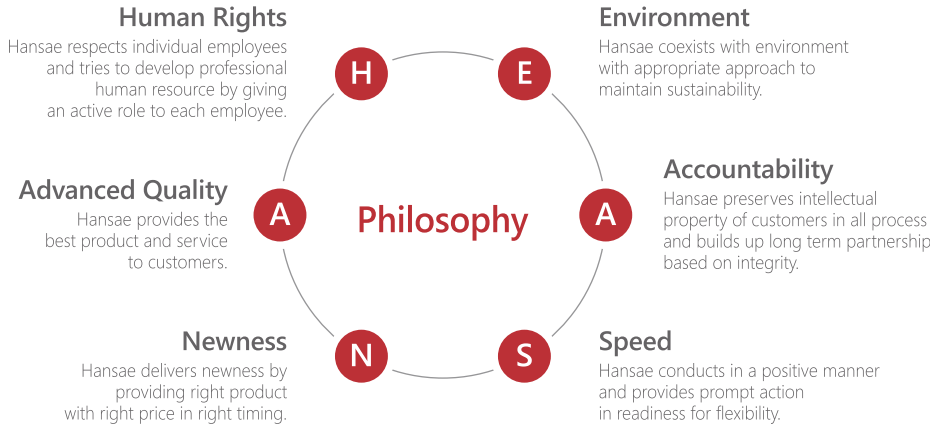
Daymond Ik Whan Kim



Jenny Hee Sun Cho



1.2 Philosophy, Values and ESG Vision

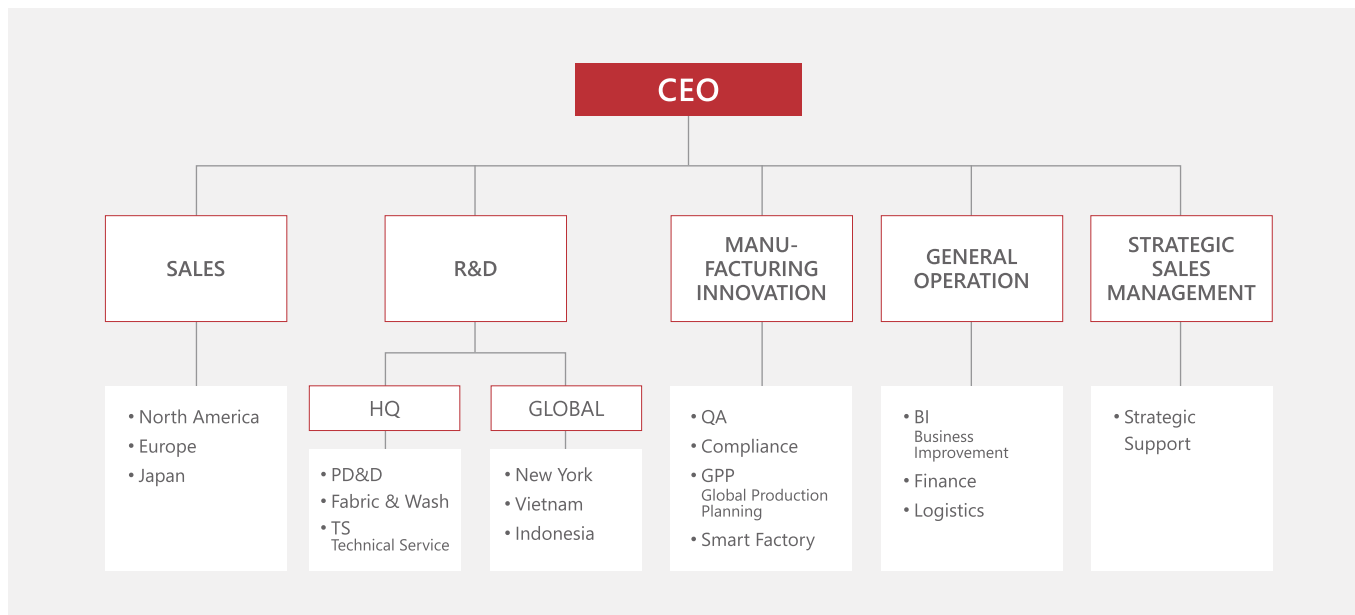


ESG Vision

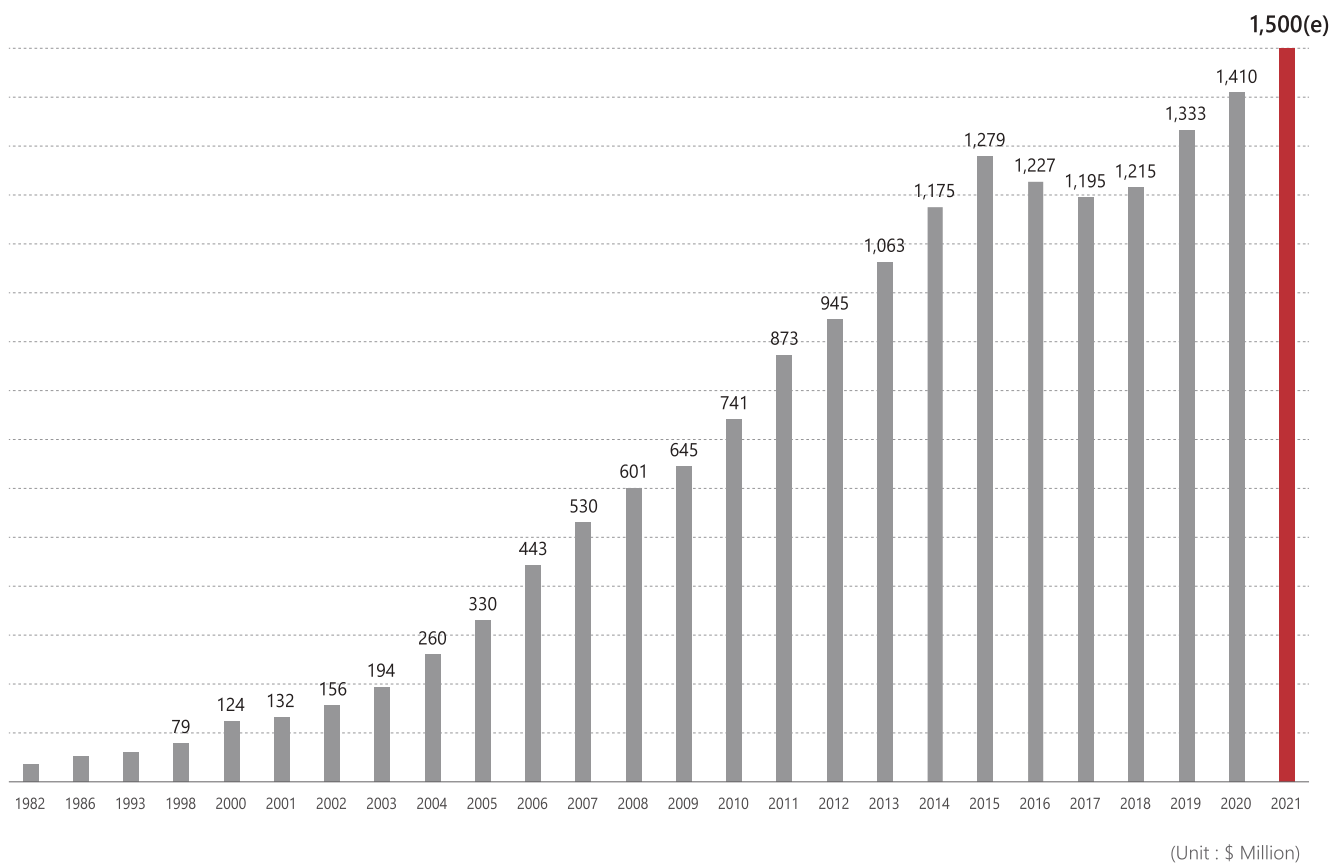
Sustainable Growth in a Sound Company Culture

Social Responsibility		Sustainability	
Communication	<ul style="list-style-type: none"> Respect for Human Rights Grievance System Worker Engagement & Training Program Compliance Monitoring Ethical Management Community Outreach Scholarship Equality 	Mutual Understanding	<ul style="list-style-type: none"> GHG Emission Reduction <ul style="list-style-type: none"> Energy Saving Renewable Energy Water Saving <ul style="list-style-type: none"> Rainwater Harvesting Low Liquor Washing & Dyeing Equipment Wastewater Recycling through RO(Reverse Osmosis) System Chemical Management <ul style="list-style-type: none"> Chemical Inventory Management Wastewater Test Sustainable Raw Materials <ul style="list-style-type: none"> Organic Cotton, BCI (Better Cotton Initiative) Recycled Fabric/Trim

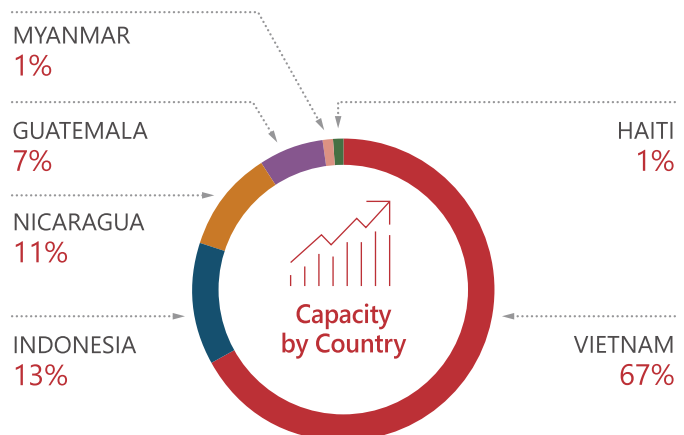
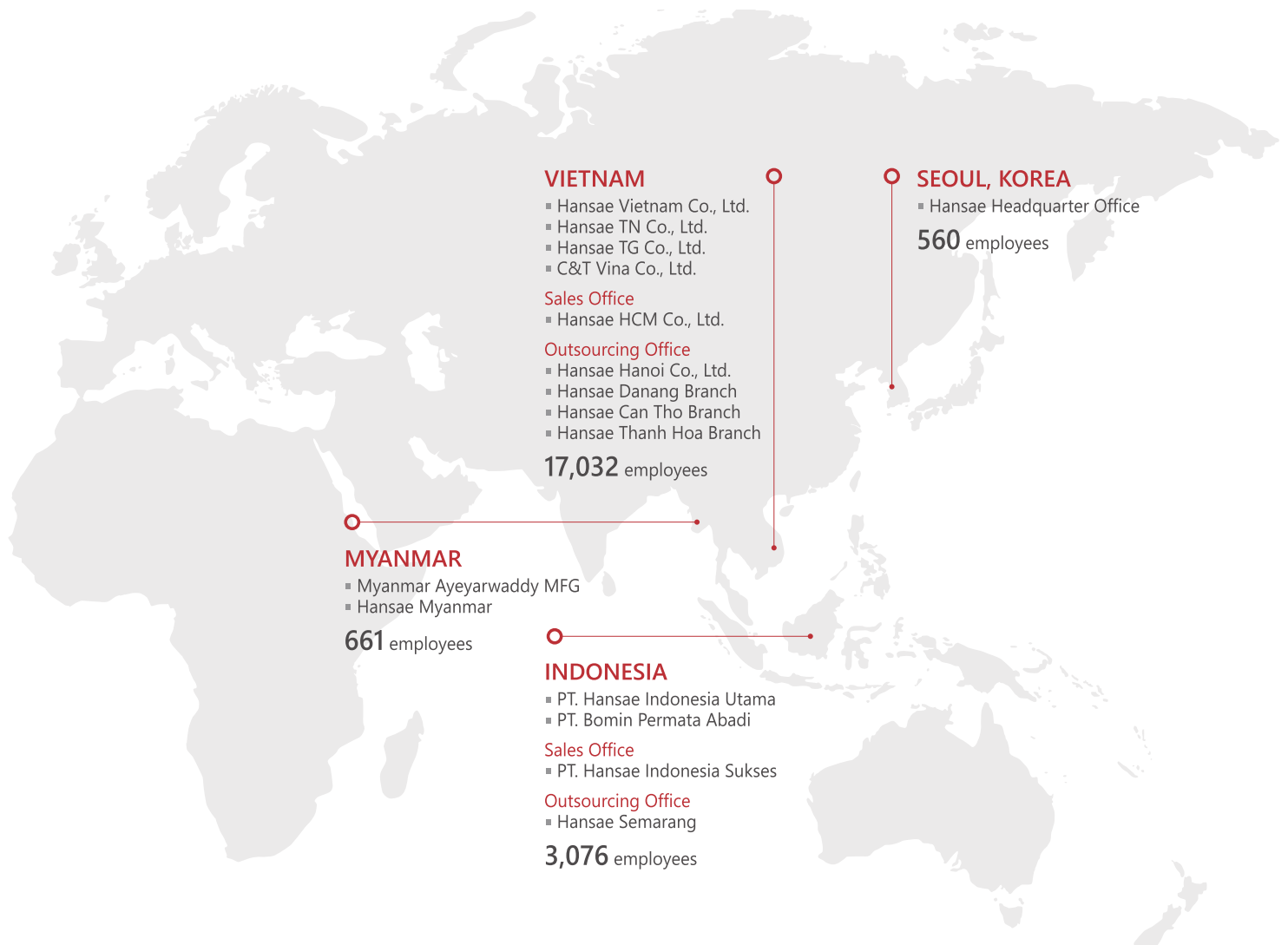
1.3 Organization Structure

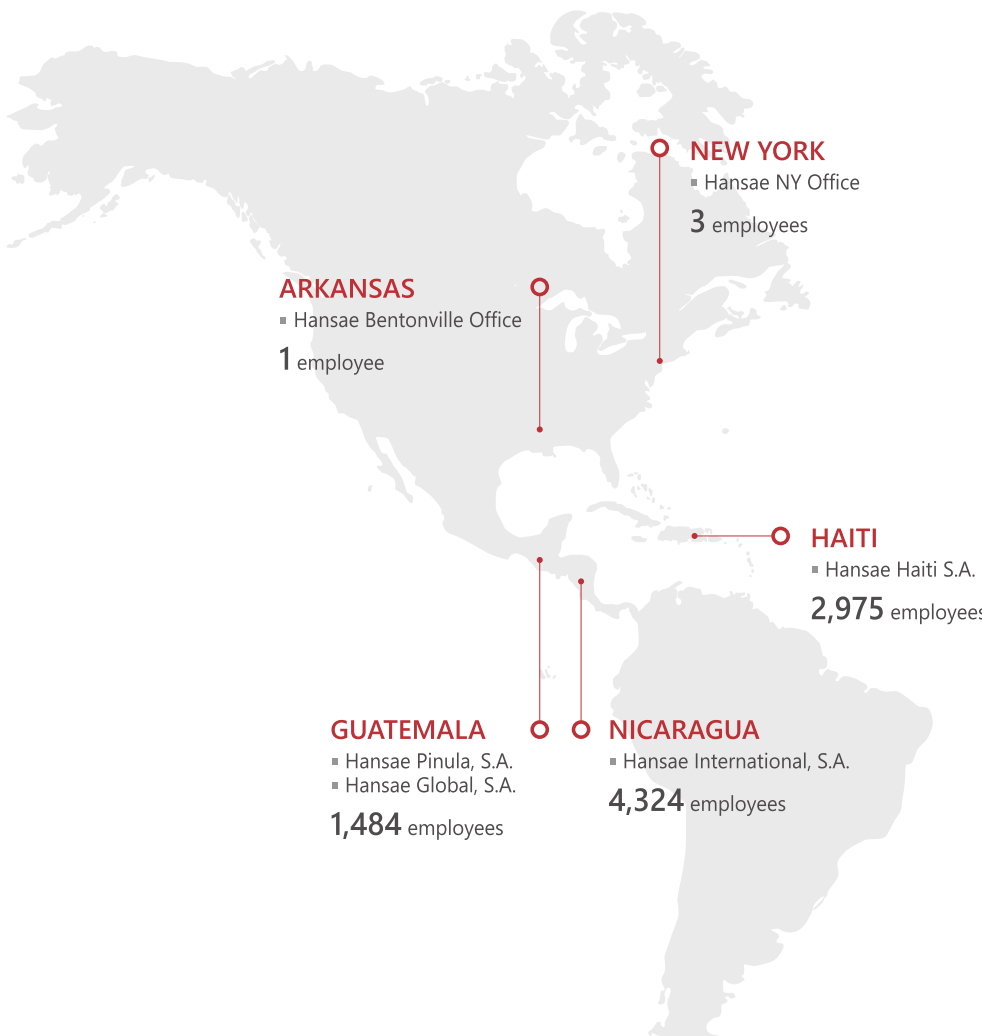


1.4 Performance



1.5 Global Network





Production Capacity



6 Countries

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



Employees
30,116



11 Clusters
1 Fabric Mill



Million PCS / Month
23



531 Lines

Global Capacity

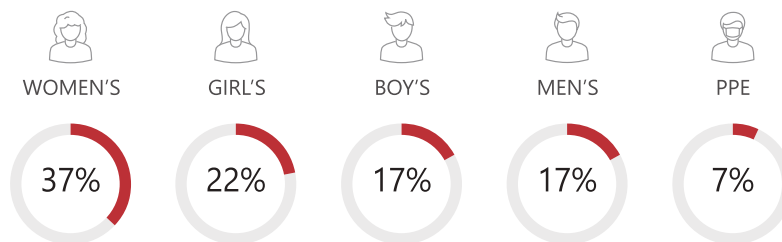
VIETNAM	INDONESIA	MYANMAR	GUATEMALA	NICARAGUA	HAITI
282 Lines	57 Lines	38 Lines	26 Lines	69 Lines	59 Lines
13.7 mil pcs/month	1.1 mil pcs/month	0.11 mil pcs/month	1.6 mil pcs/month	5.4 mil pcs/month	1.1 mil pcs/month

1.6 Markets Served

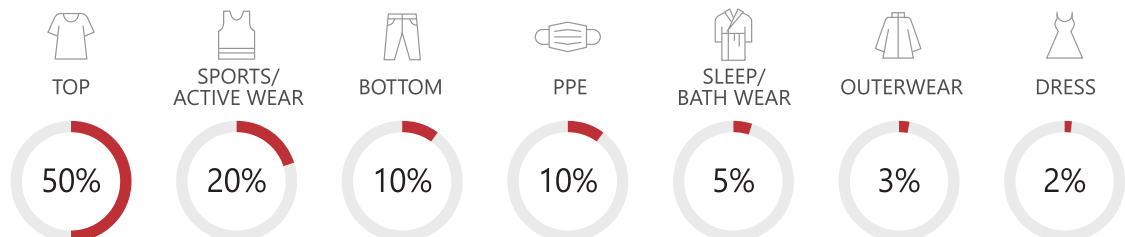
Key Customers



Gender



Category



1.7 Stakeholder Engagement

Hansae acknowledges that good stakeholder engagement yields to better performance and risk management, and we thrive 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.



Environmental Sustainability



6 CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns



14 LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development



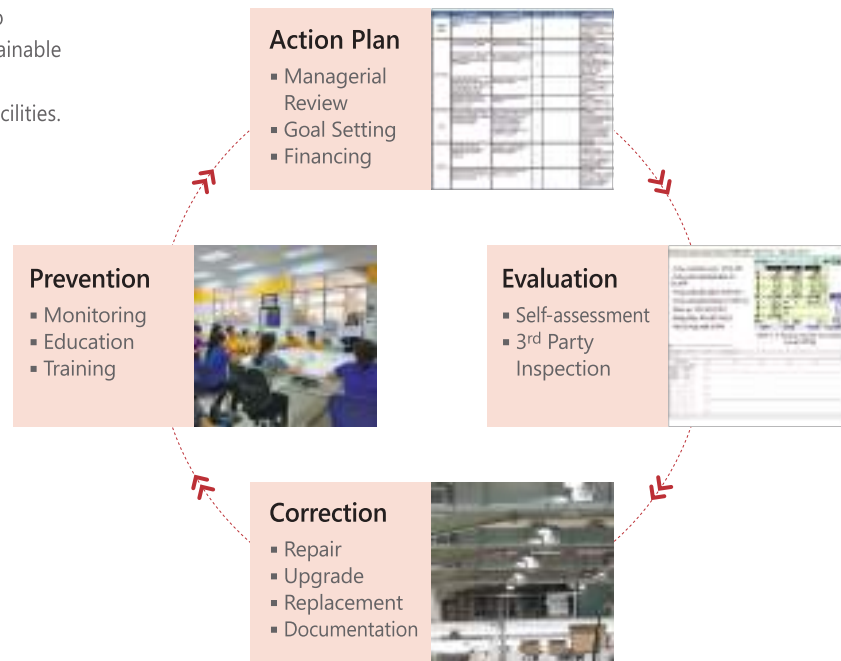
15 LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



2.1 Hansae Environmental Management System

Hansae has been putting its continuous efforts to improve its environmental performance and sustainable management through implementation of its environmental policy and regular evaluation of facilities.



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 the year of 2011. Hansae's latest CDP disclosure was done on August 20, 2020, along with its intensity target and actual progress on GHG emissions reduction for the reporting year of 2019. Hansae will continue to complete CDP disclosure annually.



Higg Index FEM (Facility Environmental Module)

Hansae's owned and subcontracted facilities have conducted environmental self-assessments utilizing Higg Index version 3.0, which is the latest version adopted for Higg FEM in 2017. Hansae has been actively engaged in Higg Index Survey Project since 2013 and the number of factories are constantly increasing.



Facility Type	FEM 2015	FEM 2016	FEM 2017	FEM 2018	FEM 2019	FEM 2020
Owned	9	9	11	13	12	12
Subcontracted	30	31	43	54	62	62
Total	39	40	54	67	74	74

As of 03/31/2021

OCS (Organic Content Standard) and RCS (Recycled Claim Standard) Scope Certification

Facility Type	OCS/RCS	OCS only	RCS only
Owned	7	2	0
Subcontracted	23	5	3
Total	30	7	3

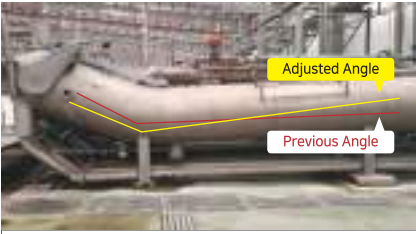


As of 03/31/2021

Hansae's many of owned and subcontracted facilities are OCS/RCS certified. Certified factories are able to import and process fabrics containing organic or recycled material, and produce, store and export OCS/RCS garments.

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

Water Saving Projects

Since its acquisition in 2013, C&T Vina, our subsidiary facility for fabric dyeing and printing has been actively involved in environmental-friendly activities. And between 2019 - 2020, C&T Vina implemented 3 significant water-saving projects including dyeing machine water ratio upgrade, rainwater harvesting system and wastewater recycling system.

Dyeing Machine Water Ratio Upgrade	Rainwater Harvesting System	Wastewater Recycling System
 <p>C&T Vina adjusted angles of its dyeing machines structure, making it possible to improve the ratio of water required to dye fabrics. Since its adjustment in January 2019, the factory was able to save total 232,029 M³ of water by the end of 2020.</p>	 <p>The factory completed installation of a rainwater harvesting system at the end of 2018. The factory was able to collect rainwater that was purified and then utilized for industrial and domestic use. C&T Vina saved total 115,469 M³ of domestic water use thanks to rainwater utilization between 2019-2020.</p>	 <p>C&T Vina has built a wastewater pre-treatment and recycling system that recycles wastewater for re-use. The system did a pilot run in December 2019 and was able to recycle 102,910 M³ of wastewater in 2020. The factory will gradually reach full capacity (maximizing the use of the system) and expect to achieve annual water reduction of 186,600 M³ by 2021 and 213,900 M³ by 2022.</p>

Water Saving

Year	Dyeing Machine Ratio Upgrade	Rainwater Harvesting System	Wastewater Recycling System
2019	102,073	53,178	N/A
2020	129,956	62,291	102,910
Saving Total	232,029	115,469	102,910

(Unit : M³)

Goal of Chemical Management

C&T Vina's chemical management team has been working to achieve the goal of eliminating 16 ZDHC priority chemical groups from its supply chain according to the following timeline. Since the factory started ZDHC project, factory has been doing its best to maintain clean records without detection of restricted substances in the wastewater, through strict chemical purchase monitoring and chemical inventory management.

Elimination of Hazardous Chemicals

The result of the latest ZDHC Wastewater Test conducted through 3rd party lab for C&T Vina in September 2020 was PASS with "all clear" result.

ZDHC 16 Priority Chemical Groups

Alkylphenol (AP) and Alkylphenol Ethoxylates (APEOs)	Chlorobenzenes and Chlorotoluenes	Chlorophenols	Dyes - Azo
Dyes-Navy Blue Colourant	Dyes-Carcinogenic or Equivalent Concern	Dyes - Disperse (Sensitizing)	Flame Retardants
Glycols	Halogenated Solvents	Organotin Compounds	Polycyclic Aromatic Hydrocarbons (PAHs)
Perfluorinated and Polyfluorinated Chemicals (PFCs)	Phthalates	Total Heavy Metals	Volatile Organic Compounds (VOC)

Implementation of Chemical Purchase Policy, MRSL Policy and Chemical Inventory Management System

Not detected in wastewater from C&T Vina



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 reduction target of energy use and GHG emissions with the base year of 2015 and the target year of 2020. Hansae made significant achievement by exceeding its original goals in electricity, coal and water usage and getting very close to reduction targets of oil and GHG emissions.

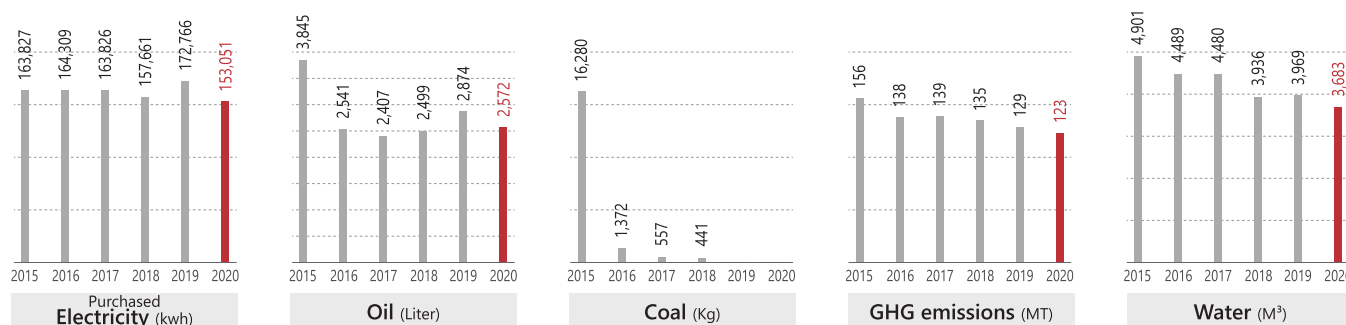
In 2021, Hansae established a new reduction targets with the base year of 2020 and the target year of 2030. Hansae will continuously find ways to sustain our environment for better future.

Annual Fuel & Water Consumption + GHG Emissions

Usage and Emissions Data

Period	Purchased Electricity (kwh)	Oil (Liter)	Coal (Kg)	GHG emissions (MT)	Water (M ³)
2015	163,827	3,845	16,280	156	4,901
2016	164,309	2,541	1,372	138	4,489
2017	163,826	2,407	557	139	4,480
2018	157,661	2,499	441	135	3,936
2019	172,766	2,874	-	129	3,969
2020	153,051	2,572	-	123	3,683

* Usage and emissions normalized as "per 1 million pieces of garment produced"



Reduction Targets 2020

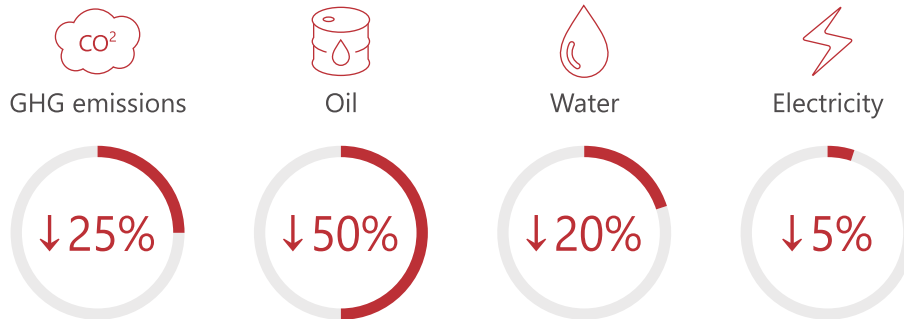
Base Year 2015	Target Year 2020	Progress In 2016	Progress In 2017	Progress In 2018	Progress In 2019	Progress In 2020
Electricity	↓ 5%	↑ 0.3%	↓ 0.0%	↓ 3.8%	↑ 5.5%	↓ 6.6%
Oil	↓ 50%	↓ 34%	↓ 37%	↓ 35%	↓ 25%	↓ 33%
Coal	↓ 90%	↓ 92%	↓ 97%	↓ 97%	↓ 100%	↓ 100%
GHG emissions	↓ 25%	↓ 12%	↓ 11%	↓ 14%	↓ 18%	↓ 21%
Water	↓ 10%	↓ 8%	↓ 9%	↓ 20%	↓ 19%	↓ 25%

* Consumptions or emissions per one million pieces of garment produced

Ways to achieve targets



New Reduction Targets 2030



(Base Year 2020, normalized per one million pieces of garment produced)

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, 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
2019	31,511	-	31,511
2020	32,218	-	32,218

* Usage normalized as "per 1 million pieces of garment produced"



Incinerator burning biomass



Firewood

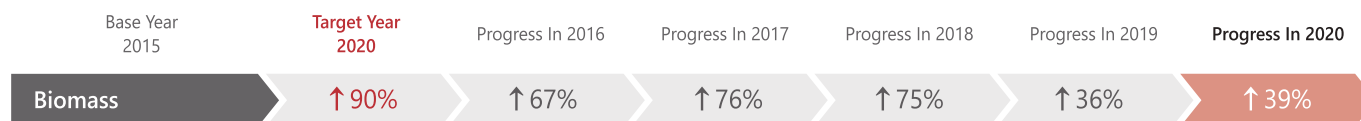


Wood Briquette



Wood Waste

Consumption Target



* Consumptions per one million pieces of garment produced

** Consumption has dropped since 2019 due to changes in biomass types with higher efficiencies (Rice hulls to wood briquette and firewood)

Corporate Social Compliance



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



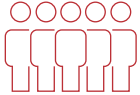
Reduce inequality within and among countries



3.1 Business Operations Overview

Overview of 2019

Newly Hired Employees




10,701

Newly Hired Employees Across the Globe


Newly Hired Employees by Age 2019

Criteria	VIETNAM	INDONESIA	GUATEMALA	NICARAGUA	MYANMAR	HAITI
Under 30 years old	2,889	1,060	416	1,363	423	503
30-50 years old	1,347	504	688	1,126	8	355
Over 50 years old	0	0	10	5	0	1


Newly Hired Employees by Gender Rate




Male



36%

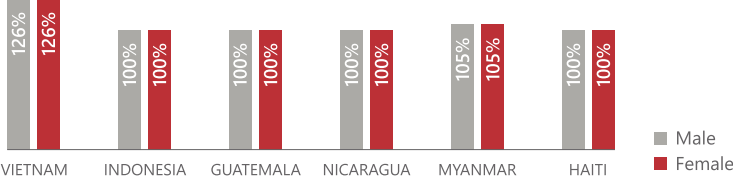


Female



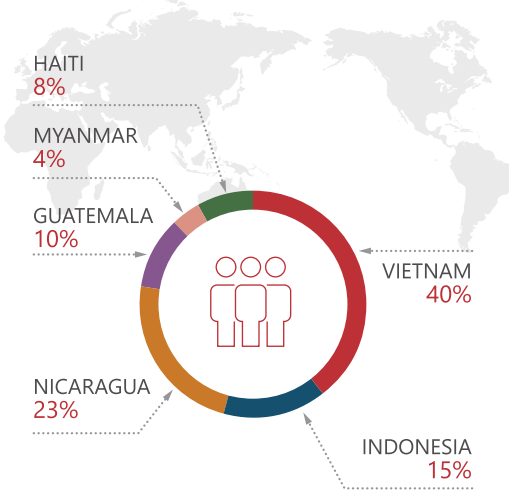
64%

Ratio of Entry Level Wage by Gender Compared to Local Minimum Wage 2019




Country	Male	Female
VIETNAM	126%	126%
INDONESIA	100%	100%
GUATEMALA	100%	100%
NICARAGUA	100%	100%
MYANMAR	105%	105%
HAITI	100%	100%

Newly Hired Employees by Region



Region	Percentage
VIETNAM	40%
INDONESIA	15%
NICARAGUA	23%
GUATEMALA	10%
MYANMAR	4%
HAITI	8%

Ratio of Basic Wage and Remuneration of Women to Men 2019




Male 50% | Female 50%

Number of Grievances 2019

605


Cases filed and resolved through formal grievance mechanisms




Rate of Injury Frequency

3.02


(Rate based on 100 employees working full time for one year)
* Including minor accidents (finger injuries, slips, etc.)



Return to Work Rate



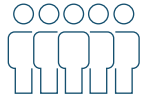
Return to work rate after parental leave



Employee Retention Rate

Overview of 2020

Newly Hired Employees



10,064

Newly Hired Employees Across the Globe

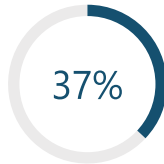
Newly Hired Employees by Age 2020

Criteria	VIETNAM	INDONESIA	GUATEMALA	NICARAGUA	MYANMAR	HAITI
Under 30 years old	1,823	1,727	372	1,659	210	1,519
30-50 years old	853	593	666	1,282	4	1,434
Over 50 years old	2	1	8	5	0	22

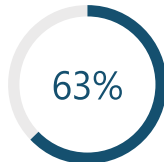
Newly Hired Employees by Gender Rate



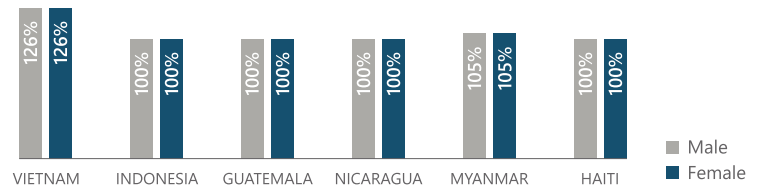
Male



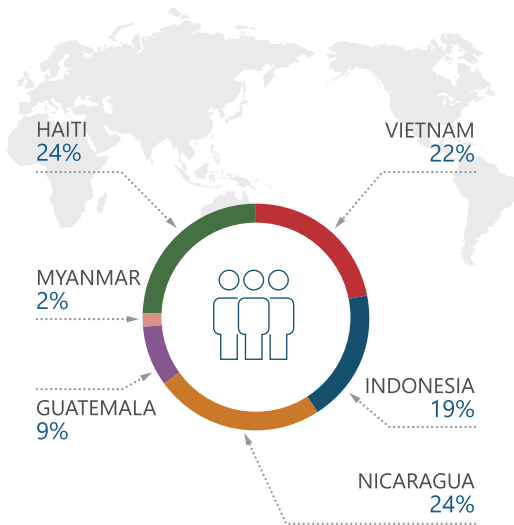
Female



Ratio of Entry Level Wage by Gender Compared to Local Minimum Wage 2020



Newly Hired Employees by Region



Ratio of Basic Wage and Remuneration of Women to Men 2020



Male
50%



Female
50%

Number of Grievances 2020

639

Cases filed and resolved through formal grievance mechanisms



Rate of Injury Frequency

2.99

(Rate based on 100 employees working full time for one year)

* Including minor accidents (finger injuries, slips, etc.)



Return to Work Rate



Return to work rate after parental leave



Employee Retention Rate

Hansae Code of Conduct and Environmental Policy

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, discrimination, freedom of association and prohibition of child and forced labor as well as human trafficking.



With established Code of Ethics, Code of Conduct and Conflict Mineral Regulations, Hansae made a declaration to all employees and customers to take responsibility for the accuracy and truthfulness of the details declared. The policies and regulations clearly state that the company is committed to operating with respect for internationally recognized human rights and environmental laws. It is applicable to all Hansae's operations and is intended to guide our engagements to our factories, sub-contractors, and other related business partners.

Along with the declaration, Human Rights Policy training was provided to employees at all production sites, from top management to local employees, throughout 2019 and 2020, as Hansae is committed to making all Hansae employees, factories, sub-contractors, and business partners aware of the policy. By communicating all our requirements across our suppliers, we aim to ensure all engaged parties fully read, understand, and agree on 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 improvement in their general performance, Hansae has established business partner evaluation system. The system includes the evaluation of the business partners from various angles, of which the criteria include compliance performance, quality, on-time delivery rate, claim rate and business satisfaction level.

Through the strategic operation of the established system, Hansae will strengthen the partnership with existing partners while narrowing down the number of subcontracted factories at the same time by gradually removing the underperforming partners from our matrix. In doing so, we expect to enhance management efficiency and lower business risks.

3.2 Sustainable Development Programs

Workers Engagement Programs:

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

In support of women, who comprise the majority of the global garment workforce, Gap Inc. has developed Personal Advancement & Career Enhancement (P.A.C.E.) program and has been expanding to allow women around the world to open up their opportunities of professional and personal growth.

Hansae has been participating in P.A.C.E. since 2013 to improve life skills, technical abilities, and support women to advance in both workplace and in their personal lives.

Hansae International

In the year 2019, Hansae International (located in Nicaragua) has newly joined P.A.C.E. program to provide knowledge to women employees on how to advocate for themselves through 5 learning modules; Communication, Problem Solving and Decision Making, Time and Stress Management, Execution Excellence, and General and Reproductive Health. There were 8 groups of participants and each group consists of 17 FGW (Female Garment Workers). Total 136 FGW have finished learning modules and successfully graduated achieving higher productivity and improvement on negotiating their problems effectively. Factory has documented that their evaluation test results prove actual impact of the program. Participants shared their stories confirming that they became better at communicating and taking care of their health.

In 2020, Hansae International has been nominated to share a video based on P.A.C.E. curriculum and won partner of two P.A.C.E. awards; Best Performance and Best Picture.

Factory has made a short video contents for one of their worker development program – setting a weight loss goal and keep exercise routine at the fitness gym, which was built inside the factory premise to help motivate and encourage workers' well-being.

Hansae Haiti

P.A.C.E. project in Haiti's Centre department, funded by Hansae Co., Ltd., began in July 2019 with 110 social influencers trained on the three P.A.C.E. modules by TOTs (Training of Trainers) and then replicated these trainings in 346 Village Savings and Loan Association (VSLA) groups.

During the period from May 31, 2019 to June 30, 2020, the project team finalized the processing of the data collected on the Communication module. The team then trained social influencers and VSLA members on the modules Problem Solving and Decision Making and Time and Stress Management. These social influencers obtained an average score of 54.7% for the pre-test and 70.3% for the post-test.

9,644 members of VSLA group, including 6,801 women funded by Hansae, completed the modules, effectively reaching the project target.

Hansae TN

Year 2020 was Hansae TN's 6th year of joining the P.A.C.E. program. Hansae TN is continuously seeing benefits in improved workforce productivity and performance through P.A.C.E. curriculum. Trainings helped participants to improve their knowledge and working skills. Factory hosted a graduation ceremony for the participants of the Batch 5 on December 28, 2019 and then the next Batch 6 was launched on July 4th, 2020 with 232 trainees. The average score of 35% for pre-test and 60% for the post-test show how much impact the trainings have and participants reported they have gained confidence at workplace and home.



Hansae Vietnam

Hansae Vietnam also completed their P.A.C.E. Program in the year 2019 with 612 graduates on their second and third batch. From Batch 4 & 5, to maintain good training quality and better support, master trainers conducted training assessment for all P.A.C.E. silver trainers through Quality Assurance Support Visit (QASV). 3 'Silver' trainers with a score of 40 and above were eligible to undergo re-assessment and attended Certification Assessment Tool meeting with Gap Inc. team. Through this QASV, Hansae Vietnam will develop more skills to manage TOTs to become 'Gold' trainers on their next Batch.



P.A.C.E. training is composed of 65-80 hours of capacity-building modules: communication, problem solving & decision making, time & stress management, hygiene, general and reproductive health, functional literacy, gender roles and safety and security, legal literacy and social entitlements, and financial management. Each training is delivered through group discussions, role playing activities, and presentations.

Prevention of Sexual Harassment (POSH)

Over the years, serious violations related to gender-based discrimination and harassment were found in the workplace over many countries. In 2018, Gap Inc. first started with their suppliers in India to build an environment where they clearly define and implement policies on Prevention of Sexual Harassment (POSH).

Gap Inc. has expanded these trainings to address discrimination and harassment in many other countries, including Guatemala, Haiti, Indonesia, Nicaragua, and Vietnam and implemented the training in partnership with ILO Better Work, HERproject, CARE, ICRW and Walmart.

Hansae owned factories, Hansae International, Hansae Vietnam, Hansae TN, and Hansae TG have also participated in this POSH initiative to provide a safe working environment to employees and to strengthen work performance and competitiveness.

Starting from year 2019, Hansae factories (upper-level management representatives) and headquarter attended workshop to kick off this joint program and will continue 5 activities throughout year 2023 as following:

1. Introduction of POSH: Kick off meeting, understanding objectives
2. Participatory Diagnosis: Management systems analysis, Interviews
3. Training of Trainers (TOT): Conduct training
4. Advice/coaching on management systems:
Improve policies, grievance mechanisms
5. Sustainability planning: Monitor actions taken,
set up continuous improvements

In 2020, factories in Vietnam proceeded TOT trainings; each GBV P&R (Gender Based Violence Prevention & Response) class is held for 3 hours with 100 attendees. Through POSH practices, factories raised awareness about sexual harassment and the rights and responsibilities of male and female employees, including managers. Also, facilities learned how to prevent and address sexual harassment in the workplace correctly and its relation with decrease in productivity.

How we delivered POSH Training:

- Case study on sexual harassment at work:
Impacts on productivity, health, brand.
- Define types of harassment: Verbal abuse, suggestive joke, physical contacts, quid pro quo etc.)
- Forum discussion on drawback and solutions
- Evaluation

Focus and objectives of POSH:

- To prevent sexual harassment and establish management systems effective to provide mitigation, reparation, and support to the victims.
- Support factories to achieve better and safe workplace with more respect and gender equality through:
 - *Strengthening policies
 - *Implementing mechanisms to encourage employees to report



Workplace Cooperation Program

Workplace Cooperation (WCP) Program is to improve dialogue and relations between workers and management and allow them to understand each other better to prevent labor disputes and resolve conflicts. The main purpose of WCP program is to enhance competitiveness and productivity.



Hansae Global in Guatemala

Hansae Global in Guatemala was Hansae's first factory to carry out the Workplace Cooperation Program through Gap Inc. Upon its launch in 2016, Hansae Global's employees have been receiving regular trainings from Gap trainers on risk analysis, problem resolution and effective communication. Through this process, management and factory supervisors achieved effective ways of delivering directions to employees and vice versa; employees learned how to properly bring forward their complaints without causing any unnecessary conflict.

Hansae Vietnam

Hansae Vietnam continued their participation in 2019 and 2020. Group discussions, case studies and various activities were carried out every month to build up communication skills and problem solving, which will bring biparty to understand each other's needs.

Hansae TN

Hansae TN has also joined the WCP program in 2019 and initiated educating on communication content and channels first to encourage them to provide an environment where employees can address workplace issues openly. In 15 months, factory finished conducting whole WCP sessions and brought workers to acknowledge importance of workplace cooperation. Graduation Ceremony of WCP program was hosted and factory completed WCP endline survey in the transparent approach to measure the impact of this program. The result showed that WCP provided good opportunities for workers to learn about effective communication method, understand responsibilities, and acquire skills to handle grievances.

As a result, employees at all factories have become confident when communicating with management and bipartite members have become more active to communicate with each other. Factory expects a continuous improvement in social and labor issues at workplaces and increased job satisfaction.



Race to the Top Project

Race to the Top program (RttT) is an initiative which aims to reshape apparel and footwear industry in Vietnam by promoting and enabling embedded sustainable manufacturing practices to reduce absenteeism rate, turnover rate, and occupational accident rate.

In collaboration with the Vietnamese government, global consumer brands, and international organizations, RttT program intends to improve social, environmental, and financial performances of Vietnam factories.

As a part of the project, Hansae TG has joined Worker Engagement Program (WE), which was implemented by Social Responsibility Operations Consulting Co., (SRops), which helped the factory build the mechanism that creates workers involvement, engagement, attraction, and dedication through trainings on how to build trust and connections with workers.

Approximately 14 employees participated in each dialogue sessions, trainings, survey activities to develop skills and implement practices that improve both working conditions and profitability.

RttT has brought Hansae TG to experience cultural changes in their work satisfaction and productivity and look forward to continuous improvement.



Life and Building Safety (LABS)

Life and Building Safety (LABS), facilitated by IDH, is a coherent worker-safety program to promote a safe and secure working environment for the apparel and footwear.

Why it started:

In the past years, the tragic events at factories in Bangladesh and Pakistan have highlighted the urgent need to address life and building safety in the apparel and footwear industry. LABS is building on these experiences and bringing together key factors to improve fire, structural building, and electrical safety (FB&ES).

Who joined:

Our brands and retailers; Gap Inc., Target, Walmart, VF, and PVH, joined forces to effectively mitigate preventable FB&ES risks in key apparel and footwear producing countries – Vietnam, Indonesia, Cambodia and Pakistan. LABS participants collaborated with industry associations, governments, and institutes to create better safety policies and provisions.



How it's achieved:

In 2019, Hansae has enrolled to the LABS program partnering with expert inspection firms and started assessing Hansae Vietnam, Hansae TG, and Hansae TN on fire, building and electrical safety based on applicable international standards. Through training, consulting, and assistance, factories are continuously guided on remediation against corrective action plans to reduce safety risks and ensure improvements are sustained.

Beyond mitigating risks, LABS allowed factories to increase customer visibility and reputation.

LABS aims to:

1. Protecting workers from structure, fire and electrical safety risks
2. Fostering a harmonized approach to Occupational Health & Safety regarding structural, electrical, and fire safety and evacuation preparedness
3. Providing more expertise, support, and guidance for safe operations
4. Creating cost-efficiencies by coordinated activities at country-level

2020 New Sustainability Campaign '10% For Good'

In 2019, Hansae has launched a new sustainability campaign, '10% For Good' in which it donates 10 percent of its net profits from sustainable orders using eco-friendly materials (certified by BCI and Oeko-Tex Standard 100) towards sustainable and environmental friendly organizations. Our '10% For Good' pledge will continue nominating new third-party organizations doing activities related to water management, green raw material, hardware upgrades, and sustainability retrofits.

The new campaign commenced with the partner 'The Ocean Cleanup', a nonprofit organization based in the Netherlands, that develops technology to extract plastic pollution from the oceans and regenerate it to recycled products. Donation amount has been set to at least 100 thousand to maximum 1 million dollars.

"As a global fashion clothing company, we strive to save energy and minimize pollution by establishing an environmental control system," said Kim Ik-whan, the vice chairman of Hansae. "We will actively participate in global programs such as Carbon Disclosure Project to encourage transparency. Our continuous efforts to protect the environment will create a better future for our partners and customers."



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 local office, 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.

Average Training Hours per Employee

	COO	2019	2020
Number of Training Participants	Vietnam	187,705	202,161
	Indonesia	47,750	56,073
	Guatemala	9,639	7,152
	Nicaragua	5,320	4,450
	Haiti	3,312	13,887
	Myanmar	6,031	5,502
Average Training Hours per Employee (Total training hours / Total workforce)	Vietnam	11.22	10.42
	Indonesia	6.58	6.62
	Guatemala	5.93	4.85
	Nicaragua	2.77	3.54
	Haiti	1.83	0.94
	Myanmar	0.47	0.34

Training Hours per Training Types

	2019	2020
Total Training Hours (Training hours x Number of training sessions held)	56,820	66,195
Labor	34,388	31,819
Health and Safety	20,446	31,987
Security	313	326
Brand Protection	20	28
Workers Engagement	1,653	2,035


Training Hours per COO

	2019			2020		
	Training Hours (Per session)	Number of Training Session	Training Hours x # of Trainings	Training Hours (Per session)	Number of Training Session	Training Hours x # of Trainings
Vietnam	773	259	200,220	862	206	177,510
Indonesia	41	383	15,774	57	357	20,349
Guatemala	44	194	8,443	37	192	7,194
Nicaragua	84	131	11,004	107	143	15,301
Haiti	37	95	3,468	24	119	2,797
Myanmar	19	17	326	11	20	224

In addition to the listed trainings, each local office coordinates additional trainings each 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 2019-2020

	<p style="text-align: center;">LABOR</p> <ul style="list-style-type: none"> • New Hires Orientation • Labor Law • Grievance / Abuse and Harassment • Collective Agreement / Internal Regulation • Integrity and Ethics • Communication Skill • Teamwork • Human Rights Training
	<p style="text-align: center;">SECURITY</p> <ul style="list-style-type: none"> • Security Awareness Training • Container Inspection - 7 Points • IT Security Training
	<p style="text-align: center;">BRAND PROTECTION</p> <ul style="list-style-type: none"> • Brand Protection
	<p style="text-align: center;">WORKER'S ENGAGEMENT</p> <ul style="list-style-type: none"> • P.A.C.E. Program • Workplace Cooperation Program • POSH

	<p style="text-align: center;">HEALTH & SAFETY</p> <ul style="list-style-type: none"> • Fire Safety • Evacuation Simulation • First-Aid • Chemical Handling (MSDS, PPE) • Electric Hazards • PPE Safety • Health & Safety • Hygiene & Occupational Safety • Tuberculosis • HIV/AIDS • Food Safety • Breastfeeding • Maternity-Preventive Medicine • Ergonomics • Risk Factors • Certified Boiler & Air Compressor Training • Environment • Waste Management Training • Load Handling • Product Safety
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Fire Fighting Training



OSH Training



Waste Management Training



Chemical Training



3.3 Employee Development at Headquarters

New Employees Transition Ceremony & Workshop in Vietnam

Hansae goes through lengthy processes to recruit, so company strongly dedicates and fosters engaging in employee development. After successfully completing 6 months of internship, approximately 20 interns are invited to the welcoming ceremony to celebrate their new start at Hansae. To build engagement and advocacy for new hires during their onboarding, seniors carry out training workshop to train company culture and the role and responsibility. During this event, new hires learn how to cut and sewn clothes and gift their own handmade to their loved ones. As part of the workshop, employees are also invited to Hansae owned factories located in Ho Chi Minh City, Vietnam – Hansae Vietnam, Hansae TN and Hansae TG. Over the course of 4 days, new hires explore Hansae's global business management in more depth and company culture and experience how the apparel production line flows. This factory tour provides helpful insights and achieve better communication skills with factories. Hansae continues on improving working environment with various worker engagement, retention program and education.



Seoul Work Design Week 2019

In 2019, Hansae hosted 2nd discovering and preparing the future of work project in Seoul Work Design Week (SWDW) as official sponsor corporation. This forum has been promoted for 4 days under the theme of 'Introducing Innovative Entrepreneurs' from the promising companies, to share their stories.

Vice Chairman of Hansae, as a moderator, interviewed CEOs representing each industry – Andar, Woowa Brothers Corp., and Kakao. Representatives conveyed their diverse experiences as leaders and values for corporate innovation in this new age of work.

Through SWDW forum, Hansae expects to promote a positive and proactive approach to navigating the future employment.



Gender equality and Inclusive Growth

Hansae, a company without glass ceiling, received top scores in a survey of "Ratio of Female Executives in Top 500 Corporations in Korea" conducted by the Korean Ministry of Gender Equality and Family in 2019 for having 50% of female executive and senior management.

Compared to other companies where there are only 3.6% of female executives, Hansae's female ratio is 15 times higher than 500 largest companies in Korea.

Hansae President Jenny Hee-sun Cho was on the list of promotions and Hansae was evaluated as a company without a glass ceiling.

This high proportion of female executives is the result of steadily striving for women's welfare with the goal of maintaining work-family balance. After establishing a workplace daycare center in 2015, Hansae has been promoting female-friendly welfare culture with such flexible working hours and parental leaves.

On June 10, 2020, Hansae signed a voluntary agreement with the Korean Ministry of Gender Equality and Family on 'Gender-balanced and Inclusive Growth Partnership' at its headquarters in Seoul, deciding to take the lead in gender equality in employment practices. With this agreement, Hansae will endeavor to maintain a 50% ratio of female department managers and executives by 2022. Currently, the proportion of women at department manager and executives is 53% and Hansae plans to retain an equal ratio between men and women over the next two years.

This agreement is the first to be signed with the Ministry of Gender Equality and Family in the apparel manufacturing industry. In the future, Hansae plans to build a business culture that breaks away from the male-centered culture in manufacturing business.

Daymond Ik-whan Kim, CEO of Hansae, said, "I will help establish a corporate culture where all male and female employees can work happily and further eliminate the prejudice held by labor market on domestic manufacturers."



Workplace Daycare Center

To support office environment where work-life balance is maintained for working parents, Hansae Yes24 Holdings has established first on-site childcare center in 2015 at Yeouido-do headquarters office.

Hansol Hope Education, a daycare service foundation, has been selected by employees to assign qualified and skilled teachers and to develop various education programs for their children. Hansae Yes24 daycare center provides five-day care service, accommodating approximately 50 of employees' children. This daycare enables working parents to preserve their work rhythm as well as reducing burden, while increasing productivity.

Hansae will continuously support employees to build their motivation and better engagement, while promoting gender equality and well-being at work.

Employee Welfare, Gym set-up at Hansae Nicaragua Factory

To help employees to increase mental clarity and reduce risks of diseases, Hansae has set up a indoor gym at Nicaragua factory (Hansae International). As part of employee development program, Hansae set up 180m² gym inside the dormitory where all workers can work out during their recess time. Purpose of setting up a gym in the workplace was to create value for everyone, so all workers can enjoy different ways to exercise with various kinds of workout equipment such as treadmill, weight machines, Pilates machine, billiard table, and table tennis etc. Workers have shared their impression on how office gym has allowed them to schedule workout activity easily during or end of their day and motivate to stay active both at work and home.



Employee Workshops and Lectures

Every year, Hansae provides various workshops for employees to enhance their professional and life skills at work and home. Before the COVID-19 outbreak, all workshops were held face-to-face and built new relationships and connections by sharing thought and interests. In 2019 and 2020, Hansae organized annual workshops and grouped participants to facilitate better communication and share ideas through brainstorming activities and build teamwork. Each individuals get the opportunities to interact with each other and learn diverse aspects and role and responsibilities of other departments. However, due to tough COVID-19 circumstances, Hansae alternatively shifted fact-to-face events to virtual workshops and lectures by broadcasting in real time through YouTube and Zoom so that all employees can attend without any restrictions, following COVID-19 protocols well. Through learning new aspects by attending lectures, employees become inspired to interact actively at work and motivated in both their personal lives and workplace.



Enhanced E-learning Platform

Employees are Hansae's biggest asset and investing in worker development is vital factor not only to sustainable organizational growth but also to employees personal benefits. In the past years, Hansae has experienced the connection between engagement development programs and productivity of company. So, to provide conducive environment for employee growth, Hansae offers various types of trainings such as language courses, e-book learnings, and lectures. Starting in 2020, COVID-19 pandemic brought a big change. Hansae has alternatively set up new e-learning platform and enhanced learning contents to drive employee engagement and development while social distancing. Each team members recorded their tasks, role, and responsibility so that other colleagues can have better insights of different departments. Employees can freely login at any time and register to attend learning programs that they are interested in. Hansae will continue to enhance learning activities that are beyond work responsibilities and help employee's overall development.



Creating a Healthy Organizational Culture of Hansae

Hansae established People & Culture (P&C) team in 2019 to improve employees' welfare and work awareness and improve working atmosphere. P&C team manages in-company education and campaigns to handle grievance.

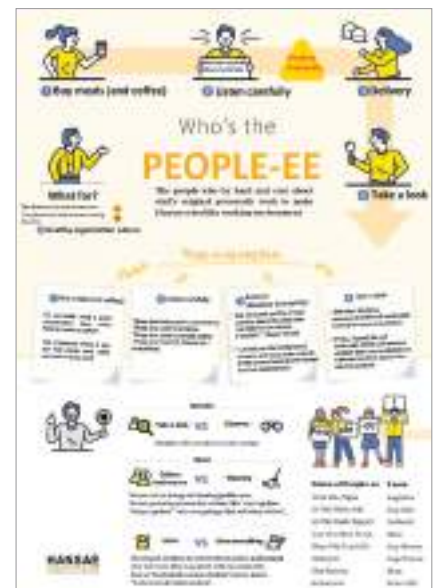
First initiative campaign they have launched was a clear chain of communication to let all employees know whom to approach with their compliant and concerns. P&C team assigns one employee as representative at each department, called 'People-ee'. People-ee team is composed of approximately 20 employees from different divisions and their role is to create comfortable environment, listen when employees are in need and collect grievance and share to Human Resources department to investigate and review the situation.

This new grievance mechanism is intended to encourage employees to raise concerns without fear of reprisal. Also, through direct and in-depth conversation, grievance can be solved.

Another role of People-ee is broadcasting, to bring all employees and management up to speed about new information, news, updated internal policies and organizational culture.

After phasing in 'People-ee' grievance campaign; few new projects were installed as following:

- Established in-house welfare information page in GroupWare (Cloud service)
- '2-hours early leave' for birthday celebration
- Extra day-off if the holiday falls on a non-working day or off day
- Hand soap and Hand sanitizer equipped
- 'People & Snack' short break event
- One-Day Classes



Hansae is constantly communicating with employees and listening to their voice carefully to create a better organization. Hansae is constantly communicating with employees and listening to their voice carefully to create better organizational culture, so that employees can be more passionate about their work and culture and focus on what they want to work passionately, and ultimately on what they want to do.



Community Programs



5 GENDER EQUALITY

Achieve gender equality and empower all women and girls



8 DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



11 SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable



4.1 Local Community Outreach

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:

Meister High School Field Trip to Hansae Vietnam

In 2019, 35 students from Seoul Urban Science Technical High School – the only Meister High School in Korea that specialized in overseas construction and plant – visited Ho Chi Minh City, Vietnam to participate in the Overseas Construction Site Training program. As part of this program, Hansae, as a host, invited students to Hansae Vietnam Smart factory and carried out field training to support career awareness and exploration that expands their knowledge. During the factory tour, students were able to get deeper insights with of the construction sector. Hansae will continue to give such support that will help students move from one stage of their journey to the next.



Sponsorship to Foreign Students in Korea

Hansae Yes24 Foundation has provided opportunities, since 2005, to foreign students residing in Korea to sponsor their talents as well as to enhance education environment of those countries where Hansae's production takes place. Hansae Yes24 Foundation has donated scholarship to 13 foreign students from across the globe; China, Tajikistan, Myanmar, Vietnam, Malaysia, Mongolia, etc., and look forward to carrying this meaningful event to assist talented students.



Hansae delivers 'Coal Briquettes of Love' for underprivileged neighbors

Temperature falls below freezing in Korea during the winter season. To support the low-income residents to stay warm and safe in chilly weather, Hansae Dream, subsidiary of Hansae Yes24 Holdings, hosts the 'Coal Briquette Delivering Campaign' every year. This is already the 7th year since the first start in 2013. To raise funds, Hansae Dream invited their customers to also participate by promoting relay campaign on official social media account of their owned brands. 1 coal briquette gets donated by uploading one photo of finger heart gesture on Instagram with hashtags. This simple promotion successfully raised 5,000 coal briquettes, including donations from Hansae Dream. 100 employees from Hansae Dream delivered the briquettes to low income families and the elderly in Hongje-dong, hoping the briquettes can bring the warmth and comfort.



Ronald McDonald House Charities

There are sick children in distress spending their times at hospitals. Hansae has teamed up with The Mills, a global textile company in Hong Kong and Ronald McDonald House Charities to give emotional comfort wishing for their well-being. The goal is to create and gift 350 handmade teddy bears to children being treated at Hong Kong Children's Hospital in Kowloon, Hong Kong. Each teddy bear will be a unique, one-of-a-kind creating, with fabric donated by Hansae and stuffed with recycled polyester. The Mills is responsible for developing the bear design and organizing community workshops for the bear creation. The bears are hand-made at The Mills by volunteers, as well as former House guests of Ronald McDonald House Charities and distributed to the children with the help of Ronald McDonald House in December 2019. Hansae is proud to partner with both RMHC and The Mills and is privileged to be part of this mission to raise the spirits and show our support for 350 young patients who are under hospital treatment for their cardiovascular disease.



Culture Sunshine Concert for the Need

The Culture Sunshine Concert sponsorship has been one of Hansae's cherished event since 2014 because it provides opportunities for underprivileged families who find it difficult to experience classical music. In the last 6 years, Hansae offered 3,000 people to enjoy cultural life through this event. This time, approximately 500 guests, including North Korean defectors, low-income families, were invited to Musical Gala, which was performed at IBK Chamber Hall, Seoul Arts Center. The musical performance thrilled the audience filling the stage with the world-famous musical highlights of Jekyll and Hyde, The Phantom of the Opera, and Aladdin. CEO Kim of Hansae commented that Hansae will continue to seek for cultural opportunities to share meaningful performances where many people can enjoy together.



Book Donation to Underprivileged Children

Another meaningful way of social contribution which Hansae found was to help filling the shelves of school library to encourage reading habits to young readers and underprivileged children. Hansae Yes24 Foundation partnered with Yes24, a subsidiary of Hansae Yes24 Holdings, to host 'Sending Books to School' campaign and distributed books throughout year 2019 and 2020. Schools in need of books, may request to be donated through application process on Yes24 official website. Those applicants with the most votes from the Yes24 account users will be chosen to be subject of donation. This year, the donation goes to An San Danwon High school with 120,000 votes. In 2020, Hansae Yes24 has also donated 1,000 books and funded 50,000,000 KRW to Karam Community Child Center. Since 2019, Yes24 and the Foundation successfully donated 28,940 books to more than 400 schools.



Hansae signs an MOU with The State University of New York, Korea (SUNY Korea)

Hansae signed an MOU with SUNY Korea on March 7th, 2019, for industry-academic cooperation in fashion sector. By signing this ceremony, Hansae provided internship opportunities at R&D division at Hansae headquarters in Seoul, Korea to 6 students from SUNY Korea. SUNY FIT students have accumulated business knowledge and experiences as well as academic background over the 2 years, and they are also competent in foreign languages and computer skills. Hansae expects this MOU would be a great help to students for careers as well as Hansae.



Overseas:

4th Annual Hansae Ladies Golf Championship 2019

The 4th Hansae Ladies Golf Championship tournament in Vietnam was staged in Tan Son Nhat golf course in July 2019. Total 30 participants of young female golfers played to demonstrate their talents and to win the prize of total 22 million VND. Since its launching in 2016, Hansae has offered opportunities for Vietnamese athletes to embellish their skills to a new level. Hansae will continue to host the Golf Championship to discover and expand Vietnamese golfers' talents.



Sponsoring '2019 HCMC Talent Shine Concert'



Hansae's diverse efforts for arts and culture development not only is domestically limited but extends to overseas to provide support to local talents. 2019 HCMC Talent Shine Concert, sponsored by Hansae, was performed on 9th of May at Ho Chi Minh Music Concert Hall. 8 performers offered classical music playing orchestra instruments; piano, violin, cello, to approximately 300 audiences. Since 2017, Hansae have been discovering and sponsoring young, talented artists and contributed to the growth of classical music. In the year 2019, Hansae was a sole lead sponsor and offered musical concerts rather than competition contests. Chief Executive Officer of Hansae Vietnam said "Hansae will continue the implementation of corporate social responsibility activities in the cultural sectors and hopes to spread our efforts so that more people can enjoy cultural life.

10K Books - Millions of Love

In 2019, Hansae held donation ceremony called "10K Books - Millions of Love" at Adora Dynasty Convention Center, Ho Chi Minh City, with 200 attendants from different local authorities including Bureau of Education, HCMC Centers for Industrial Complex, and Elementary Schools. Hansae Vietnam, in coordination with Hansae Yes24 Foundation, donates 10 thousand books every year to enrich primary schools, inspiring students to read. Local writers of children's books and other publishing companies help selecting hundreds of different types of books. Since launching in 2017, Hansae has distributed 40 thousand books to 400 schools to bring positive changes in children's reading fluency. During the economic recession due to the COVID-19 pandemic, Hansae hopes to bring growth on economy and improvement on Vietnamese children's academic performance through donation campaigns.



4.2 Employee Benefit Activities

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 occasionally which leads to increased productivity.

Headquarters:

Long-serving Employee Reward Trip - NEW YORK

Hansae expresses gratitude for long-serving employees by rewarding in many benefit schemes.

In 2019, to compensate long years of their service at the company, Hansae organized incentive trip to New York, U.S.A. for those who spent 5 or more years working at Hansae.

27 selected employees spent a full one-week vacation.

Hansae hopes to encourage and motivate employees through compensation trip and will continue to seek for other incentives to retain best performance employees.



Foreign Employee Trip to Korea

To appreciate all foreign employees at Hansae facilities, Hansae invites them to Korea on tour. With all expenses covered by the company, 9 nominated staffs from Vietnam arrived in Seoul on August 31st, 2019 and experienced Korean culture by visiting Gyeongbokgung Palace and other tourist attractions. The trip was a lot more meaningful to the company because more than half of the employees on this trip were with Hansae over 15 years, and company was able to compensate their long service through boosting their self-esteem as employees of a global company, Hansae.



Overseas:

Each of our factories also provide various employee benefits. Every year, factory management organizes several different activities - employee trips, gifts, team building activities, and competitions - for employee bonding and refreshment.

Team Building Activities and Festivals

Employee Trip & Outing

Teambuilding Trip to Vung Tau 2019

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



Team Building Workshop

Team Building 2019

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

1st Compliance Workshop 2019

- Hansae Vietnam Co., Ltd.
- Hansae TN Co., Ltd.
- Hansae TG Co., Ltd.
- Hansae Hanoi Co., Ltd.
- Hansae Thanh Hoa Branch



Festival

Anniversary Festival 2019

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



Sports Event

Marathon Race 2019 and 2020

- Hansae TN Co., Ltd.

Sports Festival 2019

- Hansae TG Co., Ltd.



Seasonal Gifts/Supports to Employees

Providing Gifts

Tet Holidays Gifts 2019

- Hansae Vietnam Co., Ltd.

Women's Day Gift Distribution 2019 and 2020

- Hansae TN Co., Ltd.

Vietnam Independence Day 2019

- Hansae TN Co., Ltd.

Moon Festival 2020

- Hansae Vietnam Co., Ltd.

- Hansae TN Co., Ltd.

Vietnam National Day 2019 and 2020

- Hansae TN Co., Ltd.

International Labor Day 2020

- Hansae TG Co., Ltd.

International Children's Day 2020

- Hansae TG Co., Ltd.



Supports to Employees

Support to Underprivileged Employees 2020

Scholarship to Employees' Children 2020

- Hansae TN Co., Ltd.



Labor Conference & Talk Show Lectures

Team Building Workshop

Labor Conference 2019 and 2020

- Hansae Vietnam Co., Ltd.

- Hansae TN Co., Ltd.

Talk Show

"Understanding & Developing Yourself" 2019

- Hansae Vietnam Co., Ltd.

- Hansae TN Co., Ltd.

- Hansae TG Co., Ltd.



Cultural Events

Women's Day: Make-up and Flower Decoration Competition 2019 and 2020
- Hansae Vietnam Co., Ltd.



Women's Day: Competition of Cooking, Singing, and Miss Ao Dai 2020
- Hansae TN Co., Ltd.

Competition

Sewing Competitions

Sewing Competition 2020
- Hansae Haiti #1
- Hansae Haiti #50
- Hansae Haiti #55



Trade Union Knowledge Competition

Labor Law & Trade Union Knowledge Competition 2020
- Hansae TN Co., Ltd.
Save Environment Knowledge Competition 2019
- Hansae TG Co., Ltd.



Awards

Employee Reward

Best performance worker award 2019
- Hansae Vietnam Co., Ltd.
CIQ reward to Survey Participated Employees 2019 and 2020
- Hansae TN Co., Ltd.
Excellent OSH Employee Award 2019
- Hansae TN Co., Ltd.



4.3 Donations

Another way of local outreach which Hansae utilizes is making donations to various programs. At each of our overseas offices, Hansae seeks opportunities to support its local communities that provide us with the resources that allow us to become who we are today. By giving back, we hope to leave a positive impact on economic and social development of local communities.

Country	Company	Donation Program	Description	Start Year	Recipients 2019/2020 (Each Year)	Amount per Year
Korea	Headquarters	<i>Yes24 Sponsorship Grant</i>	Sponsorship to National Opera of Korea	2020	National Opera of Korea	KRW 2,000,000
		<i>Yes24 Sponsorship Grant</i>	Sponsorship to Seoul Arts Center	2014	Seoul Arts Center	KRW 1,000,000
		<i>Yes24 Disaster Prevention Fund</i>	Disaster Prevention Fund for COVID-19	2020	Community Chest of Korea (Dae-Gu)	KRW 100,000,000
		<i>Hansae Yes24 Holdings Sponsorship Grant</i>	Sponsorship to 'KLPGA 2020 Golf Tournament'	2018	Dream Tour	KRW 250,000,000
Vietnam	Hansae Vietnam Co., Ltd.	<i>Community Outreach</i>	Donation of 10,000 books to 100 primary schools in Ho Chi Minh in 2019. Each school was donated with 100 books.	2017	10,000	VND 1,184,000,000
		<i>Scholarship Grant</i>	Donation of 210 scholarships to 7 high schools in Cu Chi District. Each school received 30 scholarships worth 400,000-500,000 VND.	2004	210	VND 273,000,000
		<i>Community Outreach</i>	Donation to football team in Cu Chi district	2015	Cu Chi Football team	VND 100,000,000
		<i>Donation Medical Protective Clothing</i>	Donation of medical protective clothings for Ministry of Health	2020	Ministry of Health	VND 16,000,000,000
	Hansae TN Co., Ltd.	<i>Community Outreach</i>	Donation of 1,000 books for students at Ngo Van To primary school	2011	100 students	VND 13,000,000
		<i>Scholarship Grant</i>	Scholarships to 220 children of Hansae TN employees	2008	220 childrens	VND 240,000,000
	Hansae TG Co., Ltd.	<i>Disaster Prevention Fund</i>	Annual fund according to the regulations of the People's Committee of Tien Giang Province of Natural Disaster Prevention in 2019 and 2020	2019	People's Committee of Tien Giang Province	VND 150,000,000
		<i>Pension Fund</i>	The People's Committee of Tien Giang province combine with the Central Committee of Vietnam Fatherland Front organize Tet gifts for underprivileged in 2019 and 2020	2015	People's Committee of Tien Giang Province	VND 50,000,000
		<i>Support for the Korean - Vietnamese congress Fund</i>	Contribution to the socio-economic development of Korean businesses and Tien Giang province	2020	People's Committee of Tien Giang Province	VND 10,000,000
Indonesia	PT. Bomin Permata Abadi	<i>Community Outreach</i>	Charity for orphans in Sengonbugel Village	2019	87	IDR 5,000,000
		<i>Community Outreach</i>	Donation for Jepara Government	2019	974	IDR 1,000,000
		<i>Community Outreach</i>	Donation for Indonesian Red Cross	2019	1,257	IDR 3,000,000
Haiti	Hansae Haiti, S.A.	<i>Donation of Medical PPE</i>	PPE for COVID-19 prevention	2020	Haitian Government	HTG 3,961,000
Guatemala	Hansae Pinula, S.A.	<i>Community Outreach</i>	Donation to Child Shelters (Casa Hogar San Angel)	2020	150	GTQ 17,100
		<i>Disaster Prevention Fund</i>	Donation to community nursery	2019	25	GTQ 18,000

**Reporting period of the donations: January 1st, 2019 - December 31st, 2020

Donation of Face Masks for COVID-19 prevention



Donation Books and Game board



Scholarship Grant



4.4 Awards & Recognitions

Domestic Awards and Recognitions:

Award from the Ministry of Gender Equality and Family

Hansae was awarded for gender-equitable working environment, hosted by the Korea Ministry of Gender Equality and Family. Hansae was honored for its inclusive and glass-free workplace where all genders thrive equally with fifty-fifty gender parity by creating a new department to reinforce organizational culture for gender balance and offering on-site daycare. On June 10th, 2020, Hansae has entered into voluntary agreement, 'Gender Balanced, Inclusive Growth Partnership'. In 2019, Hansae was ranked first in "Female Executive of Top 500 Enterprises" for having the most female leaders in the company. Also, in 2020, Hansae was recognized as a glass-free company by appointing woman CEO, Jenny Hee-sun Cho.



Outstanding Management Award

On February 15th, 2019, Ik-whan Kim, the Vice-chairman of Hansae, won 'Outstanding Management' award from Federation of the Korean Industries (FKI). FKI held 21st regular general assembly in FKI Conference Center and prized for the best CEO who has contributed spreading knowledge management culture by attending trainings and forums during the year 2018.



Meeting the Vice President of Guatemala

On October 30, 2019, Daymond Ik-whan Kim, CEO of Hansae, held a meeting with Cesar Guillermo Castillo, the Vice President of Guatemala. The Vice President's party included key figures in the next cabinet, including Raul Romero, the Minister of Social Development. As the Guatemalan government supports in various ways to attract investment, Hansae will also continue to make efforts to come up with cooperation methods. Hansae looks forward to strengthening ties and cooperation between the new Guatemalan government and Hansae.



Hansae Awarded at the 33rd and 34th Textile Day Awards Ceremony

In Celebration of the 33rd and 34th Textile Day, Korea Federation of Textile Industries (KOFOTI) awarded various exporter awards to vendor and factory personnel on November 12th, 2019 and 2020.

Year 2019:

Minister award from Ministry of Trade, Industry and Energy for Fashion & Clothing Exports

Hong-kyu Kim (Senior Department Manager, Sales)

Minister award from Ministry of Trade, Industry and Energy for Quality Improvement

Sang-ho Shin (Sample Room Manager)

Korea Federation of Textile Industries Chairman's award for best performance

Sang-ryul Kim (General Director)

Hoi-young Yang (Factory Manager)

Year 2020:

KOFOTI Chairman's award for Best Sales Growth

Min-sung Park (Senior Department Manager, Sales)

Minister award from Ministry of Trade, Industry and Energy for Best Performing Staff

Lila Jo (Department Manager, Sales)



Ministry of Trade Industry, and Energy (MOTIE) Award for 3D Apparel Design

ICT Smart Textile Exhibition, hosted by Korea Textile Trade Association and Sponsored by Ministry of Trade Industry, and Energy (MOTIE), was held on August 30th, 2019.

Yoo-sun Ha - Senior Department Manager of R&D Technical Service - was awarded from the Ministry for '3D Clothing Design Revival'.

She was honored for her contribution to enhancing the competitiveness of fashion and textile industry in the global market for implementation of 3D virtual design technology.



Hansae VN wins the 'Industrial Safety and Health' Speech Contest

On June 5, 2019, Hansae Vietnam has been awarded in the speech contest 'Industrial Safety and Health' held at Ho Chi Minh Cultural Center in Vietnam. The winner of the day was Thanh Truc, local compliance staff in Hansae Vietnam. She has presented her speech on "How to improve industrial health and safety in manufacturing factories". Speech contest is held annually by government agencies in labor, war, inequality, and social conflicts of Cu Chi area since 2007. Total 33 employees from 11 companies located in Cu Chi region participated in this speech contest. Hansae Vietnam participated in this competition for the first time.



Korea Labor Review (KLR)

Hansae Vietnam's Best Practice of labor-relations was introduced in the 'Korea Labor Review (KLR).'

'Korea Labor Review' is a periodic publication of specialized labor data by the Korea Labor Foundation, which was established to promote labor-management relations and support the private companies as a labor ambassador to develop the sound labor culture. Hansae Vietnam's labor-management culture was introduced as 'HR Management Responses and Best Practices of Korean Companies Investing in Vietnam' In the second vol. published in 2020.

Hansae Vietnam is working in many ways to coexist with the local community through various social contribution activities. A total of 10,000 books were donated to 100 elementary schools in Ho Chi Minh City, and various projects are being carried out to support education and culture in the local community, including the Ho Chi Minh City Piano Competition and Golf Competition.

In addition, investments are being made to increase intimacy with employees, such as education to improve work skills and development of smartphone apps that help strengthen mutual communication between employees and management. As an employee welfare system, holiday gifts, scholarships and lectures invited by experts are also arranged for employees.

Hansae HQ is also making efforts to improve production efficiency by applying its own smart process system, HAMS (HANSAE Advanced Manufacturing System), to overseas production facilities, as well as to make better working environment with convenient facilities.

For the past 20 years, Hansae Vietnam has been trying to provide a family-like atmosphere to local employees and to establish an infrastructure and corporate culture. Hansae HQ will continue to implement various employee-friendly policies under the motto of 'Workplace where employees are happy.'



Awarded at 2020 Korea-Guatemala CSR Forum - Contribution to preventing the spread of COVID-19

Hansae Guatemala has been awarded for contribution to preventing the spread of COVID-19 and developing the local community. The award was presented during '2020 Korea-Guatemala CSR Forum', virtually held on August 28th, 2020.

The forum cosponsored by Embassy of Republic of Korea in Guatemala and CentraRSE - the biggest NGO in Guatemala - was to honor the corporations that have shown positive efforts to fight against COVID-19 pandemic and to promote ongoing engagement in activities.

Hansae has donated approximately 40,000 face masks to local residents and has set up strong protocols for factory workers to make working environment safer.



Local Awards and Recognitions:

Hansae Vietnam Co., Ltd.



Flag of HCMC Labour Confederation
- 01/17/2019
Achievement: Outstanding performance as Best Union in Ho Chi Minh City



Director of HCMC Social Insurance Department
- 02/20/2019
Achievement: Excellence in directing and coordinating the implementation of the policy of Social and Health Insurance-unemployment insurance for employees in 2018



Executive Committee of the Trade Union of Industrial Zones - Export Processing Zones of HCMC
- 05/25/2019
Achievement: In recognition for implementing excellent working practices in the period of 2018-2019



Executive Committee of the HCMC Confederation of Labor - 06/12/2019
Achievement: Excellence in complying with the labor law and in recognition for providing quality of life for workers in the period of 2018 - 2019
Awardee: Cho Gye Hwang



Director of HCMC Social Insurance Department
- 02/20/2019
Achievement: Best Performance in promoting coordination and implementation of social insurance policies-unemployment insurance for employees in 2019



Executive Committee of the Trade Union of Industrial Zones - Export Processing Zones of HCMC
- 06/16/2020
Achievement: In recognition of implementing best practices following the Ho Chi Minh's spirit in the period of 2019-2020



Executive Committee of the HCMC Confederation of Labor - 07/10/2020
Achievement: In recognition for having good practices sharing love to country during 2016 -2020



President of Vietnam Chamber of Commerce and Industry - 10/07/2020
Achievement: In recognition of best contribution of industry development in Vietnam 2019

Hansae TN Co., Ltd.



Trade Union Executive Committee of Tay Ninh Tang Economic Zone - 05/18/2019
Achievement: Excellence in OSH Network Staff Competition



The Executive Committee of the Labor Confederation of Tay Ninh Tang - 02/10/2020
Achievement: Excellence in Labor Activities and making great effort for Trade Union in 2019



Trade Union from Tay Ninh Province
- 05/28/2019
Achievement: Excellence in OSH Network Staff Competition



The Executive Committee of the Labor Confederation of Tay Ninh Tang - 06/09/2020
Achievement: Outstanding achievement in "Month of Workers" in 2020



The Executive Committee of the Labor Confederation of Tay Ninh Tang - 05/07/2020
Achievement: Excellence in preventing and fighting against Covid-19 Pandemic

Hansae TG Co., Ltd.



Executive Committee of Trade union Industrial zones
- 06/19/2019
Achievement: Outstanding achievement in "Month of Workers" in 2019



People's Committee of Tien Giang Province
- 05/07/2019
Achievement: Outstanding achievement in labor safety in 2019



Executive Committee of the Trade Union of Tien Giang Industrial zones - 02/27/2020
Achievement: Excellent performance of workers' labour movement in the period of 2010-2020



Executive Committee of the Trade Union of Tien Giang Industrial zones - 01/03/2019
Achievement: Best performance for supporting the Trade Union activities in 2018



Customs Department of Long An province
- 07/13/2020
Achievement: In recognition of following the customs laws and achieving high import-export turnover in 2019



Director of Social Insurance Department
- 01/22/2020
Achievement: Excellence in directing and coordinating the implementation of the policy of Social and Health Insurance in 2020

4.5 Hansae Responds to COVID-19

Hansae's First U.S. Manufacturing Factory Producing PPE

There are now more than 120 million confirmed cases of coronavirus worldwide. As the number of confirmed cases continues to rise, Hansae inputs strong efforts to recover the crisis and the global economy recession. Recently Hansae has entered a new market. Its first U.S. manufacturing operation was opened in Garner, North Carolina focusing on producing personal protective equipment (PPE) during the rapidly developing COVID-19 pandemic. This plant is run under Hansae's subsidiary AMP (Apparel Manufacturing Partners). The opening ceremony was held on the October 9th, 2020, by key figures including Hermann Chiu (VP of Strategic Sales at Hansae), Andy Birken (SVP of Global Sourcing-Medical at McKesson Corporation – the largest pharmaceutical distributor in the United States) and Kathy Behringer (Mayor Pro Tem of Garner, North Carolina). The factory can produce more than 36 million medical masks per year with automated machines. The plant continues to expand its operation by manufacturing other different types of products in the future depending on the market conditions.



Hansae leads K-quarantine by producing of protective clothing and masks using self-developed 'Antibacterial' fabric

'K-quarantine', a new term to describe the strategy used by South Korea during COVID-19 to limit the spread of the virus, is being highly recognized in the world.

Hansae has actively been developing 'Antibacterial' fabric through Hansae subsidiary C&T, a fabric mill in Vietnam over the past 2 years and this has helped Hansae to keep their business during the COVID-19 crisis and operate new manufacturing factory in the U.S.A.

Hansae has rapidly predicted the decline in the apparel market and instead, contributed to K-quarantine by converting decreased garment productions into PPE (Personal Protective Equipment) production, such as masks and protective clothing. As new orders for protective clothing and masks poured in, Hansae used apparel production lines to manufacture masks.

Doug McMillon, CEO of Walmart, a large U.S. discount store, expressed his gratitude to Hansae for promptly supplying protective suits and masks through social media.

Hansae is also preparing for the post-Covid-19 era. As demand for PPE is expected to be steady due to fear of spreading the epidemic, Hansae is gathering capabilities by interacting with overseas branches and external partners to improve the quantity and quality of PPE production. Hansae will play a major role in supporting the K-prevention and help fight the pandemic around the world.



Donation of Masks to Haiti and Nicaragua Governments and Local Communities

Hansae Haiti has been manufacturing masks by operating 8 production lines in 3 factories since April 7th, 2020, and donated 30,000 face masks to the Haiti government to medical institutions to support the prevention of the COVID-19 spread.

Hansae Haiti, also, distributed 2,000 face masks to GHESKIO Centers, one of the largest medical facilities in Port-au-Prince, the capital city of Haiti, and signed new agreement for COVID-19 prevention and emergency response service with the factory. In any case of having employees with symptoms, GHESKIO center medical staff will directly visit for treatment.

Hansae International, located in Nicaragua, also used production lines to produce face masks to donate 25,000 pieces to the Nicaragua government and the Nicaragua-Korea Association.

Amid the world's declaration of an emergency due to COVID-19, Hansae is strengthening the COVID-19 preventive measures in Nicaragua and Haiti to prevent the spread of the virus and will keep working closely with governments to organize various social contribution activities that can help prevent COVID-19.



COVID-19 Prevention: Hansae donates protective suits to Vietnamese Government

In 2020, the number of confirmed cases of COVID-19 infection has been increasing in Hanoi compared to Ho Chi Minh City. In a bid to fight against spread of pandemic, Hansae has donated medical protective suits to Vietnamese government.

170,600 medical protective suits, worth around 7 million dollars, were handed over to local hospitals and medical facilities during the ceremony held by Vietnam Ministry of Health with 10 attendees. Hansae actively joined in to help the prevention of pandemic to overcome the global economic recession. Hansae's factories are strongly focusing on creating safe working environment to all employees under COVID-19 protocols. To comply with the COVID-19 prevention regulations and procedures by the Vietnam Ministry of Health, Hansae enhanced quarantine activities and control practices by disinfecting factories and offices regularly, screening temperature at entry, advising on the use of masks during work, and furnishing sanitizers.



Love Through Blood Donation Event by Hansae

The coronavirus disease 2019 (COVID-19) affected millions of people worldwide and caused disruptions in healthcare provision. Due to impact of the COVID-19 pandemic, blood donation has dropped. Executives and employees from subsidiaries of Hansae Yes24 Holdings including Hansae, Hansae MK, Hansae Dream, Hansae Yes24 and Dong-A Publishing has implemented the blood donation event in cooperation with Korean Red Cross to help health emergencies.

Hansae Yes24 Holdings made various efforts to prevent the spread of COVID-19, such as selective telecommuting and improving the working environment, while operating its own employee health and safety management system after the COVID-19 incident.



— 05

Smart Factory



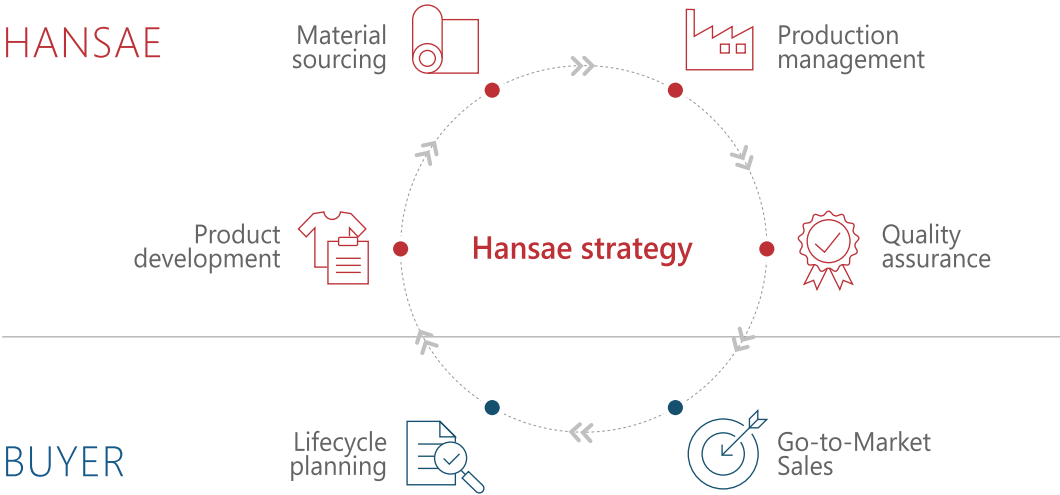
5.1 Hansae Strategy

A fundamental transition is taking place in the world of production. Modern information and communications technologies are being combined with traditional industrial processes, resulting in significant changes throughout various areas of production.

Similarly, our buyers are also confronted with the following business challenges;

- How could buyers identify spikes in consumer demand and optimize its marketing and merchandising strategies?
- How could buyers release employees from low-value tasks, enabling them to focus on strategic activities?
- How could buyers assure uncompromising quality in order to maintain brand value?

Hansae is working to help buyers switch to digital sourcing strategies by upgrading production management, implementing a system that can obtain real-time information on production status, and optimizing factory operations to adapt to ever-changing market conditions through the use of big data analysis.



5.2 Digitalization

Hansae Advanced Management System (HAMS)

Incorporating transparency via digitalized production management.



Hansae Intelligence Tool (HIT)

Introduce HIT using BI tool for the purpose of establishing forms and indicators for One Hansae.

BI(Business Intelligence) refers to an information system that efficiently and effectively supports the strategy of the business in order to achieve the vision of the enterprise so that members of each organization can make timely decisions.

- Real-time efficiency management
- Anytime Anywhere Accessible System



SMV standardization

Hansae is conducting SMV analysis by applying the best methodologies.

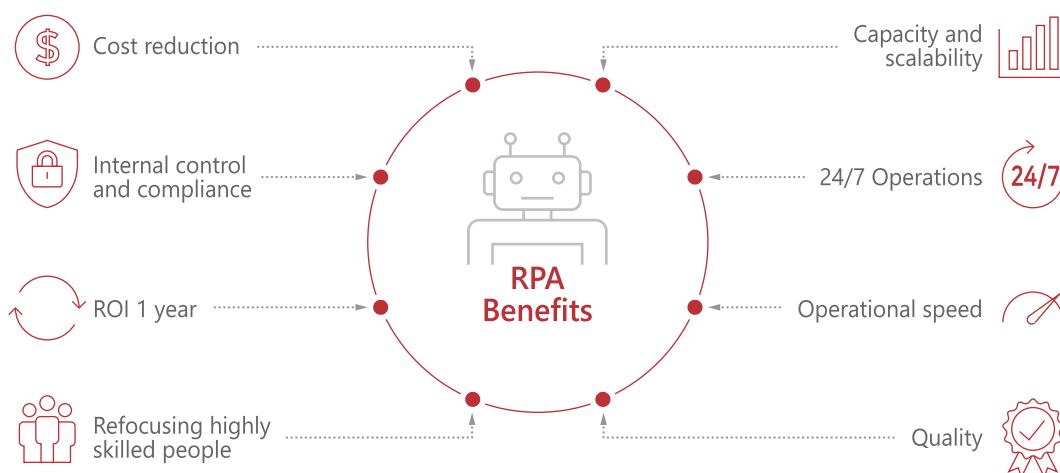
In order to remain competitive in a global market, we are constantly researching the best sewing methods and continuing to establish new standards in Hansae's factories to improve productivity.



Ai+RoBot (ARbot)

Hansae is also beginning to invest into Robotic Process Automation (RPA), internally named ARbot. RPA, which has recently gained significant traction on the business market, is a form of business process automation technology which uses software agents (robots) to emulate human processes - it does this by simulating mouse clicks, keyboard strokes, and other such human inputs with a combination of image processing solutions and integration with popular GUI frameworks to recognize buttons, listboxes, etc. While fully capable of emulating mouse clicks and keyboard strokes exactly as how a human would perform a task, RPA solutions such as UiPath, which Hansae currently uses, come packaged with built-in commands that can read emails, query databases, as well as read and manipulate Excel spreadsheets quickly and efficiently. Therefore, certain tasks, especially tasks related to organizing data into different formats or combining data in a readable format, can be completed extremely quickly; tasks that might take a human several hours to complete could be completed in seconds by ARbot.

Hansae's vision is to incorporate ARbot as a valuable tool that will integrate with Hansae's self-developed ERP, with the ability to interface with employees in a more user-friendly manner through the development of a chatbot that will recognize which tasks the user wants completed, then executes the task via ARbot. The automation of repetitive tasks will allow employees to not only work more efficiently, but also allow them to focus more of their time and energy on mission-critical tasks that require human ingenuity and critical thinking. Moreover, by automating repetitive tasks, Hansae aims to minimize the possibility of human error.



General Standard Disclosure

This report has been prepared in accordance with the GRI Standards: Core option

GRI Standards	Description	Cross-Reference or Direct Answer	Page	Remarks	
GRI 102: General Disclosures					
Organizational Profile	102-1	Name of the organization	Hansae Co., Ltd.	02	
	102-2	Activities, brands, products, and services	Message from CEO, Markets Served	05, 10	
	102-3	Location of headquarters	Hansae Co., Ltd. 5F, Jeongwoo Bldg., 29, Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Korea		
	102-4	Location of operations	Operations in 9 countries Global Network	08-09	
	102-5	Ownership and legal form	Philosophy, Values, and ESG Vision, Organization Structure	06-07	
	102-6	Markets served	Markets Served *At Hansae, we manufacture garments, fabrics, and also garment washing on our own in order to increase our speed and efficiency and provide our products to customers in good quality	10	
	102-7	Scale of the organization	Global Network, Business Operation Overview	08-09, 19-20	
	102-8	Information on employees and other worker	Global Network, Business Operation Overview	08-09, 19-20	
	102-10	Significant changes to the organization and its supply chain	*Hansae Myanmar Established in 2020 Global Network	08-09	
	102-11	Precautionary Principle or approach	Green Activities, Energy and GHG Emissions Management System 10% For good	13-17, 27	10% For good: At Hansae Official Website
	102-12	External initiatives	Green Activities Sustainable Development Programs	13, 22-27	
	102-13	Membership of associations	Stakeholder Engagement	11	
	Strategy	102-14	Statement from senior decision-maker	Message from CEO	05
102-15		Key impacts, risks, and opportunities	Message from CEO Philosophy, Values, and ESG Vision	05-06	
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	Ethical Management, Code of Ethics and Conduct Conflict Mineral Policy		At Hansae Official Website
	102-17	Mechanisms for advice and concerns about ethics	Ethical Management		At Hansae Official Website
Governance	102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement Energy and GHG Emissions Management System	11, 15-17	
	102-23	Chair of the highest governance body	Message from CEO	05	
Stakeholder Engagement	102-29	Identifying and managing economic, environmental, and social impacts	Hansae Responds to COVID-19	48-49	
	102-40	List of stakeholder groups	Stakeholder Engagement	11	
Reporting Practice	102-42	Identifying and selecting stakeholders	Stakeholder Engagement	11	
	102-46	Defining report content and topic Boundaries	About This Report	02-03	
	102-47	List of material topics	About This Report	03	
	102-49	Changes in reporting	No changes during reporting period	02	
	102-50	Reporting period	About This Report	02	
	102-51	Date of most recent report	About This Report	02	
	102-52	Reporting cycle	About This Report	02	
	102-53	Contact point for questions regarding the report	About This Report	02	
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report	02	
102-55	GRI content index	GRI Index	54-55		
GRI 201: Economic Performance					
Economic Performance	201-1	Direct economic value generated and distributed	Performance (Sales Volume)	07	
	201-4	Financial assistance received from government	Hansae did not receive any significant financial assistance from any government in 2019 and 2020		
GRI 202: Market Presence					
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Business Operations Overview	19-20	
GRI 205: Anti-Corruption					
Anti-Corruption	205-1	Operations assessed for risks related to corruption	Ethical Management, Code of Ethics and Conduct		At Hansae Official Website
	205-2	Communication and training about anti-corruption policies and procedures	Ethical Management, Code of Ethics and Conduct		At Hansae Official Website

GRI Standards	Description	Cross-Reference or Direct Answer	Page	Remarks
GRI 302: Energy				
302-1	Energy consumption within the organization	Energy and GHG Emissions Management System	15-17	
302-3	Energy intensity	Energy and GHG Emissions Management System	15-17	
302-4	Reduction of energy consumption	Energy and GHG Emissions Management System	15-17	
302-5	Reduction in energy requirements of products and services	Green Activities	13-14	
GRI 303: Water and Effluents				
303-1	Interactions with water as a shared resource	Green Activities Energy and GHG Emissions Management System	13-14, 15-17	
303-2	Management of water discharge-related impacts	Green Activities	13-14	
303-3	Water withdrawal	Green Activities Energy and GHG Emissions Management System	13-14, 15-17	
303-4	Water discharge	Green Activities	13-14	
303-5	Water consumption	Energy and GHG Emissions Management System	15-17	
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	Energy and GHG Emissions Management System	15-17	
305-2	Energy indirect (Scope 2) GHG emissions	Energy and GHG Emissions Management System	15-17	
305-4	GHG emissions intensity	Energy and GHG Emissions Management System	15-17	
305-5	Reduction of GHG emissions	Green Activities Energy and GHG Emissions Management System	13-14, 15-17	
GRI 306: Waste				
306-4	Waste diverted from disposal	Energy and GHG Emissions Management System	15-17	
GRI 307: Environmental Compliance				
307-1	Non-compliance with environmental laws and regulations	Hansae Environmental Management System	13	
GRI 401: Employment				
401-1	New employee hires and employee turnover	Business Operations Overview	19-20	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workers Engagement Programs, Employee Benefit Activities	22-29, 38-41	
401-3	Parental leave	Business Operations Overview	19-20	
GRI 403: Occupational Health and Safety				
403-1	Occupational health and safety management system	Sustainable Development Programs	22-29	
403-9	Work-related injuries	Business Operations Overview	19-20	
GRI 404: Training and Education				
404-1	Average hours of training per year per employee	Employee Trainings	28-29	
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainable Development Programs	22-29	
GRI 405: Diversity and Equal Opportunity				
405-2	Ratio of basic salary and remuneration of women to men	Business Operations Overview	19-20	
GRI 406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	Business Operations Overview	19-20	
GRI 408: Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	Hansae Code of Conduct		At Hansae Official Website
GRI 409: FORCED OR COMPULSORY LABOR				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Hansae Code of Conduct		At Hansae Official Website
GRI 412: HUMAN RIGHTS ASSESSMENT				
412-1	Operations that have been subject to human rights reviews or impact assess	Employee Trainings	28-29	
412-2	Employee training on human rights policies or procedures	Employee Trainings	28-29	
GRI 413: Local Communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Local Community Outreach	36-37	

HANSAE CO., LTD.