

HANSAE YES24 HOLDINGS SUSTAINABILITY REPORT

2024 HANSAE YES24 GROUP SUSTAINABILITY REPORT



About This Report

About This Report

HANSAE YES24 Group is advancing its ESG strategy and enhancing management through Sustainability Management Committees at each of its major subsidiaries. This year, HANSAE YES24 Group is disclosing the company's non-financial performance with various stakeholders through the publication of the Group's third integrated report. The Group applied the concept of Double Materiality Assessment to the report in accordance with GRI standards and the EU's Corporate Sustainability Reporting Directive (CSRD). This approach involves a comprehensive analysis of both impact materiality, which assesses the environmental and social impacts of business activities, and financial materiality, which evaluates the financial impact of social and environmental issues on the company. The material issues identified are highlighted in the report.

Reporting Period and Scope

The report covers the period from January 1, 2023 to December 31, 2023, including some performance data for the first half of 2024. To enable the identification of trends, the report presents a total of three years of data from 2021 to 2023. The report also covers economic, environmental, and social topics that have significant impacts on HANSAE YES24 Group.

Reporting Boundary

In this report, the term, "HANSAE YES24 Group," includes HANSAE YES24 HOLDINGS Co., Ltd, HANSAE CO., LTD. and HANSAEMK CO., LTD. while individual companies are referred to by their names, such as HANSAE YES24 HOLDINGS, HANSAE CO., LTD., and HANSAEMK CO., LTD. (from the following pages HANSAE YES24 HOLDINGS, HANSAE CO., LTD. and HANSAEMK CO., LTD.). All corrective disclosures of the previous sustainability report are indicated with separate annotations.

The reporting boundaries for each area are as follows.

- **Environmental** : HANSAE YES24 HOLDINGS' domestic operations, HANSAE CO., LTD.'s domestic and overseas sewing operations, and HANSAEMK CO., LTD.'s domestic operations.
- **Social** : HANSAE YES24 HOLDINGS' domestic operations, HANSAE CO., LTD.'s domestic and overseas operations, and HANSAEMK CO., LTD.'s domestic and overseas operations.
- **Governance** : Domestic business sites of HANSAE YES24 HOLDINGS and HANSAE CO., LTD. and HANSAEMK CO., LTD.'s domestic and overseas operations.

Assurance

This report has undergone a verification process by BSI, a specialized verification agency for sustainability reports, to ensure the credibility of its contents. The assurance statement is presented in the Appendix.

Reporting Standards

This report has been prepared in accordance with the guidelines provided by the Global Reporting Initiative (GRI) Standards of 2021 and meets the four principles of AA1000AP for sustainable management verification, namely inclusivity, materiality, responsiveness, and impact. In addition, the report reflects the United Nations' Sustainable Development Goals (UN SDGs), which are the UN's key global indexes on social responsibility. Financial data has been prepared on a consolidated basis in line with K-IFRS, and non-financial data has been prepared based on our disclosure procedures for the fiscal year (December 31, 2023).

Management Information Posted on Websites

HANSAE YES24 Group transparently discloses management-related data for investors and stakeholders on the relevant subsidiary websites every year. Additional information related to this report can be found on the company website and on the disclosure website of the Financial Supervisory Service, etc

	HANSAE YES24 HOLDINGS Website	http://www.hansaeyes24.com
	HANSAE CO., LTD. Website	https://www.hansae.com
	HANSAEMK CO., LTD. Website	http://www.hansaemk.com

Communication with Stakeholders

HANSAE YES24 Group conducts ESG management activities in close communication with stakeholders. The Group operates on and offline channels to understand and actively incorporate the requests of different stakeholders across management activities. Additionally, we share the status and achievements of our ESG management efforts through our annual sustainability report. In 2023, to assess financial materiality, we strengthened communication with investors and professional institutions associated with the company and incorporated such communication into the company's overall management activities.

HANSAE YES24 Group Disclosure Information	2023 Corporate Governance Report (HANSAE YES24 HOLDINGS) 2023 Corporate Governance Report (HANSAE CO., LTD.) 2023 Business Report (HANSAE YES24 HOLDINGS) 2023 Business Report (HANSAE CO., LTD.) 2023 Business Report (HANSAEMK CO., LTD.)
Publisher	HANSAE YES24 HOLDINGS 6th Floor, 30 Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Republic of Korea
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2024 HANSAE YES24 HOLDINGS SUSTAINABILITY REPORT

This report is published in an interactive PDF format that includes navigation to related pages and shortcuts to related web pages.
* This report is available in print and PDF format.

Introduction

HANSAE YES24 Group is committed to achieving sustainable management to realize its vision of becoming "a global company specializing in fashion and culture distribution with the best value."

- 002 CEO Message
- 005 HANSAE YES24 Group Vision
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CEO Message



We will achieve sustainable growth despite economic uncertainty.

In the past year, we have faced significant challenges to our corporate management due to unforeseen volatility and uncertainty, including geopolitical turmoil and natural disasters caused by climate change.

Despite these difficult circumstances, HANSAE YES24 Group has continued to create environmental and social value by enhancing the ESG management system and transitioning to eco-friendly business.

In response to the global crisis caused by climate change and environmental pollution, HANSAE YES24 Group has led eco-friendly management in the fashion industry by continuously expanding and developing products of eco-friendly materials and establishing a clothing recycling system. Prioritizing on the satisfaction of stakeholders in all business activities, the Group has strived to foster growth for both the company and society, embracing not only employees but also suppliers and local communities.

To strengthen the sustainable management system, HANSAE YES24 Group has organized a Board of Directors composed of directors with expertise and experience. We transparently discuss the decision-making process with the Board and promote stable growth through company-wide risk management.

As threats to the global economy continue to proliferate, companies must navigate business activities amidst uncertain conditions. HANSAE YES24 Group will proactively respond to risks in this crisis, create opportunities, and strive for the sustainability of not only the company but also the broader society, which encompasses our customers, shareholders, employees, and local communities.

Thank you.

CEO Message

We will enhance transparency and rationality through Board-centric management.

In today's society, corporate social responsibility has become more crucial and prominent than ever before.

Therefore, it is essential for companies to establish a robust decision-making framework to create social and environmental value through their business activities, and sustainable management should be pursued in the medium to long term, based on a transparent governance structure.

HANSAE YES24 HOLDINGS has made continuous efforts to improve transparency and rationality in major decision-making processes of the company.

Particularly, as the Group's holding company, we have strengthened the independence and expertise of our board by appointing independent directors with specialized capabilities and insights to ensure sound decision-making. Moreover, we provide regular education and professional support to the board to maximize support for our decision-making structure.

HANSAE YES24 HOLDINGS has proactively improved dividend procedures in line with global standards and established the long-term dividend policies to enhance shareholder returns.

Moving forward, through board-centric corporate governance, HANSAE YES24 HOLDINGS will strive for sustainable growth, not only for itself but also for its major subsidiaries, leading the way in creating a better world together with all stakeholders.

Thank you.



HANSAE YES24 HOLDINGS
Vice Chairman SUK HWAN KIM

A stylized, handwritten signature in black ink, appearing to read 'Suk Hwan Kim'.

CEO Message



We will turn the paradigm shift in the fashion industry into a growth opportunity.

As the importance of the environmental issues is becoming more and more important, global governments and NGOs urge fashion companies to shift the paradigm of the fashion industry.

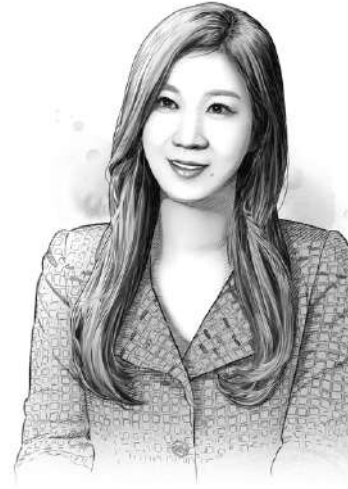
Particularly with the European Parliament's recent adoption of the Ecodesign for Sustainable Product Regulation, changes in the fashion industry have become a necessity rather than a choice for the future.

In response to these social changes, HANSAE CO., LTD. has proactively established an eco-friendly production system to secure future growth engines. In 2019, through the "10% for Good Campaign," we have initiated the Ocean Clean Up project and have donated to international environmental NGOs such as Waste Free Ocean and Plastic Bank, which specialize in collecting ocean plastic waste. Furthermore, we have invested in start-ups leading in clothing recycling technology, such as Recover and Evrnu. Through these efforts, HANSAE CO., LTD. aims to drive fundamental changes across the fashion industry, strengthen recycled fiber technology through investments, and apply eco-friendly technologies in new product development.

HANSAE CO., LTD. will continue to embrace the changes in the fashion industry as an opportunity, promoting sustainable growth as a global fashion company and creating social and environmental value through our business.

Thank you.

HANSAE CO., LTD.
Vice Chairman IK WHAN KIM 



We will create social value through community partnerships.

With ESG management becoming a crucial aspect of corporate operations, companies can no longer guarantee sustainable growth in the future by merely supplying goods and services.

In this context, HANSAEMK CO., LTD. has been actively making donations and investments in the local community over the past few years while continuing various activities for the growth and happiness of our employees.

In 2023, to address community issues professionally and sincerely, HANSAEMK CO., LTD. strengthened collaborations with specialized local institutions to foster talent and address local environmental problems. For example, we established an academic partnership with Jeonghwa Arts College, the first beauty institution in Korea, and collaborated with Korea National Park Service to promote marine ecosystem purification. Additionally, we emphasize communication among employees of diverse ages and backgrounds and provide various educational and cultural opportunities, including regular performances by Ujuwana Ensemble, an art troupe of artists with disabilities.

As the leading fashion company in Korea, HANSAEMK CO., LTD. will continue to promote the happiness of customers and the community, working towards the sustainable growth and development of both the company and society.

Thank you.

HANSAEMK CO., LTD.
CEO JI WON KIM 

HANSAE YES24 Group Vision

HANSAE YES24 Group, led by HANSAE YES24 HOLDINGS, is expanding Korea's global economic influence through the fashion and culture industries. In the fashion sector, the Group has two subsidiaries: HANSAE CO., LTD., an ODM-based garment exporter, and HANSAEMK CO., LTD., a global fashion company. In the cultural content sector, the Group owns YES24, Korea's leading cultural content platform, and Dong-A Publishing Co., Ltd., a 79-year-old educational publishing company. In the future, HANSAE YES24 Group will work tirelessly to become a global company that discovers the best values in fashion and culture and is loved around the world.

VISION To become a global company specializing in fashion, culture distribution that offers the best value

Fashion Worldwide Fashion Sector

 **Apparel ODM***

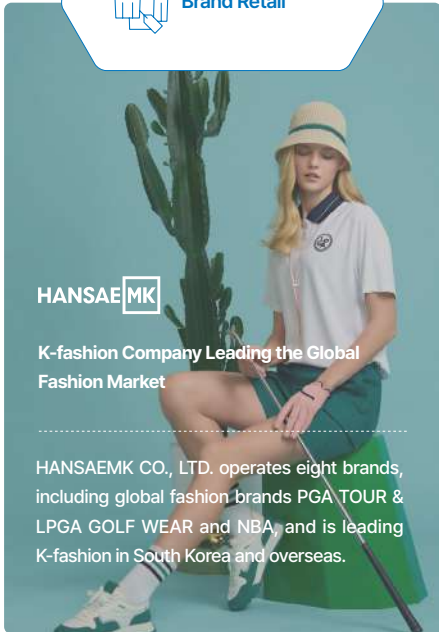


HANSAE
fashion worldwide

HANSAE CO., LTD., a Global Leading Fashion Company to Bridge Korea and the World

HANSAE CO., LTD., a strategic partner of global fashion brands such as Gap Inc. H&M, and TARGET, is a global fashion company that manufactures and exports approximately 400 million garments annually.

 **Brand Retail**



HANSAEMK

K-fashion Company Leading the Global Fashion Market

HANSAEMK CO., LTD. operates eight brands, including global fashion brands PGA TOUR & LPGA GOLF WEAR and NBA, and is leading K-fashion in South Korea and overseas.

Culture Contents Provider Cultural Content Sector

 **Cultural Contents**

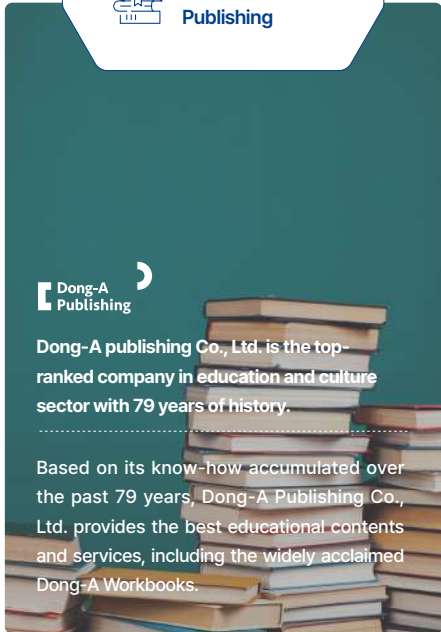


yes24

YES24 CO., LTD. is evolving from Korea's first online bookstore to a cultural content platform.

YES24 CO., LTD. is South Korea's leading online bookstore and cultural content platform with more than 10 million members, providing inspiration and motivation for people's lives.

 **Education/
Publishing**



Dong-A Publishing

Dong-A publishing Co., Ltd. is the top-ranked company in education and culture sector with 79 years of history.

Based on its know-how accumulated over the past 79 years, Dong-A Publishing Co., Ltd. provides the best educational contents and services, including the widely acclaimed Dong-A Workbooks.

*ODM(Original Design Manufacturing)

Business Areas

HANSAE YES24 HOLDINGS



About HANSAE YES24 HOLDINGS

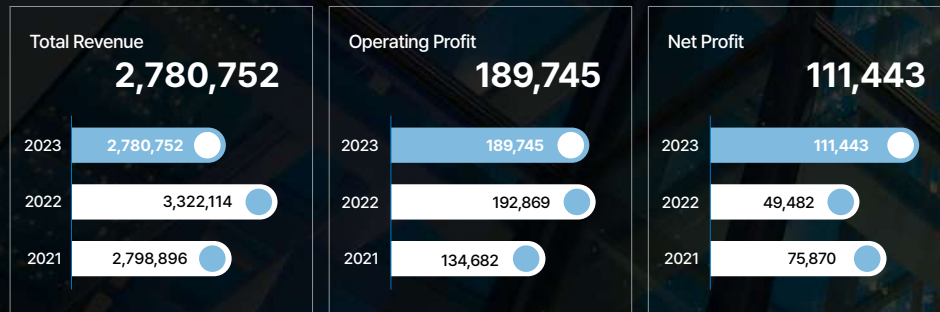
HANSAE YES24 HOLDINGS is a holding company established to enhance the business competitiveness of its subsidiaries that lead the fashion, culture, and education business areas. As the holding company, HANSAE YES24 HOLDINGS directs the sustainable growth and development of the company by implementing management strategies, performing advisory roles for each subsidiary, and by discovering growth engines for each company.

Corporate Profile

Name	HANSAE YES24 HOLDINGS Co., Ltd.
Establishment Date	- Established HANSAE CO., LTD.in November 1982 - Separated HANSAE YES24 HOLDINGS (surviving corporation) from HANSAE CO., LTD. (new corporation) as a corporate spin-off in January 2009
CEO	DONG NYUNG KIM, SUK HWAN KIM
Number of employees	29 (As of December 2023)
Total Assets	KRW 2,152,346 million
Total Capital	KRW 963,656 million
Address	6F, Korea Federation of SMEs, 30, Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Republic of Korea
Major Subsidiaries	HANSAE CO., LTD., HANSAEMK CO., LTD., YES24 CO., LTD., Dong-A Publishing Co., Ltd.

Financial Performance

(Unit : KRW million)



Business Areas



Major Subsidiaries of HANSAE YES24 Group



Business Areas

HANSAE CO., LTD.



About HANSAE CO., LTD.

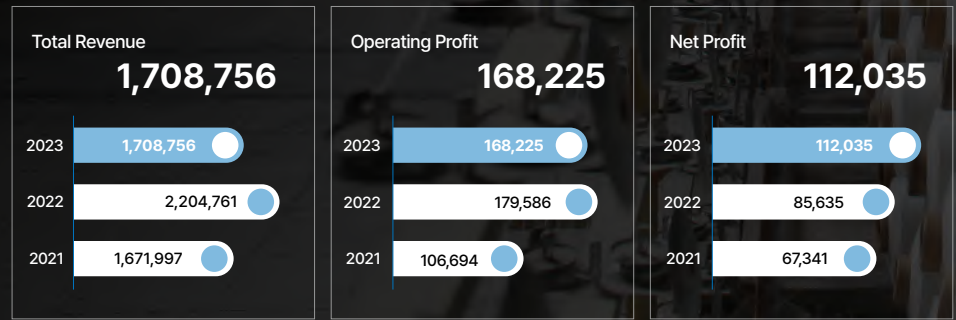
HANSAE CO., LTD. was established in 1982 and has since grown into a globally recognized apparel export company. Currently, it maintains strategic partnerships with several internationally renowned clothing brands and leads the industry with a focus on new material research and technology development. HANSAE CO., LTD. operates manufacturing business sites in Southeast Asia (Vietnam, Indonesia, Myanmar) and Central America (Nicaragua, Guatemala, Haiti), producing apparel through the methods of Original Equipment Manufacturing (OEM) and Original Development Manufacturing (ODM).

Corporate Profile

Name	HANSAE CO., LTD.
Establishment Date	January 1, 2009 (Separation from HANSAE YES24 HOLDINGS)
CEO	IK WHAN KIM, KYUNG KIM
Number of employees	22,373 (As of December 2023)
Total Assets	KRW 1,237,248 million
Total Capital	KRW 643,694 million
Address	5F, 29, Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Republic of Korea

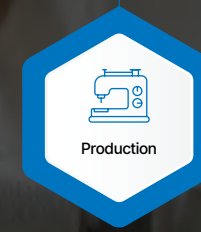
Financial Performance

(Unit : KRW million)



Business Areas

- HANSAE CO., LTD. owns 11 overseas sewing corporations in 6 countries across South America and Central America. Each production subsidiary establishes specific sales strategies that consider the geographical and cultural characteristics of the country where it is located, maintaining both product quality and cost competitiveness to produce the best garments.
- HANSAE CO., LTD. enhances business efficiency through vertical integration of the apparel production process. Mainly operating through C&T Vina Co., Ltd. in Vietnam, it has expanded its production system to include fabric development, dyeing, and processing and achieved vertical integration from dyeing to sewing and manufacturing. Additionally, by 2026, it plans to further expand vertical integration through investments in its factory in Guatemala.
- To mass-produce high-quality apparel, HANSAE CO., LTD. conducts continuous monitoring of the production process and finished products, led by the Quality Assurance (QA) Team. QA managers reside in overseas corporations enhancing quality reliability for global fashion brands through systematic employee training and on-site management.

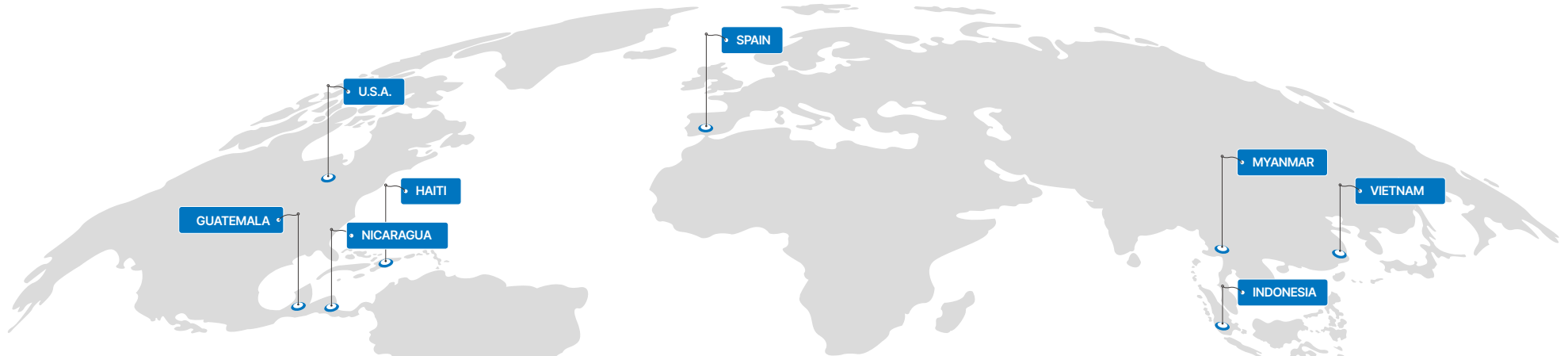


- HANSAE CO., LTD. engages in apparel manufacturing and export through partnerships with global fashion brands in the United States, Europe, and Asia.
- HANSAE CO., LTD. annually exports approximately \$1.4 billion worth of apparel worldwide and has expanded its sales network, primarily in the U.S. market.

- HANSAE CO., LTD. is leading the industry in R&D investment expansion, focusing on product design and material development through its R&D centers in Seoul and New York.
- With the support of highly skilled employees, HANSAE CO., LTD. collaborates with various global fashion companies, positioning itself as a company that collects fashion trends most rapidly worldwide.

Business Areas

HANSAE CO., LTD.'s Overseas Subsidiaries



AMERICA

	U.S.A.	<ul style="list-style-type: none"> • HANSAE NEW YORK DESIGN CENTER • APPAREL MANUFACTURING PARTNERS INC
	GUATEMALA	<ul style="list-style-type: none"> • HANSAE PINULA, S.A. • HS APPAREL, S.A. • HANSAE GSN, S.A. • THE GLOBAL GUATEMALA MICHATOYA, S.A • C&T GUATEMALA, S.A. • HANSAE ECOSPIN, S.A.
	NICARAGUA	<ul style="list-style-type: none"> • HANSAE INTERNATIONAL, S.A. • AALFS DOS, S.A.
	HAITI	<ul style="list-style-type: none"> • HANSAE HAITI, S.A.

EUROPE

	SPAIN	<ul style="list-style-type: none"> • HANSAE-EUROPE, SUCURSAL EN ESPAÑA
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ASIA

	INDONESIA	<ul style="list-style-type: none"> • PT. HANSAE INDONESIA UTAMA • PT.HANSAE INDONESIA UTAMA - MAJALENGKA • PT. BOMIN PERMATA ABADI • PT. HANSAE INDONESIA SUKSES • HANSAE SEMARANG OFFICE • HANSAE SOLO OFFICE
	VIETNAM	<ul style="list-style-type: none"> • HANSAE VIETNAM CO., LTD. • HANSAE TN CO., LTD. • HANSAE TG CO., LTD. • C&T VINA CO., LTD. • C&T G-TECH CO., LTD. • C&T HOCHIMINH • HANSAE HOCHIMINH • HANSAE HANOI • HANSAE DANANG OFFICE • HANSAE CAN THO OFFICE • HANSAE THANH HOA OFFICE
	MYANMAR	<ul style="list-style-type: none"> • HANSAE MYANMAR CO., LTD. • HANSAE BAGO CO., LTD.

Business Areas

HANSAEMK CO., LTD.



About HANSAEMK CO., LTD.

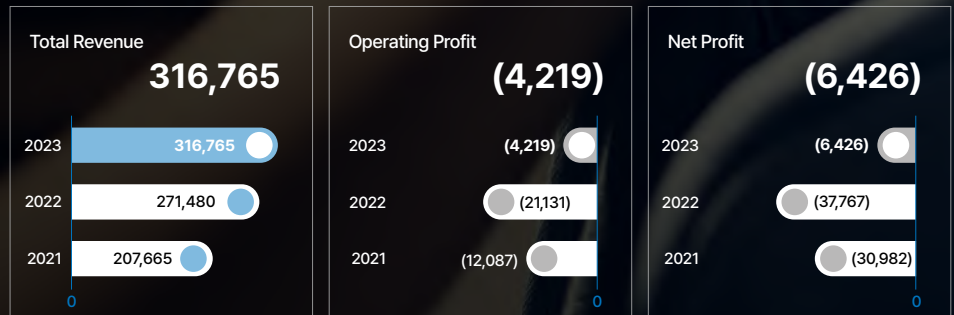
HANSAEMK CO., LTD. operates sports and street fashion brands, such as BUCKAROO, NBA, and Golf. In July 2022, the company merged with HANSAE DREAMS CO., LTD., expanding its business area to the children's clothing market with the brands Moimoln and Curlysue. Recently, the company has grown its reputation as a global fashion company by entering foreign markets such as in China, Japan, and the United States.

Corporate Profile

Name	HANSAEMK CO., LTD.
Establishment Date	March 1995
CEO	DONG NYUNG KIM, JI WON KIM, DONG HWAN LIM
Number of employees	387 (As of December 2023)
Total Assets	KRW 268,472 million
Total Capital	KRW 87,780 million
Address	MK Building, 633 Nonhyeon-ro, Gangnam-gu, Seoul, Republic of Korea

Financial Performance

(Unit : KRW million)



Business Areas

(As of April 2023)

<p>Global Fashion Company</p>	<p>Domestic : 690 stores for all brands Overseas : Japan (18 stores), China (310 stores), United States (Amazon online mall entry)</p>
<p>Value Creation for Customer Satisfaction</p>	<p>Prioritizing customer satisfaction and pursuing the "4 Sources of Goodness" The concept of "4 Sources of Goodness" encompasses good design, good quality, good service, and good price.</p>
<p>Future Business Strategy</p>	<p>Expanding business areas to casual wear, children's wear, and golf wear Introducing digital systems such as RFID and Big Data Smart Coordination</p>

About Our Brands



Business Areas

YES24 CO., LTD.



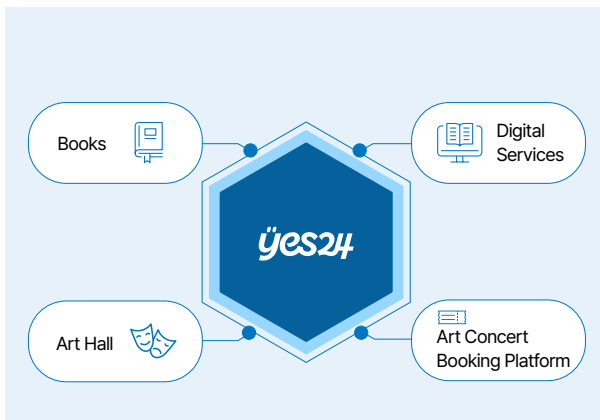
About YES24 CO., LTD.

YES24 CO., LTD. began as the first online bookstore in Korea and has maintained its top position since its inception in 1999. The company provides customized, super-fast delivery services based on its logistics center, the largest in the country. In the future, YES24 CO., LTD. will leverage its membership base of over ten million users to expand its business to evolve from an online book distributor into a culture & content platform.

Corporate Profile

Name	YES24 CO., LTD.
Establishment Date	June 1998
CEO	SUK HWAN KIM, SERA CHOI
Number of employees	474 (As of December 2023)
Address	5th and 6th floors, 11 Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Republic of Korea

Business Areas



Dong-A Publishing Co., Ltd.



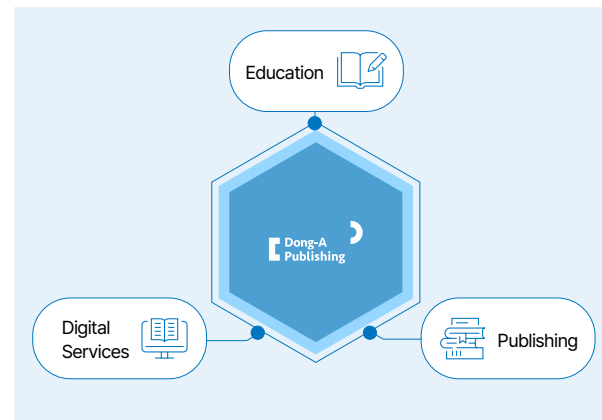
About Dong-A Publishing Co., Ltd.

Based on its experiences accumulated over the past 79 years, Dong-A Publishing Co., Ltd. has developed various educational contents, including Dong-A Workbook, Korea's leading reference book brand. Currently, Dong-A Publishing Co., Ltd. is developing various high-quality educational contents and services in line with the changes in the digital era.

Corporate Profile

Name	Dong-A Publishing Co., Ltd.
Establishment Date	October 2008
CEO	WOOK SANG LEE
Number of employees	367 (As of December 2023)
Address	30 Eunhaeng-ro, Yeongdeungpo-gu, Seoul, Republic of Korea

Business Areas



COLOR&TOUCH



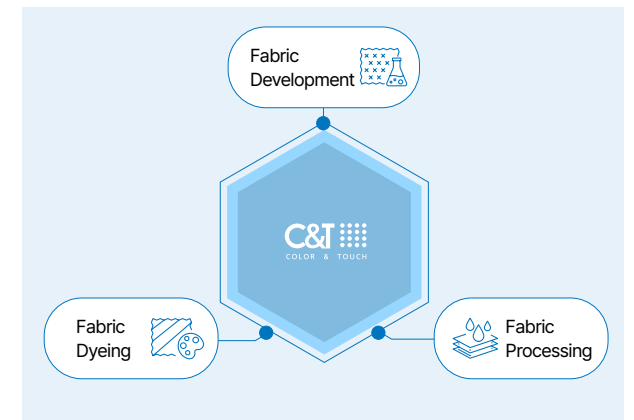
About Color&Touch Co., Ltd.

Color&Touch Co., Ltd. was established with the aim of operating the most competitive fabric business. Currently, the company is creating new value by stably supplying high-quality fabric products through continuous investment and technology development.

Corporate Profile

Name	About Color&Touch Co., Ltd.
Establishment Date	Founding date
CEO	IK WHAN KIM, HYANG MI LEE
Number of employees	34 (at domestic business sites as of December 2023)
Address	25 Eunhaeng-ro, Yeongdeungpo-gu, Seoul (Anwon Building), Republic of Korea

Business Areas



Future of Industry (Environment)

Since the early 2000s, with the paradigm shift towards fast fashion, the fashion industry has emerged as one of the most significant contributors to environmental pollution among all industrial sectors. According to the Intergovernmental Panel on Climate Change (IPCC), the fashion industry accounts for 10% of global carbon dioxide emissions and 20% of global wastewater.

Approximately 100 billion garments are produced worldwide each year, with half of them being discarded or incinerated within a year. If the current garment production process continues, by 2030, the fashion industry will account for 49% of global carbon dioxide emissions. (Source: Quantis, Global Environmental Impact Assessment Institution)

In response, HANSAE CO., LTD. and HANSAEMK CO., LTD., as global fashion companies, are making continuous efforts to reduce the environmental impact of the fashion industry by establishing clothing recycling systems and developing eco-friendly products.

HANSAE CO., LTD.'s Response Strategy

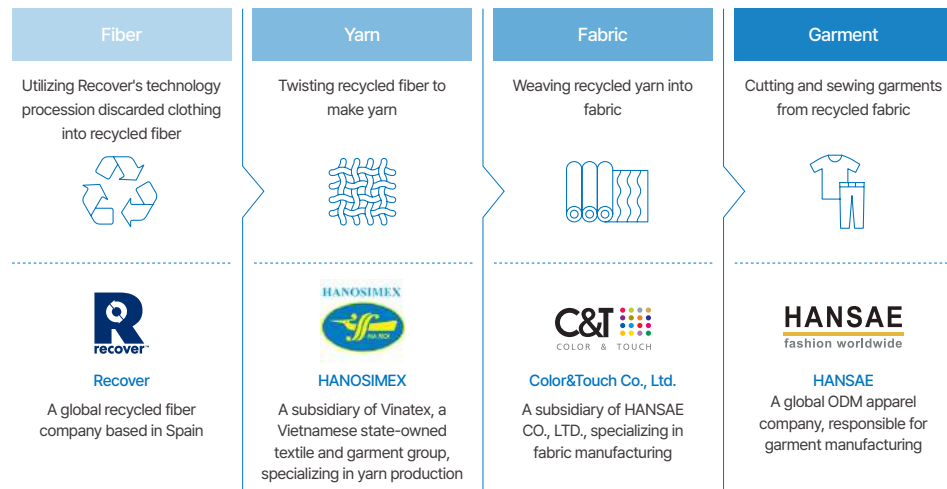


As a global ODM apparel company, HANSAE CO., LTD. is establishing a system to build a circular economy in the clothing industry while securing the company's growth engine. To enhance this clothing circular system, HANSAE CO., LTD. has signed MOUs with global recycled fiber company Recover and Hanoi Textile & Garment Joint Stock Company (Hanosimex), a subsidiary of Vietnam National Textile and Garment Group (Vinatex).

Clothing Circular System

Currently, HANSAE CO., LTD. is establishing a clothing circular system centered on HANSAE VIETNAM CO., LTD.

Process



HANSAEMK CO., LTD.'s Response Strategy



HANSAEMK CO., LTD., a leading South Korean fashion company, is expanding the development of products made from eco-friendly materials to meet the demands of customers and society. HANSAEMK CO., LTD. has set a mid-to-long-term goal to ensure that 30% of its total production consists of eco-friendly products by 2030. We are keenly responding to government and industry regulations through the establishment of eco-friendly production systems at a company-wide level.

Expansion of Eco-Friendly Production

HANSAEMK CO., LTD. aims to increase the proportion of eco-friendly products to over 30% of all products by 2030.

Definition of Eco-Friendly Materials

Category	Types of Fabric
Organic fibers	Cotton, Wool, Silk, Linen, Pineapple
Regenerated fibers	Soy Bean, Bamboo, Tencel™
Recycled fibers	Recycled cotton, Recycled PET, Recycled Nylon
Biomass-based synthetic fibers	PLA, Thermoplastic Cellulose, PEF
Biomass-based eco-friendly polymers	Ecozen, LEGO Bricks, Plantbottle

Eco-Friendly Product Development System

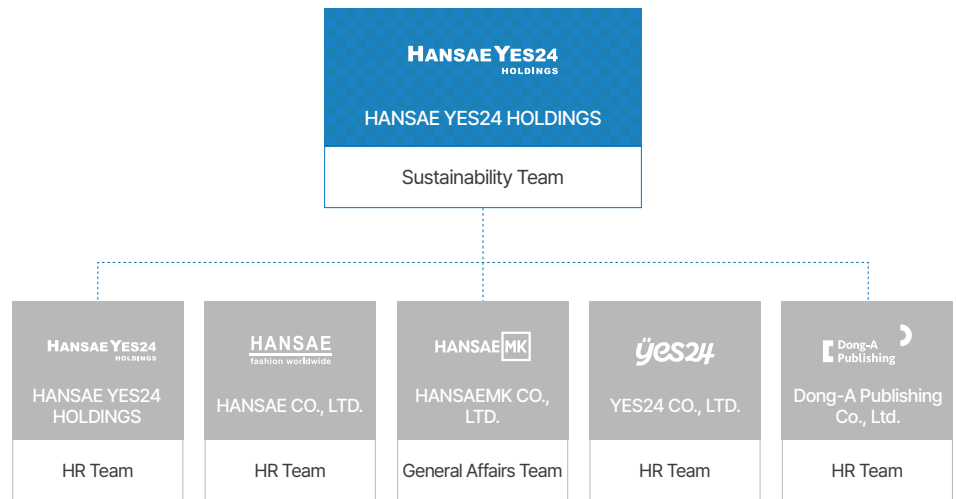


Future of Industry (Society)

In 2023, the number of births in South Korea was 230,000, a decrease of 19,000 from the previous year, marking the lowest annual birth rate in history. If this trend continues, South Korea faces the threat of national extinction by 2070. In response, various stakeholders- including the government, companies, and social organizations- are striving to address the low birth rate issue in the country. HANSAE YES24 Group is also participating in these efforts by establishing a task force (TF) to develop systems and a culture that supports work-life balance, aiming to remove barriers to parenthood at the corporate level. Recognizing that the low birth rate is not just a social issue but a serious concern linked to corporate management, HANSAE YES24 Group plans to continue its efforts to address this issue beyond mere compliance with government policies.

Taskforce for Work-Life Balance

HANSAE YES24 Group has formed a task force (TF) focused on work-life balance, led by the Group's holding company, HANSAE YES24 HOLDINGS. This TF aims to understand the current state of childbirth and childcare systems and programs in major subsidiaries and to foster a culture that encourages parenthood across the Group.



Strategic Roadmap

HANSAE YES24 Group intends to collect the opinions of its employees regarding childbirth and childcare and incorporate these into internal systems and programs to enhance employee satisfaction. Additionally, in 2024, the Group plans to obtain certification from the Ministry of Gender Equality and Family for the Family-Friendly Certification Project, thereby securing external credibility for the company's policies and culture.

Improvement of Group Policies Related to Childbirth and Childcare



- Organize childbirth/childcare programs for each company
- Survey employees on childbirth/childcare programs
- Interview employees responsible for childbirth/childcare



- Research best practices of companies with exemplary childbirth/childcare policies
- Discuss applicable policies within the Group
- Summarize childbirth/childcare policies and report to management



- Introduce new childbirth/childcare policies
- Promote childbirth/childcare policies within the company
- Continuously monitor childbirth/childcare policies

Family-Friendly Certification



- Inform and apply for the family-friendly company system targeting five major subsidiaries



- Document review (June) : Prepare application materials in accordance with legal standards for childbirth/childcare
- On-site review (July-August) : Verify materials on-site and conduct interviews with employees and management



- Select new certified companies through the Family-Friendly Certification Committee (expected in November)

ESG Strategy

HANSAE YES24 Group seeks to move toward a better future through sustainable performance.

- 014 Sustainable Management
- 016 ESG Commitment
- 017 Communication with Stakeholders
- 018 Double Materiality Assessment
- 019 ESG Value Creation Story
- 022 2023 ESG Highlights

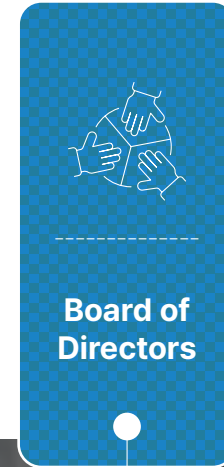
Sustainable Management

ESG Governance

HANSAE YES24 Group is committed to achieving sustainable growth by creating economic performance along with environmental and social value in order to become a fashion and culture distribution company that provides the highest value to customers. Accordingly, HANSAE YES24 HOLDINGS, HANSAE CO., LTD., and HANSAEMK CO., LTD. operate a Sustainable Management Committee within their Boards of Directors. The Sustainable Management Committee presents strategies and directions for the sustainable growth of the company, proactively responds to internal and external risks, and promotes the stable growth of the company.

Additionally, as the holding company of the Group, HANSAE YES24 HOLDINGS forms an ESG working group with relevant departments of each subsidiary to support ESG activities and monitor current issues in the sustainable management activities of each company through regular communication.

HANSAE YES24 Group will continue to actively reflect the opinions of all stakeholders in its strategies as it pursues sustainable management, striving for the prosperity and sustainability of customers, employees, local communities, and future generations.



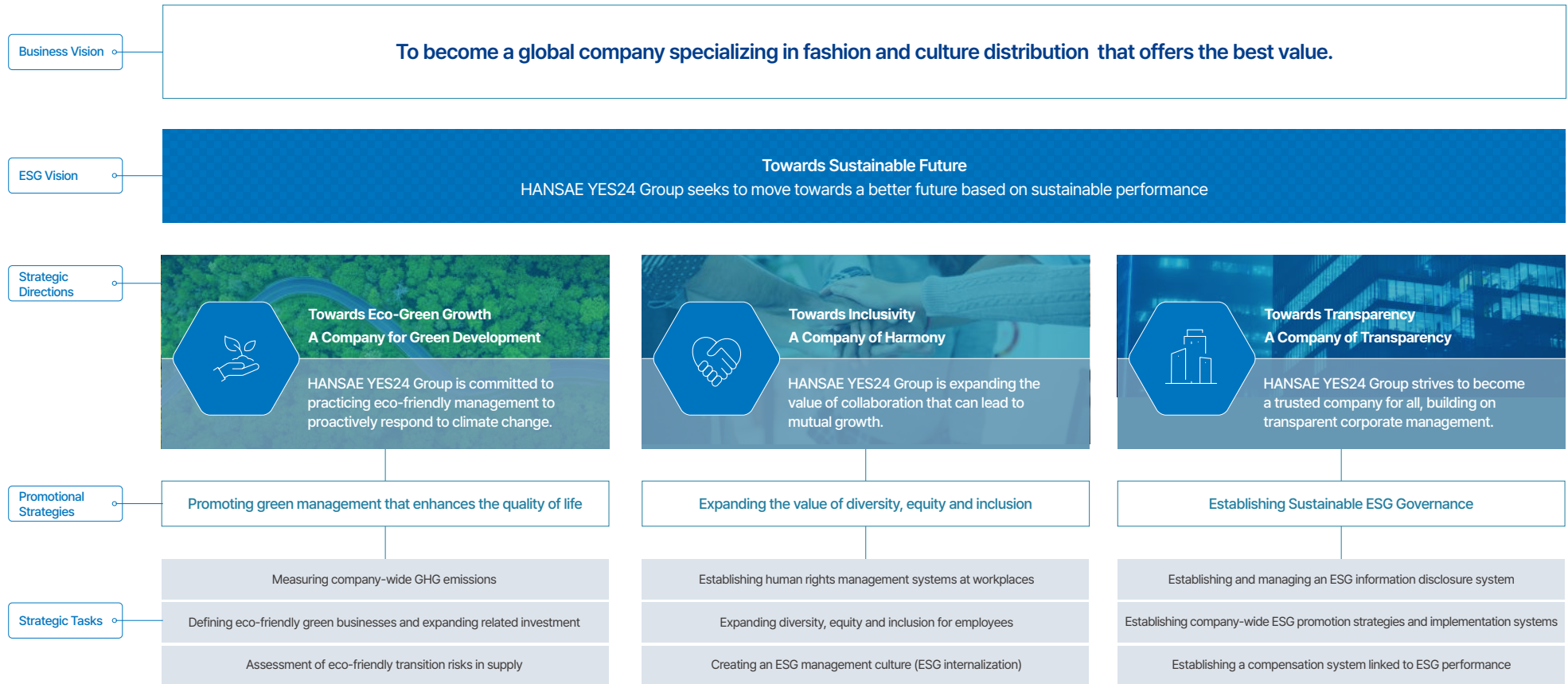
Sustainable Management Operating System



Sustainable Management

ESG Vision

HANSAE YES24 Group practices a distinctive ESG management based on its ESG vision of progressing “Towards a Sustainable Future.” The Group sets individual promotion strategies and mid-to-long-term tasks for society, environment, and governance, actively reflecting these into its company strategies to ensure that ESG management activities are embedded in its business operations. In 2024, HANSAE YES24 Group expanded diversity by hiring employees with disabilities at major subsidiaries such as HANSAE CO., LTD., HANSAEMK, YES24 CO., LTD., and Dong-A Publishing Co., Ltd. HANSAE CO., LTD. also established a proactive response system to climate change through third-party verification of GHG emissions. In the future, HANSAE YES24 Group plans to further refine and strengthen its ESG management strategies and implementation systems based on its ESG vision.



ESG Commitment

HANSAE YES24 Group is pursuing sustainable corporate growth by linking its business activities with ESG performance. In particular, the Group is striving to disseminate social value through its business by aligning its mid-to-long-term ESG strategies with the UN Sustainable Development Goals (UN SDGs).

<p>E Environmental</p> <p>TOWARDS ECO-GREEN A Company for Green Development</p>		<table border="1"> <thead> <tr> <th>Key areas</th> <th>Specific objectives</th> <th>Related UN SDG</th> </tr> </thead> <tbody> <tr> <td>Achieving Carbon Neutrality (Net-Zero) by 2050</td> <td> <ol style="list-style-type: none"> Reduction targets for 2029 compared to 2019 : Reduction in fossil fuels by 50%, water by 20%, and electricity by 5% (HANSAE CO., LTD.). Reduction targets for 2029 compared to 2022 : Reduction in waste emissions from overseas sewing corporations by 3.5% and energy by 10.5% (HANSAE CO., LTD.). Achieving carbon neutrality by 2050 (HANSAE CO., LTD.). </td> <td></td> </tr> <tr> <td>Practicing a Sustainable Lifestyle with Eco-friendly Products</td> <td> <ol style="list-style-type: none"> By 2030, replace 30% of all products with eco-friendly products (HANSAEMK CO., LTD.). Establish a culture of fashion upcycling and minimize overproduction and excess inventory by utilizing IT technologies (HANSAEMK CO., LTD.). </td> <td></td> </tr> <tr> <td>Establishing a Circular Economy System for Garments</td> <td> <ol style="list-style-type: none"> Establish a clothing recycling system through partnerships with global companies, including the global recycled fiber company Recover (HANSAE CO., LTD.). Continuously produce products made from recycled materials such as waste plastics and waste clothing (HANSAEMK CO., LTD.). </td> <td></td> </tr> </tbody> </table>	Key areas	Specific objectives	Related UN SDG	Achieving Carbon Neutrality (Net-Zero) by 2050	<ol style="list-style-type: none"> Reduction targets for 2029 compared to 2019 : Reduction in fossil fuels by 50%, water by 20%, and electricity by 5% (HANSAE CO., LTD.). Reduction targets for 2029 compared to 2022 : Reduction in waste emissions from overseas sewing corporations by 3.5% and energy by 10.5% (HANSAE CO., LTD.). Achieving carbon neutrality by 2050 (HANSAE CO., LTD.). 		Practicing a Sustainable Lifestyle with Eco-friendly Products	<ol style="list-style-type: none"> By 2030, replace 30% of all products with eco-friendly products (HANSAEMK CO., LTD.). Establish a culture of fashion upcycling and minimize overproduction and excess inventory by utilizing IT technologies (HANSAEMK CO., LTD.). 		Establishing a Circular Economy System for Garments	<ol style="list-style-type: none"> Establish a clothing recycling system through partnerships with global companies, including the global recycled fiber company Recover (HANSAE CO., LTD.). Continuously produce products made from recycled materials such as waste plastics and waste clothing (HANSAEMK CO., LTD.). 		<p>Related UN SDG</p>
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Communication with Stakeholders

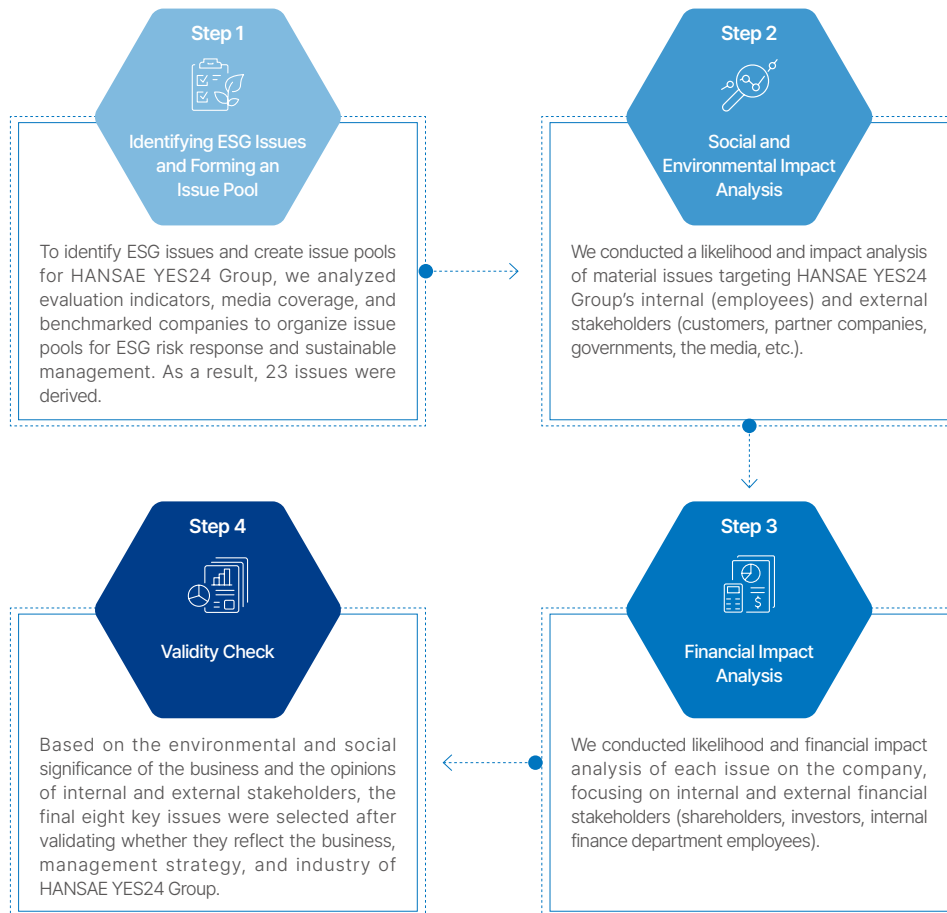
HANSAE YES24 Group is expanding communication with stakeholders who have a significant impact on overall business activities in order to become a fashion and culture distribution company that provides the highest value. HANSAE YES24 Group defines its main stakeholders as customers, shareholders and investors, supply chain, subsidiaries, employees, government, and local communities, and annually collects input on major demands from each stakeholder group to reflect them in its business strategies.

Stakeholders group	Key interests	Participation and communication channels	Main activities
Customers	<ul style="list-style-type: none"> Enhancing customer satisfaction and values Providing the best products and services Protecting customer information and interests 	<ul style="list-style-type: none"> Website Customer service Social media Applications 	<ul style="list-style-type: none"> Marketing and sales activities Responding to customer complaints
Shareholders and Investors	<ul style="list-style-type: none"> Enhancing shareholder values Efficient and transparent management Managing corporate risks and securing corporate growth engines 	<ul style="list-style-type: none"> Shareholders' meeting IR activities Management disclosure 	<ul style="list-style-type: none"> Transparent announcement of financial performances through management disclosure Transparent decision-making through regular shareholder meetings Disclosing corporate performance through corporate briefings
Supply Chain	<ul style="list-style-type: none"> Establishing transparent and fair business transactions Shared growth based on mutual trust and cooperation 	<ul style="list-style-type: none"> Meeting with supply chains Grievance reporting system 	<ul style="list-style-type: none"> Grievance handling channel Code of conduct for supply chains
Subsidiaries	<ul style="list-style-type: none"> Enhancing group-wide operational alignment Sharing information within subsidiaries Conducting fair business transactions 	<ul style="list-style-type: none"> Regular meetings Operating the ESG Working Group Council Group Code of Conduct 	<ul style="list-style-type: none"> Holding a town hall meeting Sustainable Management Committee activities
Employees	<ul style="list-style-type: none"> Building a safe working environment Providing employees with opportunities for growth and development Fair evaluation and compensation 	<ul style="list-style-type: none"> Groupware Corporate newsletter, HANSAE:IN Labor-management council Grievance handling System 	<ul style="list-style-type: none"> Supporting trainings for employee growth Applying a fair evaluation and compensation system Implementing various welfare programs
Government	<ul style="list-style-type: none"> Practicing ethical management through legal compliance Creating jobs Fulfilling tax obligations 	<ul style="list-style-type: none"> Policy conferences and seminars Website Management disclosure 	<ul style="list-style-type: none"> Fulfilling tax obligations Contributing to the creation of high quality jobs
Local Communities	<ul style="list-style-type: none"> Strengthening communication and contributing to the development of local communities Allocating profits through CSR activities 	<ul style="list-style-type: none"> Website Press releases Relevant councils and meetings 	<ul style="list-style-type: none"> Investment and cooperation for local community development

Double Materiality Assessment

Every year, HANSAE YES24 Group identifies key issues that are essential for sustainable management. A total of 24 ESG issue pools were derived from the materiality assessment in 2024, based on global disclosure requirements (GRI Standards, SASB, etc.), media coverage, industry and investment group perception analysis, benchmarking, etc. HANSAE YES24 Group conducted surveys targeting all stakeholders and, based on the issue pool derived from these surveys, selected a total of eight material issues. Then, systematically reported on the system, strategies, activities, and performance related to these topics.

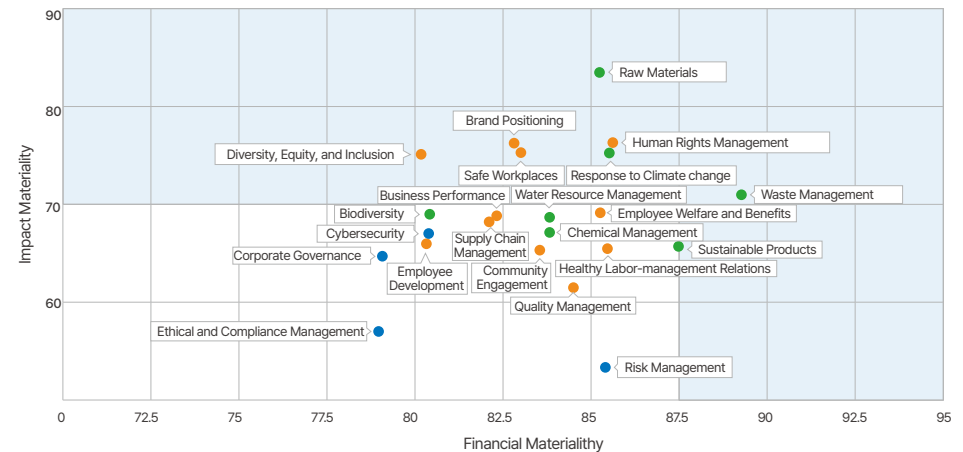
Double Materiality Assessment Process



Key Issues and Reporting Boundaries

Ranking	Key ESG Issues in 2023	Key ESG Issues in 2024	GRI	Relevant Page
1	Sustainable products	Raw materials (New)	GRI 301	32 - 34
2	Human rights management	Human rights management (-)	GRI 406, 409	43 - 45
3	Waste management	Waste management (-)	GRI 306	35 - 36
4	Ethics and compliance management	Response to climate change	GRI 302, 305	25 - 31
5	Safe workplaces	Brand positioning (New)	Non-GRI	50 - 53
6	Response to climate change	Safe workplaces (▼1)	GRI 403	46 - 49
7	-	Diversity, Equity, and Inclusion (New)	GRI 405	54 - 55
8	-	Sustainable products (▼7)	Non-GRI	32 - 34

Double Materiality Assessment Matrix



ESG Value Creation Story

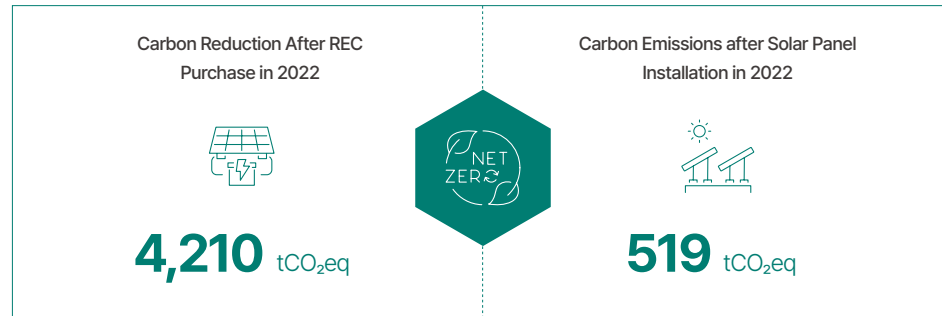
Establishment of a Climate Change Response System

With the intensification of global problems caused by climate change, such as the increase in natural disasters and the reduction of land due to rising sea levels, the international community has announced a roadmap for achieving carbon neutrality by 2050, based on the 2015 Paris Climate Agreement. HANSAE CO., LTD., a global apparel company, has committed to achieving carbon neutrality by 2050 and is proactively establishing a system to respond to climate change.



HANSAE CO., LTD. commissioned the global environmental consulting firm ResetCarbon to advise on climate responses and scenarios, focused on its overseas sewing corporations.

Based on these scenarios, the company has prepared a roadmap for carbon neutrality by 2050 and, as the first step of implementing this roadmap, transitioned its existing business to an eco-friendly system in 2022 by installing solar panels, purchasing Renewable Energy Certificates (RECs), and using biofuels at its major production subsidiaries. From 2022 to 2023, the carbon reduction achieved through REC purchases amounted to 4,210 tCO₂eq, and the reduction in carbon emissions through solar installations was 519 tCO₂eq.



HANSAE CO., LTD.'s Carbon Emissions by Scenario

Scenario	Energy Efficiency	Conversion to Eco-friendly Fuels	Solar Power Generation	Grid Carbon Reduction	Business Growth	Carbon Emissions Reduction by 2030 Compared to 2019
1	Conservative Response	Conservative Response	Conservative Response	Conservative Response	Conservative Growth	22% reduction
2	Aggressive Response	Aggressive Response	Aggressive Response	Aggressive Response		49% reduction
3	Conservative Response	Conservative Response	Conservative Response	Conservative Response	Aggressive Growth	20% reduction
4	Aggressive Response	Aggressive Response	Aggressive Response	Aggressive Response		47% reduction

Transition to Eco-friendly Business

Since the initial installation of solar panels at HANSAE INTERNATIONAL, S.A. in October 2022, HANSAE CO., LTD. has expanded its investment in eco-friendly businesses by installing solar panels at HANSAE MYANMAR CO., LTD. in January 2023. The investment cost for installing solar panels at the two corporations was approximately KRW 2.3 billion. After the installation, 23% of the total energy usage at HANSAE INTERNATIONAL, S.A. and 57% at HANSAE MYANMAR CO., LTD. were replaced with eco-friendly energy. In particular, HANSAE INTERNATIONAL, S.A. reduced electricity costs by approximately KRW 20 million in 2023 by selling the eco-friendly energy produced through solar installations to the local community.



Installation of Solar Panels at HANSAE INTERNATIONAL, S.A.



Installation of Solar Panels at HANSAE MYANMAR CO., LTD.

ESG Value Creation Story

Company-Wide Response to the Uyghur Forced Labor Prevention Act

The Uyghur Forced Labor Prevention Act (UFLPA), which came into effect in June 2022, is a law that prohibits the import of products produced in the Xinjiang Uyghur district Region into the United States to stop forced labor in the region. Recently, the international community has been strengthening its monitoring of forced labor, human rights violations, and other issues occurring in the production processes of goods. Accordingly, HANSAE CO., LTD. has established a code of conduct for its suppliers to manage and prevent human rights violations within the supply chain, protecting the rights of not only the employees in its production subsidiaries but also the employees of suppliers. Additionally, in 2023, the company began collaborating with major suppliers to establish a system that verifies the origin of products from raw materials such as cotton to fabric, aiming to strengthen and manage human rights risks within the supply chain.



As a global fashion ODM company, HANSAE CO., LTD.'s supply chain spans worldwide. To more closely manage human rights issues arising during the production process, the company required its major suppliers to register source information for the cotton, yarn, and fabric stages of products in its supply chain system starting in 2023. Among the top 50 companies trading with the company, 42 companies have registered their origin information, enhancing traceability across the supply chain. (Companies that have not registered either have no recent trading history or are currently preparing documents.)

HANSAE CO., LTD.'s Supply Chain Management (SCM) Program

HANSAE CO., LTD. efficiently manages the entire logistics process from the receipt of fabrics to the production and delivery of products through a digital-based supply chain management system. To enhance traceability in the production process, the company has required major suppliers to register information from the cotton and yarn stages before the fabric stage since 2023, striving to effectively manage human rights risks throughout the entire supply chain.

Managing Human Rights Risks Through the Supply Chain Management (SCM) System



In the future, HANSAE CO., LTD. plans to strengthen its supply chain management by expanding the number of suppliers registered in its system to 100. Specifically, it plans to increase participation from major suppliers with high transaction volumes by simplifying document registration through API integration.

HANSAE CO., LTD. will thoroughly implement measures to prevent any human rights issues, including forced labor, from occurring throughout its supply chain. Furthermore, it will incorporate human rights-related clauses into its trading terms with suppliers to establish respect for human rights across the entire supply chain.

ESG Value Creation Story

Enhancing Corporate Value with Governance Aligned to Global Standards

Recently, there has been an increasing demand from the South Korean government and investment institutions for improvements in the governance of domestic companies. This is part of an effort to eliminate the "Korea Discount" and raise the relatively low value of South Korean companies compared to those of global counterparts. In particular, the government is demanding improvements in corporate governance through measures such as the Corporate Value-Up Program and the mandatory disclosure of corporate governance reports. Investors also expect that transparent and rational decision-making by companies will enhance corporate value.

* Korea Discount: The effect where the value of Korean companies is lower compared to foreign companies.



Strengthening Shareholder Return Policies

In 2023, HANSAE YES24 HOLDINGS and HANSAE CO., LTD. announced mid-to-long-term dividend policies to improve the predictability of dividends for shareholders. Additionally, by adopting the improvements in the dividend procedures promoted by the Financial Services Commission and the Ministry of Justice in January 2023, the companies amended their articles of association at the regular general meeting of shareholders in March 2024, which align the previously opaque dividend procedures with global standards. Furthermore, HANSAE YES24 HOLDINGS implemented an independent director shareholder nomination system to appoint independent directors who can represent shareholders' interests and continued efforts to improve shareholder benefits through various channels.



Transparent Management Centered on the Board of Directors

HANSAE YES24 HOLDINGS, HANSAE CO., LTD., and HANSAEMK CO., LTD. are striving to operate transparently through board-centered management. As part of these efforts, the Sustainable Management Committee within the Board of Directors was established in 2022 to manage and proactively address internal and external risks. Additionally, to ensure independent directors can exercise their expertise, each company established regulations allowing independent directors to receive support from outside experts if needed, without separate Board approval. They also provide specialized training for independent directors to reinforce a Board-centered management system.



2023 ESG Highlights

HANSAE CO., LTD.



2023 ESG Highlights

HANSAEMK CO., LTD.



Expanding Eco-friendly Material Products

Moimoln : Strengthening the “Reduce waste & Recycle, ReRe” line
 Levi's Kids, BUCKAROO : Producing denim from materials extracted from recycled PET bottles and plastics

Playkiz Pro : Producing pants, t-shirts, and bags from recycled polyester materials
 NBA : GRS Certified Eco Fleece Line products using with over 20% recycled materials

17 %
Increase

Number of eco-friendly products from 2022 to 2023



Improving Logistics Efficiency

Maximized logistics efficiency by introducing the RFID¹ system for the first time in the domestic fashion industry in 2014

1. Radio Frequency Identification (RFID) :
 A system that wirelessly reads stored data on tags, labels, cards, etc. embedded with semiconductor chips

ZERO

Loss rate in inventory management



Sales of Eco-friendly Products

Targeting to expand eco-friendly products to 30% of total products by 2030, focusing on the production and sale of eco-friendly material products

142 %
Increase

Sales amount of eco-friendly products in 2023 compared to 2022



Continuing Eco-friendly Campaigns

Continuing eco-friendly campaigns to raise customer awareness regarding the environment through customer-participatory campaigns by each brand

Levi's Kids
 - Give old denim, get new denim
 - DIY classes
 - Levi's Kids Greener

4.5:1

Competition rate of 2024 eco-friendly campaigns participation

10%
FOR
GOOD

Towards Eco-Green

HANSAE YES24 Group is committed to practicing eco-friendly management to proactively respond to climate change.

- 025 Response to Climate Change
- 032 Sustainable Products and Raw Materials
- 035 Waste Management
- 037 Environmental Impact Reduction



Response to Climate Change

Overall Impact

Natural disasters caused by climate change, rising sea levels, and ecosystem destruction are global issues currently faced by the international community. In response, the international community urged worldwide participation in climate change response through the 2015 Paris Climate Agreement. Governments and companies in various countries are making efforts to proactively address climate issues by establishing carbon reduction roadmaps. HANSAE YES24 Group, led by its parent company HANSAE CO., LTD., has set a mid-to-long-term roadmap for achieving carbon neutrality by 2050. To reach this goal, the Group is taking various measures, including using eco-friendly energy sources (such as solar energy, biofuels), purchasing Renewable Energy Certificates (REC), and implementing smart factory systems. HANSAE YES24 Group is committed to preserving the Earth's environment and building an eco-friendly industry to ensure that future generations can live sustainably on our planet.

Metrics and Targets

Mid-to-Long-term GHG Emissions Reduction Targets (Scope 1, 2)

Reduction target by 2029 compared to 2019

25 % reduction

Carbon reduction target by 2023 compared to 2022

2.5 % reduction



Task Force & Strategy

Governance

HANSAE YES24 Group has established the Sustainable Management Committee within the Board of Directors of major subsidiaries to proactively respond to climate-related risks. HANSAE CO., LTD.'s Compliance Team continuously monitors the GHG emissions of its 11 overseas sewing corporations around the world. Along with the relevant departments, they are seeking various ways to reduce GHG emissions at its business sites. Additionally HANSAE CO., LTD. is developing strategies on the group-level and implementing measures led by the Sustainable Management Committee to achieve a 25% reduction target in GHG emissions by 2029 compared to the levels in 2019.

HANSAE CO., LTD.'s GHG Emissions



Response to Climate Change

Climate Change Risk Response Strategy

The business impacts of climate change affect not only the current state of a company but also all of its future prospects. HANSAE CO., LTD. regularly monitors these climate change issues, discusses them with the board, and manages them company-wide. As part of its climate change response strategy, the company is making proactive investments in R&D to enhance the efficiency of production processes and promote the transition to eco-friendly workplaces through the use of renewable energy. In the future, the company aims to significantly improve climate risk throughout the production process by developing a sustainable product model.

Transition Risks

Transition risks refer to the risks arising from societal and economic changes in response to climate change. While HANSAE CO., LTD. pre-identifies risks that may occur during the implementation of carbon neutrality, such risks are monitored in terms of policy and regulatory changes, changes in company systems due to the adoption of eco-friendly technologies, and changes from clients regarding carbon emission reductions.

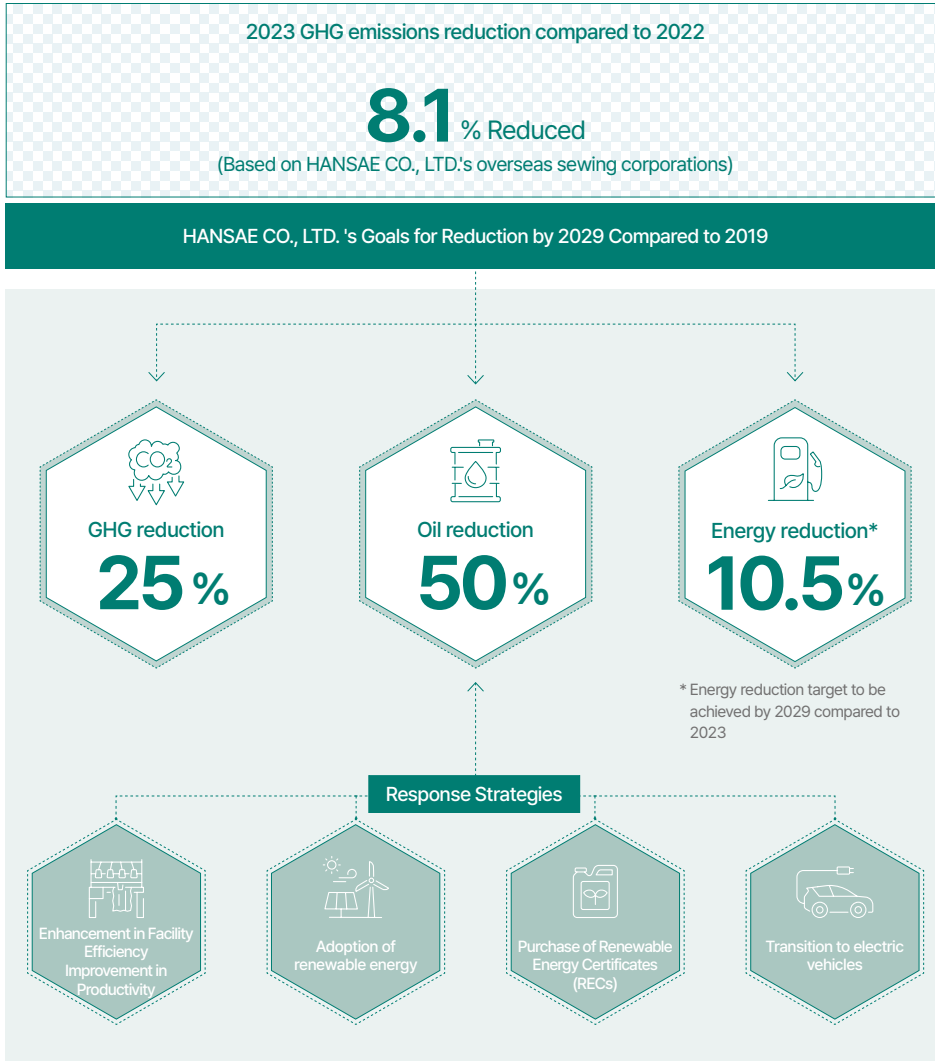
Physical Risks

Physical risks are the environmental changes caused by climate change, categorized into acute risks (such as heatwaves, floods, and strong winds) and chronic risks (such as rising temperatures and sea levels). HANSAE CO., LTD., centered around its headquarters, closely analyzes the physical risks faced by its overseas corporations to proactively respond to potential short- and mid-term climate risks.

Risk Type	Category	Description	Financial Impact
Physical Risks 	Acute	Risks of the company from severe short-term climate events such as heatwaves, floods, and strong winds	<ul style="list-style-type: none"> Operational shutdown due to damage to production facilities Compensation and reconstruction costs due to damage to facilities/personnel
	Chronic	Risks of the company from chronic climate events such as decreased labor productivity due to increased average temperatures and sea levels	<ul style="list-style-type: none"> Deterioration of business profitability due to reduced labor productivity Costs associated with relocating business sites due to rising sea levels
Transition Risks 	Investment	Risks from the expanded use of biomass fuel, transition to solar energy, and development of new technologies	<ul style="list-style-type: none"> Costs of investing in new high-efficiency facilities Increased costs for R&D of low-carbon technologies
	Legal	Risks from all regulations and policies responding to climate change events	<ul style="list-style-type: none"> Increased costs for consulting services to prepare for global greenhouse gas regulations
	Market	Risks from clients' demands for carbon emission reductions, the use of eco-friendly raw materials, and changes in raw material supply chains due to international situations	<ul style="list-style-type: none"> Decreased market competitiveness due to increased costs of using eco-friendly raw materials Additional investment costs to meet client requirements
Response Strategies 	<ul style="list-style-type: none"> Establishing and monitoring a company-wide physical climate response system Continuous innovation and R&D investment Securing diverse raw material supply lines Continuous monitoring of global regulatory changes Expanding sustainable low-carbon product lines to secure market competitiveness 		

Response to Climate Change

Mid- to Long-Term Goals and Strategies for Carbon Emissions Reduction



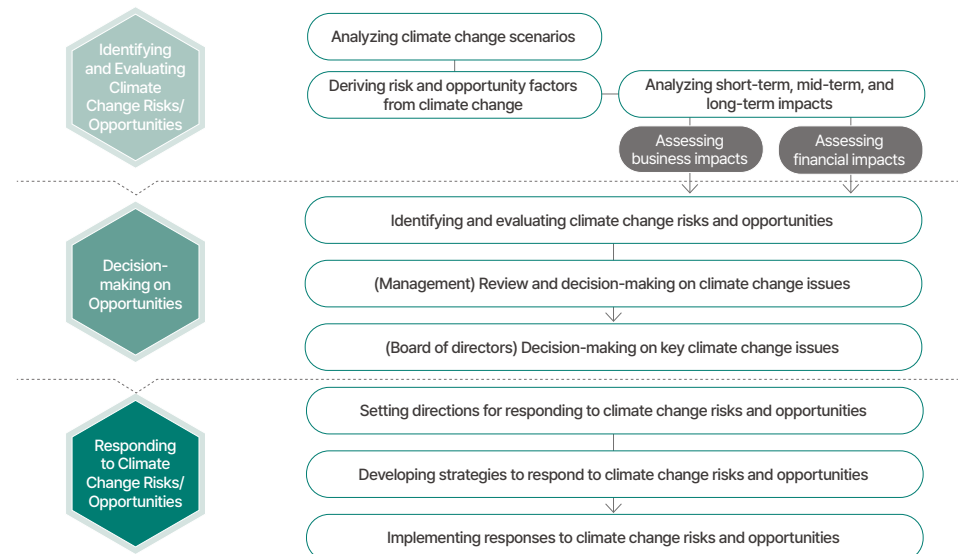
Analysis of Carbon Emissions According to 2030 Climate Scenarios

To proactively respond to the risks and opportunities of climate change, HANSAE CO., LTD. conducted an analysis of climate change scenarios focusing on overseas corporations through the global environmental consulting firm ResetCarbon. Based on these scenarios, HANSAE CO., LTD. has set goals for achieving carbon neutrality by 2050, incorporating them into the company's management strategies, which include investing in equipment and increasing the use of eco-friendly energy. Additionally, the company continuously discusses the risks and opportunities of climate change with management and the board of directors to respond swiftly.

Trends in Carbon Emissions Based on HANSAE CO., LTD.'s Climate Scenario Analysis

Scenario	Energy Efficiency	Conversion to Eco-friendly Fuels	Solar Power Generation	Grid Carbon Reduction	Business Growth	Carbon Emissions Reduction by 2030 Compared to 2019
1	Conservative Response	Conservative Response	Conservative Response	Conservative Response	Conservative Growth	22% reduction
2	Aggressive Response	Aggressive Response	Aggressive Response	Aggressive Response		49% reduction
3	Conservative Response	Conservative Response	Conservative Response	Conservative Response	Aggressive Growth	20% reduction
4	Aggressive Response	Aggressive Response	Aggressive Response	Aggressive Response		47% reduction

HANSAE CO., LTD. Climate Scenario Utilization Process



Response to Climate Change

Performance

Digital Transformation

Smart Factory System (HAMS)

HANSAE CO., LTD. maximizes production efficiency through its proprietary smart factory system, the HANSAE Advanced Management System (HAMS). This system digitizes every step of the production process, enabling real-time monitoring. Through HAMS, HANSAE CO., LTD. minimizes defects and inefficiencies in the production process and responds quickly to customer demands based on data-driven decisions.



HAMS implemented at HANSAE TG CO., LTD. in Vietnam

HANSAEMK CO., LTD.'s RFID System

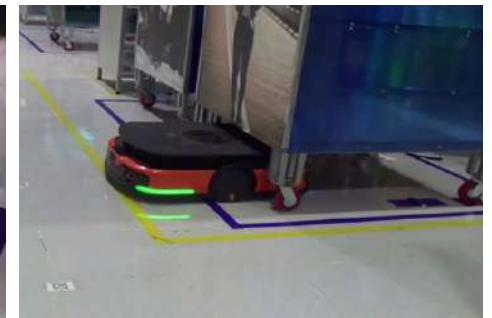
In 2014, HANSAEMK CO., LTD. became the first company in the domestic fashion industry to introduce Radio Frequency Identification (RFID) technology, enhancing operational efficiency in stores and warehouses. Since the implementation the company has improved product inspection time by more than 25 times and achieved a 100% inspection rate. Effective inventory management reduces production waste and delivery errors, contributing to lower carbon emissions. HANSAEMK CO., LTD. continually develops and implements digital systems to improve production and operational efficiency, aiming to reduce potential carbon emissions from business activities.

Enhancing Work Efficiency with AI Technology

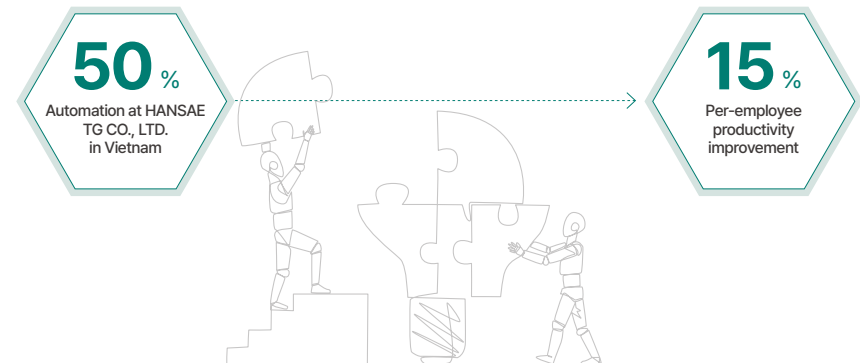
HANSAE CO., LTD. continuously improves employee work efficiency using AI technology. By leveraging AI (Alseonim) for routine tasks previously handled by employees, the company reduces the burden and stress associated with repetitive work. Additionally, HANSAE CO., LTD. has introduced a chatbot system (HanQ) that automatically responds to frequently asked questions, enabling employees to identify and resolve issues in real-time during their daily operations.

Increasing Work Efficiency with Automated Machines

HANSAE CO., LTD. actively promotes machine automation in production sites, led by the headquarters' Smart Factory Team and Lean managers in overseas sewing corporations. By replacing various manual processes with automated machinery, the company has significantly reduced inefficiencies in work processes. HANSAE TG CO., LTD. in Vietnam has pioneered the adoption of automated machines and automated over 50% of processes, including fabric storage, sewing, packaging, and shipping. This has led to a 15% increase in per-employee productivity.



Automated machine processes within HANSAE CO., LTD. overseas sewing operations



Response to Climate Change

Green Energy

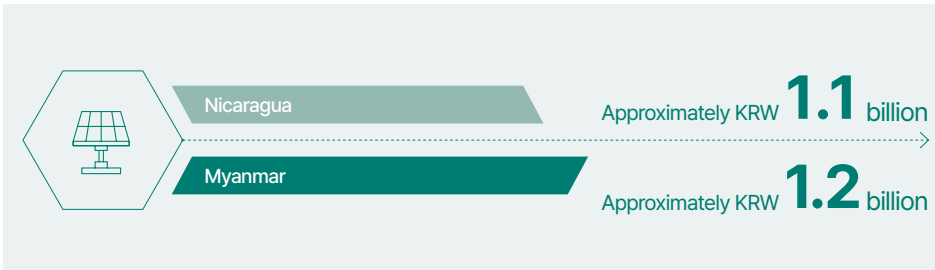
Transition to Eco-Friendly Energy

HANSAE CO., LTD. is actively investing in carbon neutrality by installing solar panels at HANSAE INTERNATIONAL, S.A. and HANSAE MYANMAR CO., LTD. as part of its transition to an eco-friendly energy system. Starting with the installation of solar panels at HANSAE INTERNATIONAL, S.A. in 2022, HANSAE CO., LTD. has expanded this initiative by installing solar panels at its newly established factory at HANSAE MYANMAR CO., LTD. As of April 2023, HANSAE INTERNATIONAL, S.A. replaced approximately 23% of its total energy usage with solar power for the first six months. At HANSAE MYANMAR CO., LTD., solar energy accounted for 75% of the total power used as of February 2023. Additionally, HANSAE CO., LTD. has reduced electricity consumption and GHG emissions by implementing various eco-friendly practices, such as replacing all lighting with LEDs and introducing a water cooling system to regulate workspace temperatures instead of using air conditioning. These efforts resulted in a reduction of purchased electricity by about 4 million kilowatt-hours (kWh) across overseas sewing factories.



Solar Panels at HANSAE INTERNATIONAL, S.A.

Investment in Eco-Friendly Energy (Solar Power)

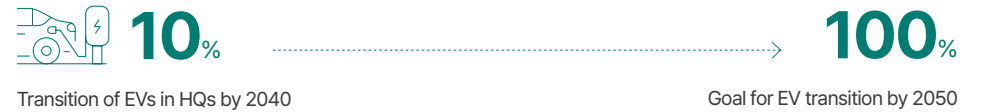


Renewable Energy Certificates (RECs) Procurement

In 2022, HANSAE CO., LTD. signed a Renewable Energy Certificate (REC) contract and purchased renewable energy to cover 50% of the total electricity used by manufacturing factories in Indonesia. In 2023, the company reduced 3,556 tCO₂eq by purchasing RECs (2,660 tCO₂eq in Vietnam and 896 tCO₂eq in Indonesia).

Transition to Electric Vehicles

HANSAE CO., LTD. has been actively transitioning to electric vehicles (EVs) since 2022, starting with corporate vehicles used in the headquarters. As of June 2024, the company has replaced 10% of domestic corporate vehicles with EVs and planning to replace all corporate vehicles with EVs by 2050.



Achievement in GHG Emissions Reductions

Ratio of Eco-Friendly Energy Usage in 2023



GHG emission reduction from using eco-friendly energy in 2023

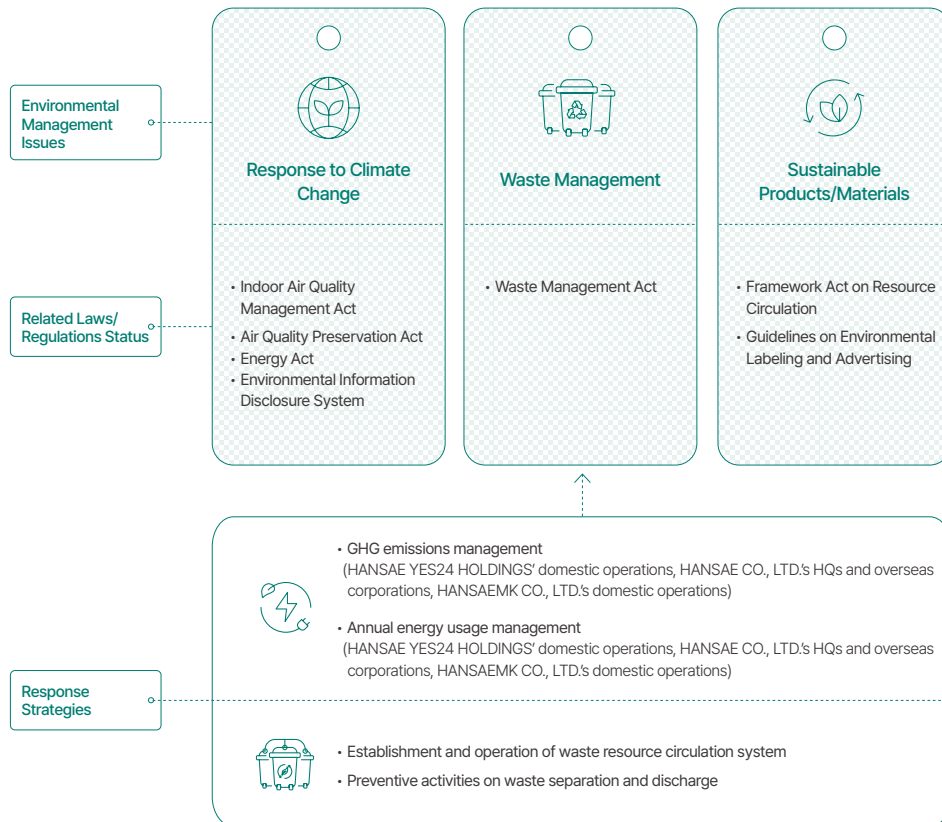


Response to Climate Change

Environmental Management Practices

HANSAE YES24 Group is continuously striving to implement comprehensive environmental management. The Group regularly monitors environmental laws and regulations to incorporate them into its operational strategies, while also providing specialized environmental trainings to employees to help them set and improve environmental goals in their work processes.

Response to Environmental Management Laws/Regulations



Environmental Law Violation Records

* Including HANSAE YES24 HOLDINGS, HANSAE CO., LTD., HANSAEMK CO., LTD.



Environmental Education for Employees

HANSAE YES24 Group conducts regular environmental education to internalize environmental management and enhance the capabilities of its employees. Since 2011, HANSAE YES24 Group has been providing company-wide lectures with professional speakers based on employee recommendations to cater to diverse interests.



Company-wide lectures in 2023

Target	Education Content	Results
All employees 	Climate and Energy Issues: Can Humanity Ultimately Survive? (April, YouTuber Orbit)	Training hours : 640 hours Participants : 320 persons
	Climate Crisis and the Anthropocene: Solutions from Science (August, Professor Sung Hyun Nam)	Training hours : 608 hours Participants : 304 persons

Response to Climate Change

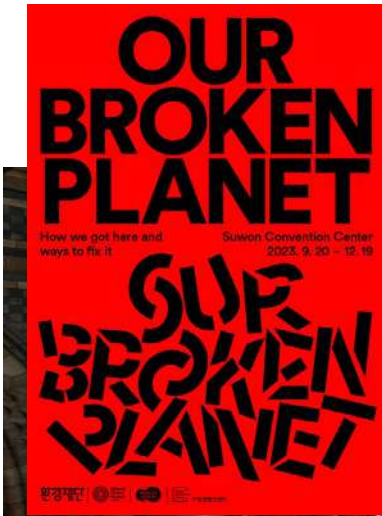
Sponsorship of the London Natural History Museum

HANSAE CO., LTD. sponsored the climate change exhibition organized by the Environmental Foundation at the London Natural History Museum, which provided an opportunity to raise public awareness of global climate issues. This special exhibition on climate change was the first of its kind presented in South Korea by the London Natural History Museum, one of the world's top three natural history museums. The exhibition, held over three months and attracted 104,261 visitors who experienced various exhibits and activities related to climate change.

Participation in Global Climate Change Initiatives

Since 2011, HANSAE CO., LTD. has been participating in the international initiative CDP* to monitor and minimize potential negative environmental impacts from its business activities. HANSAE CO., LTD. remains committed to fulfill its environmental responsibility by continuing its transparent evaluation and disclosure of environmental management and GHG emissions.

* Carbon Disclosure Project (CDP) :
An international non-profit organization that operates a global disclosure system for investors, companies, regions, etc. to manage their environmental impacts.



* Image of the London Natural History Museum

Sustainable Products and Raw Materials

Overall Impact

Recently, the European Union (EU) finalized the Eco Design for Sustainable Products Regulation (ESPR), which aims to strengthen the disclosure of information regarding the sustainability of products distributed within Europe, such as the proportion of recycled materials and the carbon footprint. Products subject to this regulation must provide consumers with information about the entire lifecycle of the product—from production to consumption and recycling—through Digital Product Passports (DPP). As transparent information provision throughout the product lifecycle is becoming a global standard, green consumers are driving interest in environmental issues towards sustainable consumption. In this context, the expansion of eco-friendly product lines and the reduction of environmental impacts are certain to be future growth drivers. HANSAE YES24 Group, focusing on HANSAE CO., LTD. and HANSAEMK CO., LTD., is striving to enhance the sustainability of the fashion industry through continuous research, development, and campaigns for eco-friendly products.

Task Force & Strategy

Governance

The major subsidiaries of HANSAE YES24 Group have established Sustainability Management Committees within their boards to formulate and implement overall policies, strategies, and goals for sustainable management. Specifically, HANSAEMK CO., LTD. has set up an Environmental Management Committee under the CEO to explore various eco-friendly measures applicable to the business and to lead sustainable management by regularly communicating with the Sustainability Management Committee.

HANSAEMK CO., LTD.'s Environmental Management Committee Organization



Production Value of Eco-Friendly Material Products



Metrics and Targets



Eco-friendly material products by 2030

Expanding to **30%** of all products

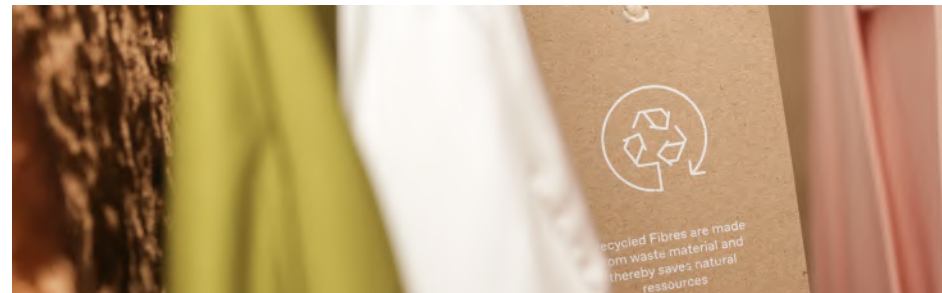
Sustainable Products and Raw Materials

Performance

Development of Sustainable Products

Since 2021, HANSAEMK CO., LTD. has been conducting various campaigns and expanding its lineup of products using eco-friendly materials, particularly focusing on the Moimoln's ReRe line. In 2023, PLAYKIZ PRO and NBA Kids expanded their product line using recycled polyester and recycled plastic, respectively, while Curlysue launched T-shirts and dresses made from Sorona fabric. We are committed to producing and developing various eco-friendly products to increase the proportion of eco-friendly products to over 30% of the total by 2030.

Number of Eco-Friendly Products by HANSAEMK CO., LTD.



Guidelines for Eco-Friendly Products

HANSAEMK CO., LTD. aims to produce 30% of all its products eco-friendly by 2030. To achieve this, the company is releasing products using eco-friendly materials across all of its brands. In 2023, the company established guidelines for eco-friendly products to ensure that all brands develop products in accordance with these guidelines. Additionally, for some materials, the company is seeking external certifications to enhance the credibility of its eco-friendly products internally and externally.

Definition of Eco-Friendly Materials

Category	Fabric Type
Natural/organic fibers	Cotton, Wool, Silk, Linen, Pineapple
Regenerated fibers	Soy Bean, Bamboo, Tencel™
Recycled fibers	Recycled Cotton, Recycled PET, Recycled Nylon
Biomass-based synthetic fibers	PLA, Thermoplastic Cellulose, PEF
Biomass-based eco-friendly polymers	Ecozen, LEGO Bricks, Plantbottle

Number of Eco-Friendly Material Products by the Brands of HANSAEMK CO., LTD. (as of 2023)

Brand Name	Number of Eco-Friendly Products
Moimoln	126
BUCKAROO	22
NBA and NBA Kids	9*
Others (Curlysue, PGA and LPGA TOUR)	4
Total	161

* Some items contain less than 5% of total filling material; this proportion will be increased in the future (e.g., 2 NBA items, 1 NBA kids item)

Given the recent emphasis on the internal and external risks of greenwashing, HANSAEMK CO., LTD. plans to establish stricter criteria for categorizing products as eco-friendly. Only products containing more than 10% eco-friendly materials or meeting clear standards set by external certification organizations will be labelled eco-friendly, enhancing the standards for eco-friendly products.

Sustainable Products and Raw Materials

Sustainable Raw Material Certification

HANSAE CO., LTD.'s production companies and suppliers have obtained OCS and RCS certifications through third-party certification organizations. As the demand for eco-friendly business practices in the fashion industry are increasing, the demand for sustainable materials has also surged in both domestic and international markets. In response, HANSAE CO., LTD. transparently discloses the environmental information of its products to consumers through credible eco-friendly certification programs and helps them identify products that meet environmental standards.

▪ OCS/RCS Certification Status of HANSAE CO., LTD.

Category	OCS/RCS	OCS	RCS
HANSAE CO., LTD. (Headquarters/Overseas Sewing Corporations)	8	1	1
Suppliers	10	7	10
Total	18	8	11



Organic Content Standard (OCS)

OCS(Organic Content Standard)

Third-party certification for organic fibers. Applied to products containing more than 5% organically grown materials. Applied to all suppliers in the supply chain including cultivation, manufacturing, packaging, storage, transport, and distribution.



Recycled Claim Standard (RCS)


RCS(Organic Content Standard)

Third-party certification for recycled products. Applied to products containing more than 5% recycled materials. All stages from raw material collection and processing to final product production and sales are subject to inspection.

The "10% for Good" initiative, an Eco-Friendly Initiative


HANSAE CO., LTD.'s "10% for Good" initiative is a flagship program that links the company's eco-friendly policies with global social contribution activities. This program invests 10% of the net profits from sales of globally certified eco-friendly fabrics into various NGOs and tech ventures in the environmental and fashion sectors. The company will continue to meet the demand for eco-friendly production from global fashion companies and ultimately provide a better environment for consumers.

▪ Eco-Friendly Fabric for the "10% for Good" Initiative




Better Cotton Initiative(BCI)

Established under the leadership of the World Wildlife Fund (WWF) to promote sustainable cotton production, BCI is an initiative to minimize the use of harmful pesticides and insecticides, prohibit forced labor and child labor, and enhance transparency in the cotton supply chain.




Recover

Recover™ is a Spanish company that produces recycled fibers, striving to establish a circular fashion system through the production of innovative and competitively priced recycled fibers. Since 1947, Recover has dedicated itself to handling textile waste and developing technologies for high-quality recycled fiber production for the past 75 years.



OEKO-TEX

OEKO-TEX is a research and testing association in textile and leather ecology based in Zurich, Switzerland. Different certification levels are granted depending on the certification type. HANSAE CO., LTD. uses OEKO-TEX STANDARD 100 certified fabrics, which are certified at all stages from raw material production to knitting, dyeing, and finishing.



ORGANIC COTTON

Organic cotton is grown using methods and materials that have a low environmental impact. Organic production systems replenish and maintain soil fertility, reduce the use of toxic and persistent pesticides and fertilizers, and promote biologically diverse agriculture. Third-party certification organizations verify that organic producers adhere to specified organic methods and materials. Organic cotton is grown without the use of toxic and persistent pesticides or synthetic fertilizers.

Waste Management

Overall Impact

In the fashion industry, various factors such as rapid trend changes, brand value protection, and shortened clothing consumption periods lead to the disposal of a large number of garments annually. According to research by the Ellen MacArthur Foundation, a truckload of clothing is discarded every second. A UBS report reveals that only about 40% of the approximately 100 billion garments produced each year are actually consumed, with the remaining 60% ending up in landfills or being incinerated. In light of the growing issue of garment waste in the fashion industry, HANSAE CO., LTD. has committed to reducing waste by 3.5% by 2029 and is taking practical actions to achieve this goal.

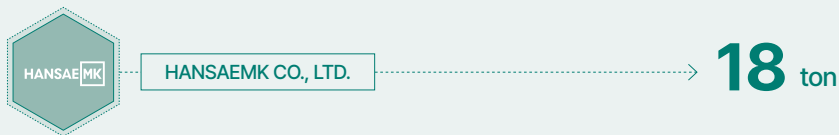
• Total Waste Generated

Category	2021	2022	2023
HANSAE CO., LTD. (Overseas Sewing Corporations)		5,970	5,968
HANSAEMK CO., LTD. (Domestic Operations)	28	20	18

(Unit : ton)

Metrics and Targets

2023 Waste Generation Target



Strategy

HANSAE CO., LTD. has established a waste policy to reduce fabric waste during the production process and educates all employees to reduce waste. The company conducts regular checks on waste generation and recycling rates at each business site and best practices are shared across the company to encourage further participation.



Waste Management

Performance

Waste Reduction Activities

To implement practical actions for waste reduction, HANSAE CO., LTD. has set a goal to reduce waste by 3.5% at its overseas sewing factories by 2029 compared to 2022. The company is striving to minimize waste across all production processes.

Virtual Sample Production Using 3D Technology

In 2017, HANSAE CO., LTD. established the VD Team, becoming the first domestic apparel manufacturer to do so. As of 2023, the company has separate VD organizations in Vietnam and Indonesia, working with major buyers of HANSAE CO., LTD. The company is actively utilizing 3D technology to replace physical samples in various areas, from product design to product review meetings using avatar models. In 2023 alone, 11,274 samples were produced using 3D samples, resulting in a reduction of 180,000 kg of CO2 emissions and saving 30,000 tons of water.



Sampling using 3D technology

Waste Reduction Using Automated Devices

HANSAE CO., LTD. has actively adopted automated devices in the production process to significantly reduce waste generated from traditional manual processes. Through the automation of box production, the company has increased employee efficiency by 16% compared to previous methods while reducing the number of discarded boxes to zero. Additionally, the company has implemented automatic cutting machines across all its sewing operations, minimizing fabric waste during the cutting process and managing waste discharge within HANSAE CO., LTD.

Production Process	Cutting	Sewing	Folding	Packing
Automated Devices	<ul style="list-style-type: none"> • Auto CAM 	<ul style="list-style-type: none"> • Multi Head Heat Transfer Machine • E-band Sewing Machine • Pattern sewing machine • Pocket Setting Machine • Placket Machine 	<ul style="list-style-type: none"> • Auto Folding Machine 	<ul style="list-style-type: none"> • Carton Making Machine • Carton Sealing Machine
Process Photos				

Resource Circulation Roadmap of HANSAEMK CO., LTD.

As a producer obligated to recycle under the Resource Recycling Act, HANSAEMK CO., LTD. is responsible for collecting and recycling waste generated from product manufacturing, import, and packaging. The company aims to reduce waste generations by 20% by 2030 compared to 2022. Efforts to reduce waste include the use of reusable shopping bags since 2022 and the use of FSC-certified boxes since 2023.

Environmental Impact Reduction

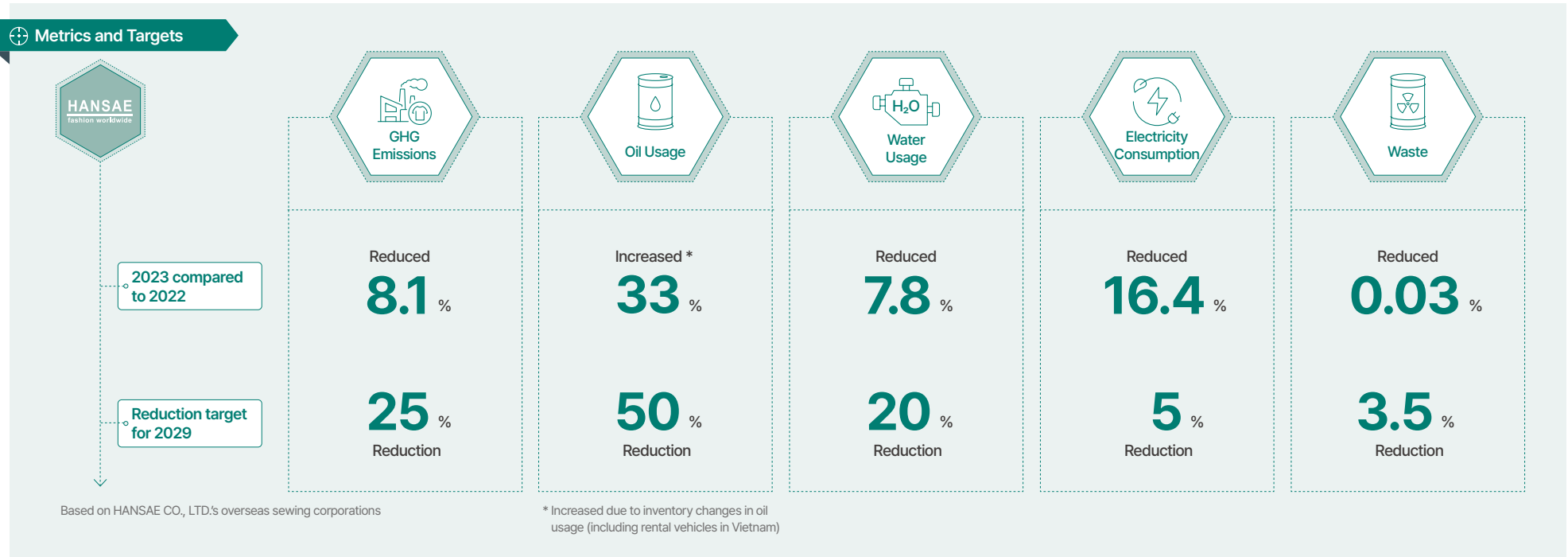
Overall impact

According to the United Nations Environment Programme (UNEP), the fashion industry has one of the highest environmental impacts globally, generating approximately 60 million tons of waste annually. HANSAE YES24 Group aims to establish mid- to long-term goals centered on HANSAE CO., LTD. to reduce environmental impacts and publicly disclose impact data to fulfill its environmental responsibilities as a global company. HANSAE CO., LTD. has set targets to reduce GHG emissions, oil usage, water usage, electricity consumption, and waste discharge by 2029 and regularly monitors production processes to achieve these targets. In the future, the HanseYes24 Group will establish environmental goals customized to the business characteristics of each major subsidiary, striving towards a sustainable business transformation.

Task Force & Strategy

Governance

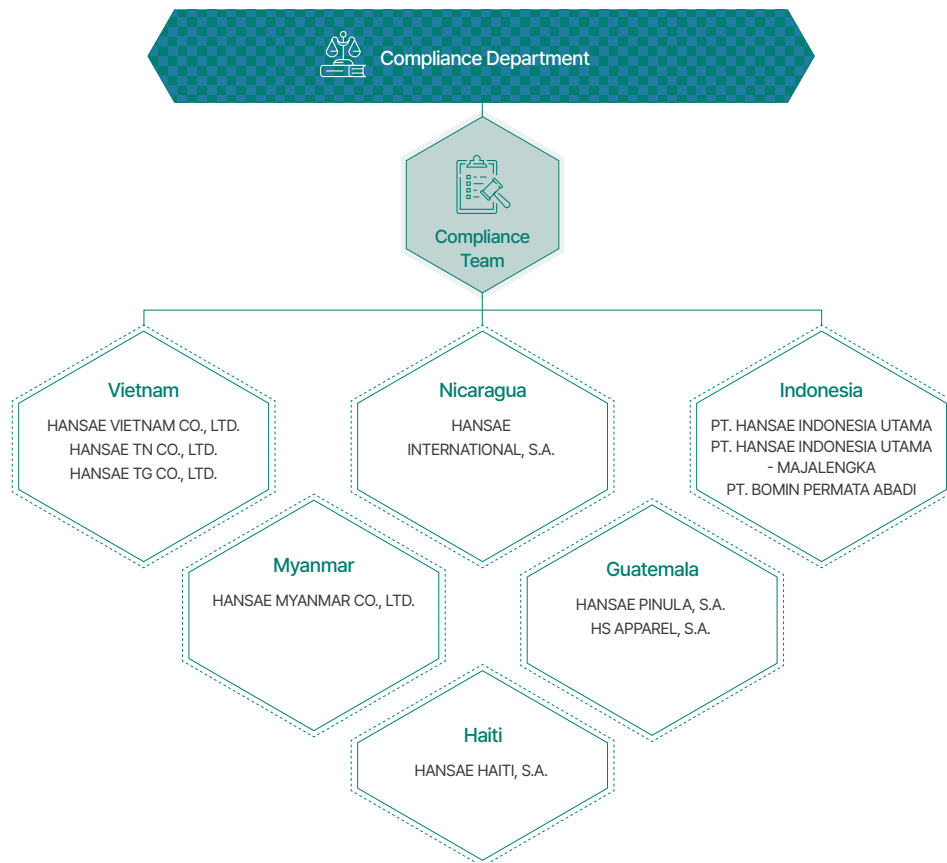
HANSAE YES24 Group's commitment "Towards Eco-Green" is the group's commitment to transitioning to a sustainable business. Accordingly, HANSAE YES24 Group, led by HANSAE CO., LTD., is striving to reduce environmental impacts. In particular, HANSAE CO., LTD. is minimizing environmental impacts in each overseas sewing corporation by reflecting environmental metrics in evaluations of overseas corporation heads and leaders. Additionally, the Group continues to integrate the company's management strategy with environmental performance through the Sustainable Management Committees of its major subsidiaries, promoting a transition to sustainable business operations.



Environmental Impact Reduction

Governance

HANSAE CO., LTD. operates Compliance Team as a working-level organization that leads the environmental management of the company. Compliance Team collects and manages environmental data from 11 overseas corporations and swiftly responds to and resolves environmental issues within each site. Furthermore, the team regularly reports environmental strategies and risks to the Sustainable Management Committee to achieve its environmental goals by 2029, and it endeavors to reduce the environmental impact at the company level.



Strategy

HANSAE CO., LTD. has established and announced its environmental management policy to reduce environmental impact. This policy applies not only to employees within its business sites but also to supply chains that work with HANSAE CO., LTD. The environmental policy, consisting of ten areas, includes the environmental impacts of business activities and specific measures and management methods to mitigate these impacts. This policy is implemented under the leadership of the HANSAE CO., LTD. Compliance Team.

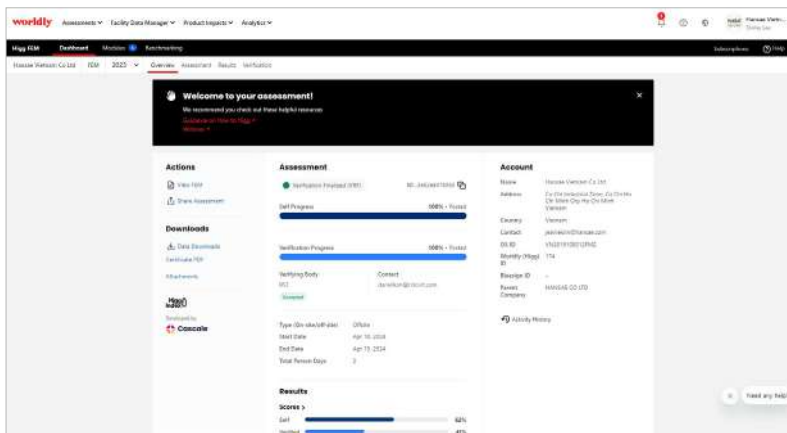
	Compliance with Environmental Regulations	Establishing plans to comply with environmental laws and regulatory requirements by understanding applicable regulations
	Environmental Resource Management	Implementing policies and procedures to efficiently manage resources, including energy and water
	Waste Management	Developing proper systems for waste treatment, sorting, and recycling
	Air Emissions Management	Monitoring air pollutants generated in factories and implementing and maintaining appropriate air purification systems
	Wastewater Management	Establishing water quality management policies for building and maintaining wastewater treatment facilities and complying with pollutant discharge limits
	Noise and Vibration Management	Monitoring and controlling sources of noise and vibration and introducing appropriate noise and vibration prevention facilities
	Chemical Management	Complying with safety procedures and regulations for the use, storage, and disposal of hazardous chemicals
	Environmental Incident Response	Establishing appropriate response measures and recovery plan in the event of an environmental incident
	Education and Awareness Enhancement	Operating programs to educate and raise awareness among employees about compliance with environmental regulations
	Internal Auditing and Monitoring	Monitoring compliance with regulations, operating an effective management system and conducting internal audits

Environmental Impact Reduction

Performance

Conducting Environmental Impact Assessments

HANSAE CO., LTD. conducts environmental impact assessments for all overseas corporations and suppliers and implements improvement measures based on the assessment results. The environmental impact assessment checks the effects on air, water quality, soil, etc., caused by business activities and the company implements activities to mitigate these effects. HANSAE CO., LTD. measures and manages environmental impacts such as energy, water, and air emissions at its business sites using the Higg Index - Facility Environmental Module (FEM), which is widely used in the fashion industry. Additionally, HANSAE CO., LTD. strives to minimize environmental impacts by ensuring compliance with each country's environmental regulations in advance when contracting with new suppliers.



Higg Index-Facility Environmental Module(FEM)

Chemical Management

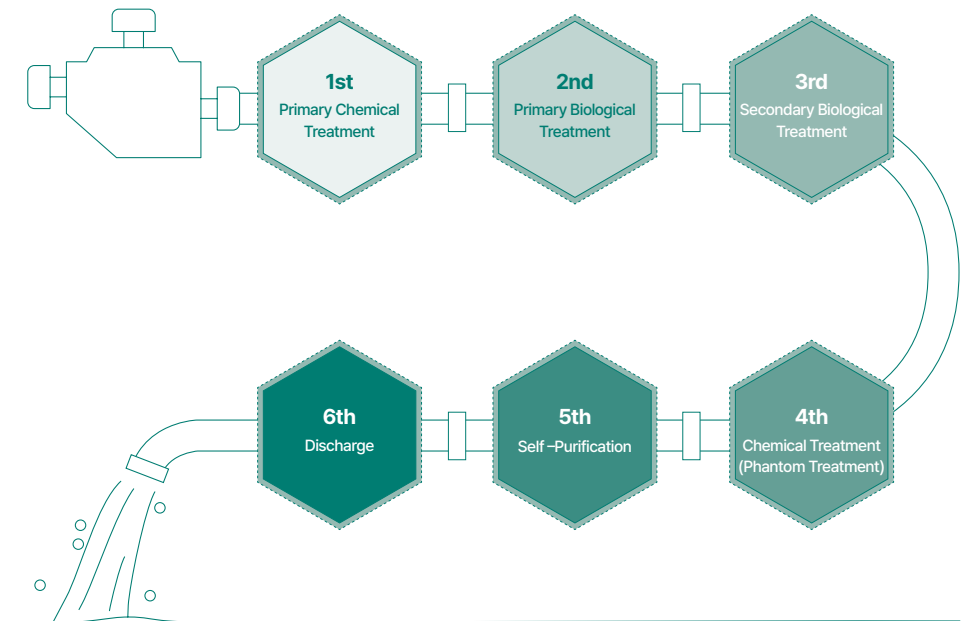
HANSAE CO., LTD. complies with laws and regulations of each country where its overseas corporations are located and manages chemicals generated by its subsidiary Color&Touch Co., Ltd. based on ZDHC MRSL standards.

* ZDHC MRSL : An initiative launched to reduce the discharge of hazardous chemicals and promote the substitution of safer materials within the fashion industry's supply chain, including major apparel, leather, and footwear brands. The Manufacturing Restricted Substances List (MRSL) identifies hazardous substances that cannot be used in the manufacturing of apparel, textile raw materials, or auxiliary materials.

Water Resource Management

Most of the water used in HANSAE CO., LTD.'s clothing production process originates from fabric dyeing and finishing operations. After acquiring the fabric dyeing and washing specialist company C&T Vina in 2013, HANSAE CO., LTD. established the fabric specialist company Color&Touch in 2014. Color&Touch Co., Ltd. has developed and implemented a wastewater treatment system during production to manage wastewater discharge and has treated over 1,500 tons of wastewater daily since 2022. The purified water is of such clean quality that it is used to cultivate aquatic organisms in company ponds. Additionally, the company has introduced an ozone washing system, replacing the water and chemicals used in the fabric bleaching process with ozone gas, allowing for the re-treatment of wastewater.

■ C&T Vina Wastewater Treatment System



Environmental Impact Reduction

Biodiversity and Water Resource Risk Analysis

HANSAE CO., LTD. continues to be vigilant about the impact of corporate activities on biodiversity and water resource risks near its business sites, conducting risk analysis to evaluate related risks and reporting the results to its board of directors. Based on the risk filter tool provided by the World Wide Fund for Nature (WWF), the company analyzed the biodiversity and water stress indices of those areas and identified some areas classified as “very high risk” that require management. The company will continue to strive for sustainable business by introducing effective methods to protect biodiversity and water resources in those areas.



Biodiversity Risk Assessment Results¹



Analyzed the risk levels around its overseas business sites due to deforestation, pollution, and other environmental factors. Based on the results, four overseas corporations have been classified as requiring urgent management.

Water Management Risk Assessment Results²



Based on the risk analysis of water quality suitability and the potential impact of water pollution on business growth and productivity, two overseas corporations have been classified as requiring urgent management.

Overall Water Risk Indicators³



Based on the analysis of all water-related risks across 13 sectors, including the categories of physical quantity, quality and regulatory & reputational risk, four corporations were categorized as areas as requiring management.

Country	Name of Overseas Corporations	Risk Level
VIETNAM	HANSAE VIETNAM CO., LTD.	Very High Risk
	HANSAE TN CO., LTD.	Very High Risk
	HANSAE TG CO., LTD.	High Risk
	C&T G-TECH CO., LTD.	Very High Risk
	C&T VINA CO., LTD.	Very High Risk
INDONESIA	PT. HANSAE INDONESIA UTAMA	Very High Risk
	PT. HANSAE INDONESIA UTAMA- MAJALENGKA	High Risk
	PT. BOMIN PERMATA ABADI	High Risk
NICARAGUA	HANSAE INTERNATIONAL, S.A.	High Risk
GUATEMALA	HS APPAREL, S.A.	Very High Risk
	HANSAE PINULA, S.A.	Very High Risk
HAITI	HANSAE HAITI, S.A.	High Risk
MYANMAR	HANSAE MYANMAR CO., LTD.	High Risk

1. Source : WWF Biodiversity Risk Filter

Country	Name of Overseas Corporations	Risk Level
VIETNAM	HANSAE VIETNAM CO., LTD.	High Risk
	HANSAE TN CO., LTD.	High Risk
	HANSAE TG CO., LTD.	High Risk
	C&T G-TECH CO., LTD.	High Risk
	C&T VINA CO., LTD.	High Risk
INDONESIA	PT. HANSAE INDONESIA UTAMA	High Risk
	PT. HANSAE INDONESIA UTAMA- MAJALENGKA	High Risk
	PT. BOMIN PERMATA ABADI	High Risk
NICARAGUA	HANSAE INTERNATIONAL, S.A.	High Risk
GUATEMALA	HS APPAREL, S.A.	Very High Risk
	HANSAE PINULA, S.A.	Very High Risk
HAITI	HANSAE HAITI, S.A.	High Risk
MYANMAR	HANSAE MYANMAR CO., LTD.	High Risk

2. Source : WWF Water Risk Filter

Country	Name of Overseas Corporations	Risk Level
VIETNAM	HANSAE VIETNAM CO., LTD.	Very High Risk
	HANSAE TN CO., LTD.	Very High Risk
	HANSAE TG CO., LTD.	High Risk
	C&T G-TECH CO., LTD.	Very High Risk
	C&T VINA CO., LTD.	Very High Risk
INDONESIA	PT. HANSAE INDONESIA UTAMA	Very High Risk
	PT. HANSAE INDONESIA UTAMA- MAJALENGKA	High Risk
	PT. BOMIN PERMATA ABADI	High Risk
NICARAGUA	HANSAE INTERNATIONAL, S.A.	High Risk
GUATEMALA	HS APPAREL, S.A.	Very High Risk
	HANSAE PINULA, S.A.	Very High Risk
HAITI	HANSAE HAITI, S.A.	High Risk
MYANMAR	HANSAE MYANMAR CO., LTD.	High Risk

3. Source : <https://www.wri.org/applications/aqueduct/water-risk-atlas/>

Environmental Impact Reduction

Moimoln's Agreement with KOREA NATIONAL PARK SERVICE(Biodiversity)

In November 2023, HANSAEMK CO., LTD. signed a donation agreement with KOREA NATIONAL PARK SERVICE for marine ecosystem conservation. Moimoln donated a portion of the sales revenue from its eco-friendly product line, ReRe, to support marine ecosystem purification and conservation of marine species in national parks. The donation funds are allocated for the operational costs of the Hallyeohaesang National Park's Coastal Ecosystem Purification Team, composed of professional skin scuba volunteers who collect underwater trash and cleans the marine ecosystem. Moimoln plans to continue professional and sustainable purification activities to protect endangered national species and work towards a sustainable planet.

Tree Planting for Biodiversity Activities (Nicaragua)

HANSAE INTERNATIONAL, S.A. conducted tree planting activities by donating trees to the Nicaraguan Ministry of Environment in celebration of National Arbor Day. Recently, Nicaragua experienced a series of large fires due to nationwide large ranch developments and illegal mining. In response, HANSAE INTERNATIONAL, S.A. donated 5,000 trees for National Arbor Day. Additionally, its employees collaborated with local recycling organizations throughout 2023 to collect approximately 164 kg of PET plastic bottles, which were recycled into chairs and distributed to children in the local community.

Conservation Activities with Global NGOs for Biodiversity

Since 2019, HANSAE CO., LTD. has been conducting the "10% for Good" initiative, donating 10% of the net profits from eco-friendly orders to global environmental and fashion-related NGOs. Starting with a donation to a Netherlands-based marine plastic waste collection organization in 2019, the company continued to support NGOs such as Plastic Bank in Canada and Waste Free Ocean in Belgium in 2020. In 2022, it made an additional donation of 3,500 euros to Waste Free Oceans (WFO), supporting the organization's biodiversity activities. These donations enabled WFO to conduct marine purification activities in two locations in Belgium, collecting approximately 1.8 tons of waste. HANSAE CO., LTD. plans to continue supporting global environmental NGOs and ventures through the "10% for Good" initiative, addressing biodiversity and water pollution issues around the world.



Signing ceremony with the Korea National Park Service



Tree planting activities by HANSAE INTERNATIONAL, S.A.



WFO waste collection activities

Towards Inclusivity

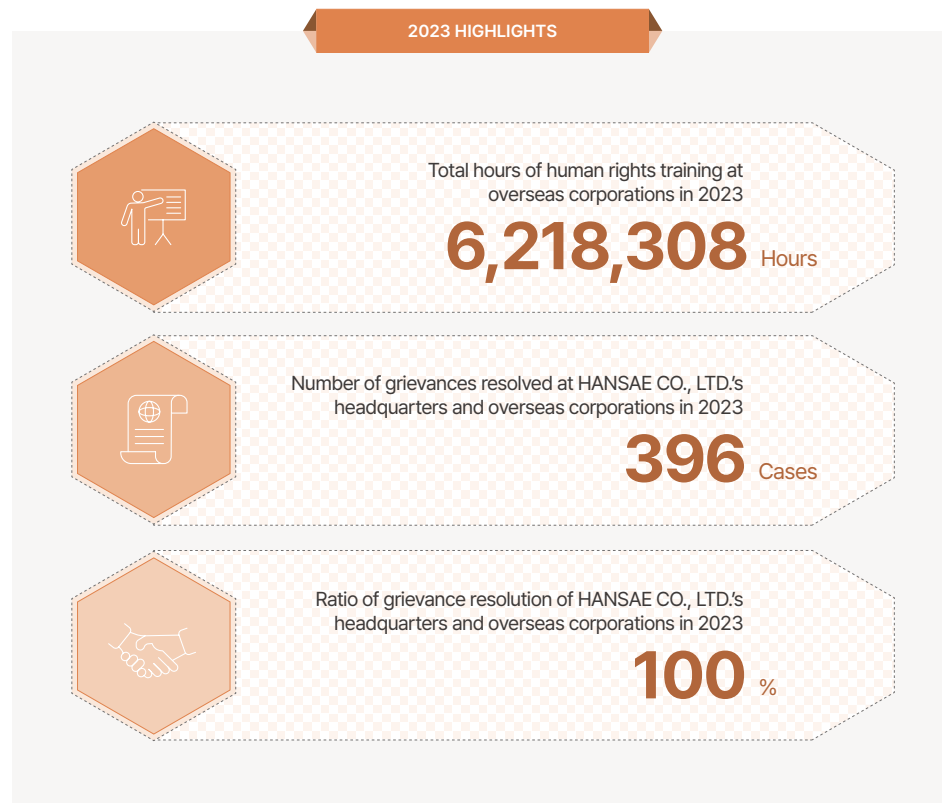
HANSAE YES24 Group aims to expand the value of collaboration toward mutual growth.

- 043 Human Rights Management
- 046 Safe Workplaces
- 050 Brand Positioning
- 054 Diversity, Equity, and Inclusion
- 056 Employee Development, Welfare and Benefits

Human Rights Management

Overall Impact

HANSAE YES24 Group strives to foster relationships with key stakeholders, including employees, customers, suppliers, and local communities, and is making dedicated efforts to protect human rights and uphold respect for all throughout its business processes. In particular, the company continuously provides channels for communication based on respect for workers' rights, and endeavors to minimize human rights risks that may arise during the work processes. In 2023, HANSAE YES24 HOLDINGS joined the global initiative United Nations Global Compact (UNGC) to eliminate elements of human rights violations within all business sites and declared adherence to the ten principles concerning human rights, labor, and anti-corruption.



Task Force & Strategy

Human Rights Policy

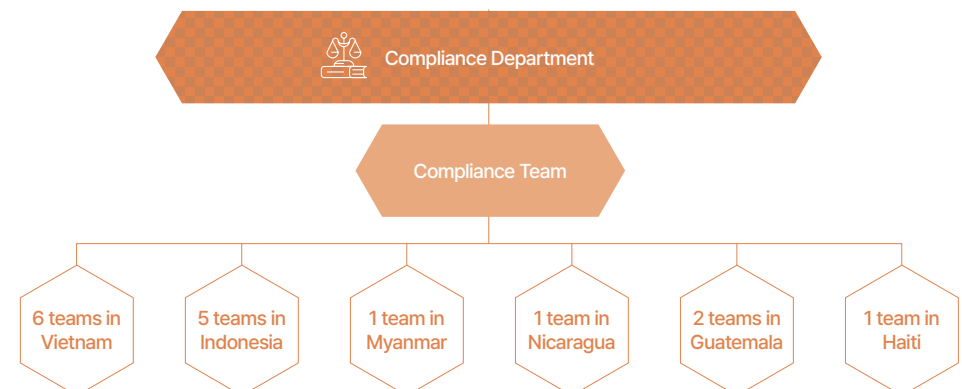
HANSAE CO., LTD. and HANSAEMK CO., LTD. have established and announced human rights policies based on the International Labour Organization (ILO) declarations and OECD guidelines for multinational enterprises to ensure the basic and human rights of workers. HANSAE CO., LTD. and HANSAEMK CO., LTD. operate their businesses based on these policies while respecting the human rights of not only its employees but also various business partners, including suppliers.

Joining the United Nations Global Compact (UNGC)

To further strengthen exemplary human rights management, HANSAE YES24 HOLDINGS joined the United Nations Global Compact in June 2023 and announced the company's commitment to internal and external stakeholders. The company adheres to the ten principles outlined by the UN Global Compact in the areas of human rights, labor standards, environmental protection, and anti-corruption, fulfilling its corporate responsibilities and duties diligently.

System for Management of Human Rights Risks

HANSAE YES24 Group has established systems to prevent human rights risks preemptively. In particular, HANSAE CO., LTD. operates independent compliance organizations in each of the corporations and the headquarters, conducting continuous monitoring to ensure that employees' human rights are protected according to local laws and cultures.



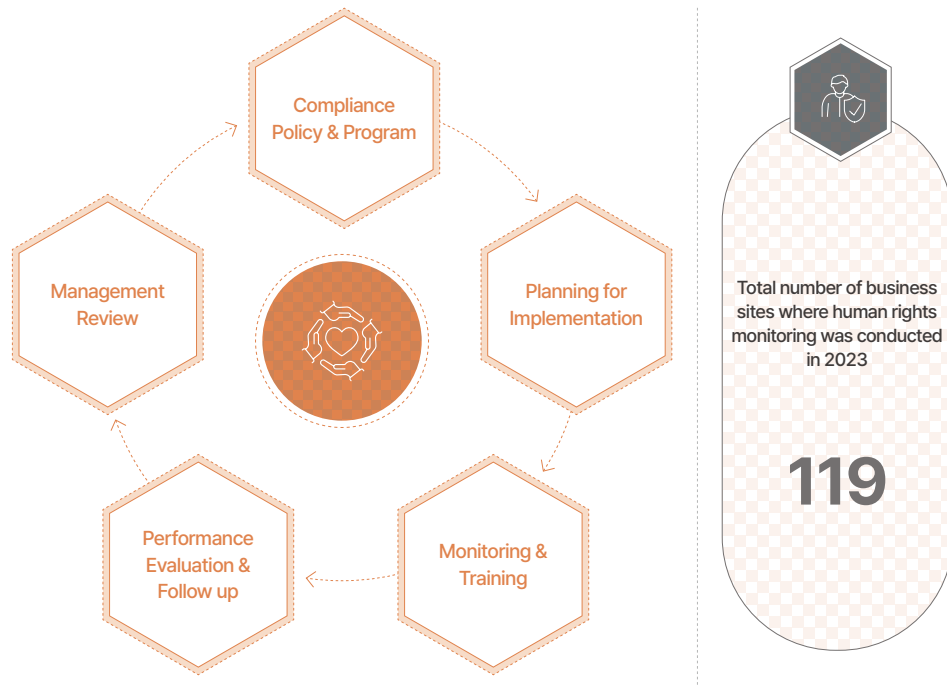
Human Rights Management

Performance

Human Rights Monitoring

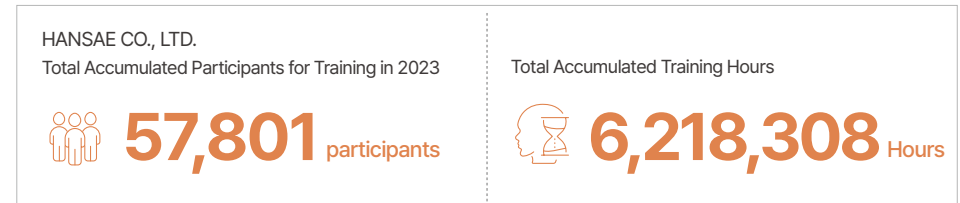
HANSAE CO., LTD. conducts regular monitoring of human rights issues through its Compliance Team to manage human rights risks at the headquarters and overseas corporations. Overseas corporations and suppliers conduct self-assessments based on a checklist of 340 items and submit the results through the ERP system. The headquarters' Compliance Team manages human rights risks based on the submitted results and collaborates with local management to formulate improvement measures if issues arise.

Human Rights Monitoring Process



Human Rights Education

HANSAE YES24 Group conducts employee training regularly to establish an organizational culture founded in respect for human rights. In headquarters, various training programs, including mandatory legal education, are conducted at least once a year for all employees. In particular, HANSAE CO., LTD.'s overseas corporations conduct eight training programs on topics including labor law, with a total of 57,801 participants and 6,218,308 training hours in 2023.



HANSAE HUMAN RIGHTS HIGHLIGHT



Choosing Human Rights : Uyghur Forced Labor Prevention Act

To prevent forced labor in the Xinjiang Uyghur Autonomous Region, the United States enacted the "Uyghur Forced Labor Prevention Act (UFLPA)" in June 2022, banning the import of all products produced through forced labor from the Xinjiang Uyghur region.

HANSAE CO., LTD. has adopted a policy of restricting cotton from Xinjiang Uyghur, Uzbekistan, and Turkmenistan to practice respect for human rights in its production processes. In 2023, HANSAE CO., LTD. checked documents to verify the origin of cotton and yarn from the top 50 trading companies registered in its system, enhancing the traceability of its products. Additionally in 2024, the company plans to upgrade the system by expanding the scope of key trading factories (from 50 to 100) and streamlining the document registration process with top trading companies to increase participation.

Human Rights Management

Healthy Labor-Management Culture

Labor-Management Council Meetings

HANSAE YES24 Group establishes and operates labor-management councils at its major subsidiaries, HANSAE CO., LTD. and HANSAEMK CO., LTD., to ensure smooth communication between labor and management and benefit both the company and its employees. The labor-management council discusses various matters, such as working conditions and employee welfare, and strives to form agreements between the company and the workers. The councils at HANSAE CO., LTD. and HANSAEMK CO., LTD. are held on a quarterly basis, with representatives from both the management and employees participating. All discussed issues and results from the council meetings are disclosed to employees, and employees are notified at least a month in advance of the council meetings to gather opinions on the agenda items.

• Labor-Management Council Meetings of HANSAE YES24 Group Subsidiaries in 2023

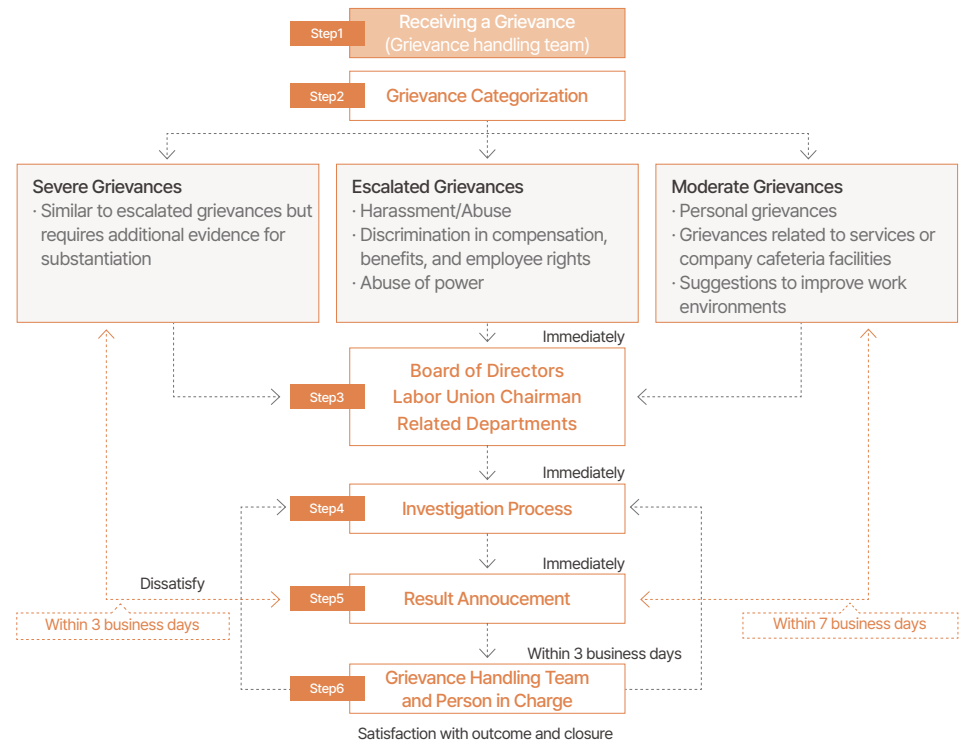
Subsidiary	Number of Meetings/ Number of Participants	Participation Rate
HANSAE CO., LTD.	4 times/5 participants	100%
HANSAEMK CO., LTD.	4 times/12 participants	100%

• Main Agendas of Labor-Management Councils in 2023

Subsidiary	Quarter	Agenda
HANSAE CO., LTD.	Q1	Discussed flexible working hours, improvement of the working environment
	Q2	Implemented mid-term evaluation of personnel assessments in 2023 and discussed ways to improve the working environment
	Q3	Discussed additional health check-up benefits and the installation of rest areas
	Q4	Implemented town hall meetings in 2024 and discussed potential improvements in women's rest areas and office spaces
HANSAEMK CO., LTD.	Q1	Implemented new employee recruitment, mandatory employment of disabled personnel, launched monthly family day in 2023
	Q2	Implemented mandatory legal and job training, employee health check-ups, launched mini MBA for employees in 2023
	Q3	Expanded flexible working hours, proceeded workshops for each brand
	Q4	Concluded an MOU with Suwon University, held promotion committee meeting in 2024

Grievance Handling Process

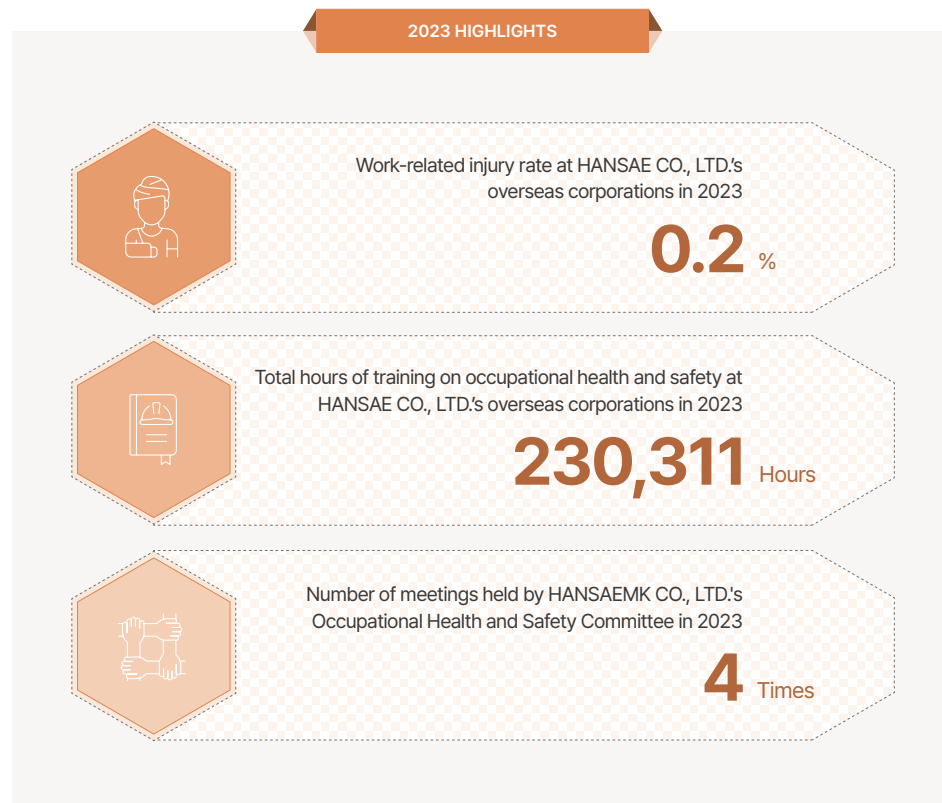
HANSAE YES24 Group operates an anonymous grievance handling system to protect the human rights of all employees. The grievance handling procedure at the headquarters consists of six steps, with different procedures applied depending on the severity of the issue. Moreover, HANSAE CO., LTD.'s overseas corporations run proactive grievance handling channels for employees, addressing various areas of concern such as working conditions, employee welfare, and relationships with supervisors. In 2023, a total of 396 grievances were received (21 from headquarters and 375 from overseas corporations), and all reported grievances were 100% resolved.



Safe Workplaces

Overall Impact

HANSAE YES24 Group strives to ensure that all employees can work in a safe and happy environment. The company has strengthened its safety management system in accordance with the Serious Accidents Punishment Act and the Industrial Safety and Health Act in Korea, which took effect in January 2022. Abroad, the company participates in the Life and Building Safety Program (LABS) to ensure worker safety. In regions with limitations, the company implements the alternative program FB&ES (Fire, Building & Electrical Safety) to create a safe environment.



Task Force & Strategy

Safety Risk Review by the Sustainable Management Committee

HANSAE YES24 Group's major subsidiaries monitor safety and health-related laws and social risks through the Sustainability Management Committee, identifying and managing potential safety risks at the headquarters and overseas corporations. The company prioritizes worker safety and makes ongoing efforts to establish a safe business environment.

Occupational Health and Safety Policy

HANSAE CO., LTD. and HANSAEMK CO., LTD. conduct systematic safety management through annual assessments of risks at its workplaces. Reflecting industrial characteristics, we not only address process related safety risks such as air pollution, exposure to hazardous chemicals, and machinery accidents, but also strengthen monitoring of natural disasters and infectious diseases resulting from recent climate changes. Based on the monitoring results, we identify vulnerable areas at each business site, discuss appropriate countermeasures with business site managers, and enhance safety management capabilities through recurring employee training. HANSAE CO., LTD. and HANSAEMK CO., LTD. have extended the scope of our industrial safety and health policies to include not only employees at the headquarters and overseas corporations but also suppliers' employees. For business sites and suppliers with high industrial safety risks, continuous training and monitoring are provided through external professional organizations. We publicly disclose our safety and health policies both internally and externally to ensure compliance by all stakeholders.

Measures for Management of Occupational Accident Risks

Risk factors	Emerging risks	Risk response
Mechanical Hazards	Injuries due to accidents or negligence during machine operation; contact with rotating equipment, conveyor belts, or automated equipment; entanglement; pinching of limbs; or being hit with moving parts	Acquisition and renewal of required professional licenses for machine operation, regular internal audits to check the condition of machines and equipment (including aging); in the event of a machine malfunction, the work process is halted and repair of the equipment is conducted under the supervision of an expert
Chemical Substances	Exposure to chemicals like dyes, solvents, and bleaching substances used in dyeing processes	Establish procedures for handling chemicals in accordance with Material Safety Data Sheets (MSDS)
Working Environment	Risks associated with loud noise, vibration, temperature, humidity, or dust; inappropriate postures at work causing muscle pain, fatigue, physical strain, etc.	Continuous management and supervision through regular audits and monitoring
Unsafe Working Conditions	Unsafe blocking of entrances and emergency exits, unsafe electrical installations, slippery floors, inadequate lighting, etc.	
Work Tools and Equipment	Injuries caused by unsafe work tools and equipment, difficult-to-handle sharp tools, slippery blades, etc.	Conduct safety and health training for all workers, including training on the handling of chemicals; and training on personal protective equipment (PPE), workplace safety, first aid, and emergency response

Safe Workplaces

HANSAE CO., LTD.'s Occupational Safety and Health (OSH) Committee

HANSAE CO., LTD. has established an occupational safety and health policy to ensure employees' safety and maintain a clean work environment. Additionally, the company has set up OSH committees at each business site to collaborate with local management, strengthening regulations and procedures that ensure workplace safety and hygiene. The OSH PIC (person-in-charge) conducts monthly monitoring of the factories in accordance with the defined regulations to assess health and safety risks for employees and suggests risk elimination measures. Furthermore, HANSAE CO., LTD. prepares for emergencies by operating a medical room with professional medical staff.

HANSAEMK CO., LTD.'s Occupational Health and Safety Committee

HANSAEMK CO., LTD. holds quarterly Occupational Health and Safety Committee meetings, improves safety and health policies, and manages risks in accordance with the Industrial Safety and Health Act. To prevent safety issues in advance, the company has appointed a safety management officer within the Occupational Health and Safety Committee. In the event of an accident, the Committee and the safety officer work closely together to investigate and take appropriate measures.

HANSAE CO., LTD. Monitoring Program

Under the supervision of Compliance Team, HANSAE CO., LTD. conducts compliance audits to identify social and environmental risks preemptively. The company seeks to improve and resolve issues identified through these audits, which are conducted both at overseas business sites and suppliers' facilities. The checklist for these audits is based on items of the global compliance program, and the audit results are shared with the Compliance Team via the ERP system and email. In 2023, HANSAE CO., LTD. conducted a total of 119 self-audits, improving safety issues at business sites through this process.



Safe Workplaces


Performance

Participation in the Building Safety Program (LABS)

To create a safer work environment, HANSAE CO., LTD. joined the LABS (Life and Building Safety) program in 2019. Through this program, the company receives third-party audits and related training to maintain and enhance workplace safety. Over the past two years, nine factories (three owned factories and six supplier factories) of HANSAE CO., LTD. have joined the LABS program. In 2023, the company expanded its participation in Indonesia, adding two more factories.

Life and Building Safety (LABS)

Life and Building Safety (LABS) is a global initiative established to create a safe working environment for workers in the apparel, footwear and accessories industries. This initiative identifies the most urgent risks related to fire, safety accidents, etc., through safety reviews by experts, and provides assistance with facility maintenance and training to mitigate health and safety related issues.



Conducting Fire, Building and Electrical Safety Inspections (FB&ES)

For business sites where participation in the LABS program is limited due to local conditions, HANSAE CO., LTD. conducts FB&ES (Fire, Building, and Electrical Safety) inspections to ensure fire and electrical structural safety. This helps ensure that workers can work in a safe environment free from risks of fire and building-related accidents.



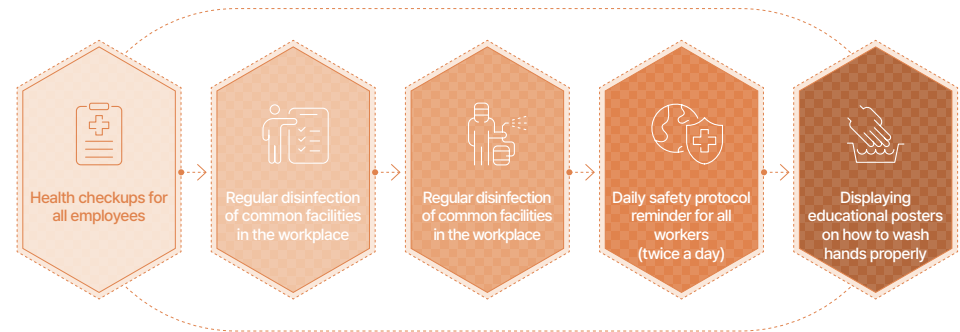
HANSAE CO., LTD.'s business site



HANSAE CO., LTD.'s business site

Risk Awareness and Risk Assessment

HANSAE CO., LTD. conducts regular (monthly) risk awareness assessments and training for all production factories to identify factors that undermine worker safety. This assessment is carried out in five different ways to induce interest and encourage voluntary participation from workers, aiming to minimize accidents that may occur during daily work.



Additionally, HANSAE CO., LTD. conducts regular internal audits (monthly for owned factories, quarterly for supplier factories) for owned overseas facilities and suppliers' factories. Through these audits, the company monitors improvements according to the CAP (Corrective Action Plan) procedure and manages any issues to prevent future issues.

Health and Safety Training

HANSAE YES24 Group is committed to creating a safe work environment for employees. To this end, the company provides regular industrial safety and health training to all employees and operates systems and education tailored to each subsidiary. HANSAE CO., LTD. communicates company-wide notices and conducts related training to raise awareness so that all employees can participate in health and safety policies. HANSAEMK CO., LTD. creates a safety manual to oversee the well-being of workers in stores and warehouses and endeavors to prevent and address accidents through consistent safety training. In addition, through a contract agreement with a professional safety management agency, harmful risk factors in the workplace are identified and removed and regular health and safety training is carried out for in-house employees

Safe Workplaces

Health and Safety Activities

HANSAE YES24 Group has established a health and safety system to ensure the safety and well-being of its employees and the workers at its suppliers. To minimize unidentified health and safety risks, the company operates communication and reporting channels that guarantee anonymity for all workers, including suppliers' employees.

Comprehensive Emergency Response Drills

HANSAE CO., LTD. conducts comprehensive drills for disastrous situations such as fires and earthquakes twice a year at each business site. All workers participate in this training, with emergency response duties managed systematically by individuals and departments. The company also conducts training evaluations to enhance effectiveness.

▪ Frequency of Self-audits

Scope	Frequency
Owned factories	1 time/month
Supplier facilities (Tier 1,2)	1 time/quarter

Employee Healthcare Management

HANSAE YES24 Group operates various systems to manage employees' health according to their age and characteristics. For employees working at the headquarters, the company supports partial health check-up fees through agreements with professional examination centers. At each overseas business sites, HANSAE CO., LTD. operates a medical room with professional medical staff to be prepared for emergencies. In accordance with local conditions, overseas business sites offer biannual health check-ups and programs to promote healthy living habits such as alcohol and smoking cessation and dietary improvement. Additionally, the company runs various medical programs to prevent occupational diseases and psychological care programs to enhance mental health, thereby managing employees' physical and mental well-being comprehensively.

▪ Health Checkups at Overseas Sewing Corporations



Health checkups



Examination by medical staff



Comprehensive emergency response drills



Comprehensive emergency response drills



Blood sampling



Vaccinations

Brand Positioning

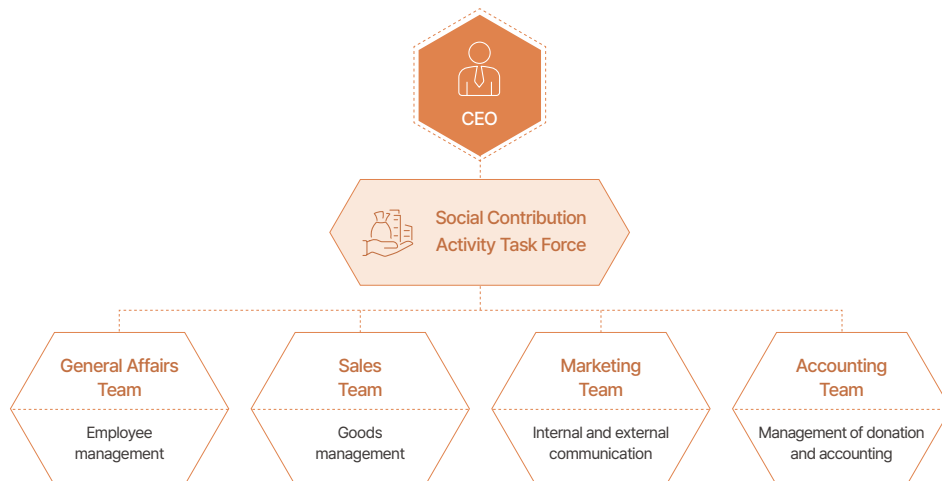
Our Story

HANSAE YES24 Group provides the highest value to its customers as a fashion and culture distribution company and continues to grow as a global company connecting Korea and the world. Having started as a small clothing factory 40 years ago, HANSAE YES24 Group now includes HANSAE CO., LTD. which produces clothing worn by one in three Americans, and HANSAEMK CO., LTD., a first-generation fashion company in Korea that has expanded its business to Japan and China. Moving forward, the Group plans to continue expanding its global business while fulfilling its social responsibilities and commitments. Through genuine social contribution activities, the group aims to achieve sustainable growth as a global enterprise.

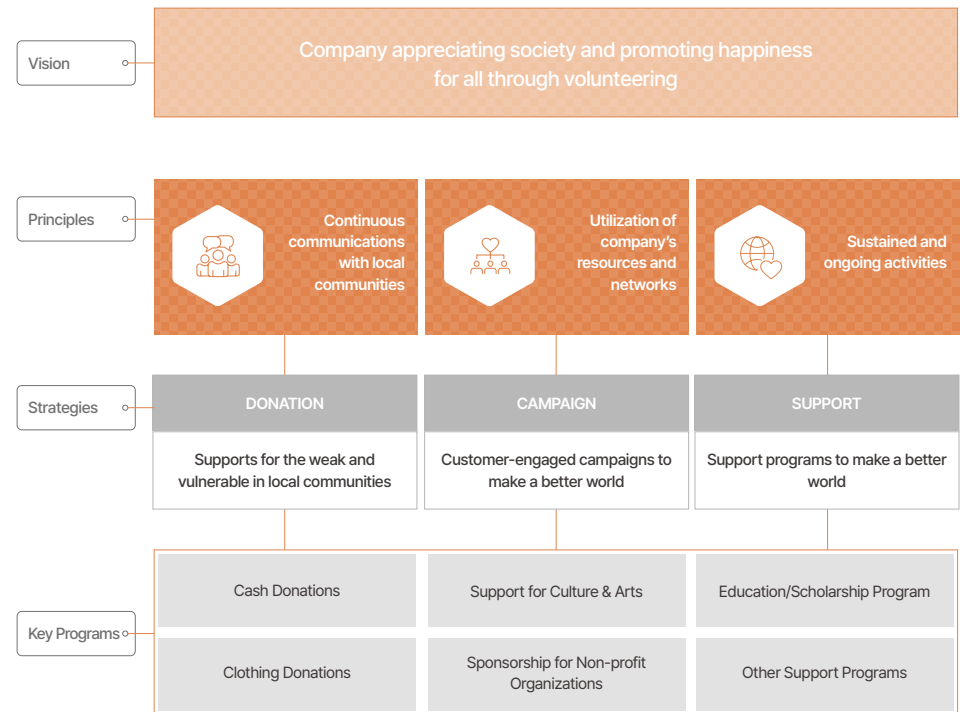
Organizations for Social Contribution

To carry out community contribution activities systematically, HANSAE YES24 Group manages and operates social contribution programs tailored to the current status and needs of each subsidiary, led by the Social Contribution Team at the holding company, HANSAE YES24 Holdings. In particular, HANSAEMK CO., LTD. has formed a social contribution Task Force under the CEO, developing social contribution activities through organic collaboration across different brands based on the purpose and resources necessary for these activities.

■ HANSAEMK CO., LTD.'s Organization Chart for Social Contribution



■ HANSAE YES24 Group Social Responsibility (CSR) Strategy Framework



Brand Positioning

Mid-to-Long-Term Community Strategy (HANSAE CO., LTD.)

HANSAE CO., LTD. conducts community-specific social contribution activities by considering the environment and culture of the regions where its headquarters and overseas corporations are located. The company aims to create lasting changes in society through mid-to-long-term regional community activities rather than short-term material support, laying the foundations for sustainable growth of both the community and the company.

Strategic Framework



HANSAE CO., LTD.'s employees engaged in community activities

Key Social Contribution Activities in 2023 (HANSAE CO., LTD.)

Donation of 10,000 Books in Vietnam (Overseas)

Since 2017, HANSAE CO., LTD. has been conducting the "10,000 Books - Millions of Love" program annually to mark Vietnam's Book Day (April 23). This program involves donating 10,000 books to 100 elementary schools in the community, with 100 books allocated at each school. A committee comprising local children's book authors and publishers selects the books meticulously. Based on the results showing significant impacts on students' self-esteem and learning through reading, HANSAE CO., LTD. has set a goal to donate a total of 100,000 books to the community by 2027. Additionally, the company plans to expand support beyond book donations to include educational assistance programs through university student volunteer groups and scholarship for outstanding talents to nurture excellent talents in the Vietnamese region.



Online Charity Auction Donations by Employees (Domestic)

At the end of the year, HANSAE CO., LTD. conducted a campaign to support multicultural children in Korea by holding an in-house auction where employees sold their personal goods. The online auction lasted three days, with a total of 600 employee participations. The auction raised a total of KRW 5 million, and the company raised an additional clothing donation worth KRW 100 million. These donations were delivered to children at local children's centers and multicultural family support centers through the G Foundation. Moving forward, the company plans to continue its contribution projects for multicultural families in Korea, expanding community projects based on the company's growth story with Southeast Asia as a production base.



Brand Positioning



Mid- to Long-term Community Strategy (HANSAEMK CO., LTD.)

As a first-generation fashion company in Korea, HANSAEMK CO., LTD. is expanding its engagement with customers and local communities through various regional activities. The company's eight brands utilize diverse online and offline channels to enable customers experience the brands. Additionally, HANSAEMK CO., LTD. collaborates with professional organizations to address community issues genuinely, enhancing the company's social and environmental value.

Strategic Framework



Various community activities by HANSAEMK CO., LTD.

Major Community Contribution Activities in 2023 (HANSAEMK CO., LTD.)

Industry-Academic Cooperation for Nurturing Talented Individuals

HANSAEMK CO., LTD. has signed an industry-academic cooperation agreement with Jeonghwa Arts College, which originated as Korea's first beauty education institution, to support the training of professional fashion personnel. Under this agreement, the company will support students' practical activities by providing the necessary products and various materials and offering information on field training and employment to connect them with job opportunities, thereby contributing to the cultivation of professional fashion talents.

Additionally, HANSAEMK CO., LTD. has established an industry-academic cooperation agreement with the Department of Crafts and Design at University of Suwonto to promote the development of fine arts and culture. Through this agreement, the company plans to provide field training opportunities to students and give out financial awards to those who produce excellent graduation works.



Support Campaign for Working Moms

Moimoln, HANSAEMK CO., LTD.'s leading infant brand, successfully conducted a coffee truck event as part of its brand campaign to support working moms.

The campaign collected personal stories from working moms striving to balance work and child-care and sent coffee trucks to their workplace. The campaign was conducted three times in 2023, and took place in Seongdong-gu (Korea Intertek Testing Services), Jungnang-gu (Jungnang District Office), and Guro-gu (Netmarble), providing coffee and coupons to a total of 700 people. Celebrating its 10th anniversary in 2024, Moimoln plans to implement various brand campaigns along its journey to become a leading global infant brand.



Brand Positioning

Performance

HANSAE COMMUNITY STORY HIGHLIGHTS



HANSAE CO., LTD. Wins Grand Prize for Comprehensive ESG at the 2023 K-ESG Management Awards



HANSAE CO., LTD. Vice Chairman Ik Hwan Kim receiving the 2023 K-ESG Management Award

HANSAE CO., LTD. received the Grand Prize for Comprehensive ESG in the corporate category section at the 2023 K-ESG Management Awards, an event organized by Dong-A Ilbo. The "K-ESG Management Awards" are provided in recognition of organizations that demonstrate exemplary ESG management, contributing to the expansion of sustainable management culture in areas such as environmental management (E), social value creation (S), and securing sound governance (G).

HANSAE CO., LTD. was recognized for its differentiated ESG management achievements, such as building a circular economy in the fashion industry, respecting employee rights and diversity, and operating its Sustainability Management Committee effectively. This year, the company announced its 2050 carbon neutrality goal and was recognized for its pioneering ESG management activities in the industry, based on activities such as automating facilities and installing solar panels.



HANSAE YES24 Group Receives Merit Award from the Korean Red Cross



Employees participating in a blood donation campaign

HANSAE YES24 Group has been conducting a relay blood donation campaign among its employees at major subsidiaries since 2023 to address the growing shortage of blood supply due to low birth rates and an aging population. This year, the Group received a merit award from the Korean Red Cross for its efforts to promote the blood donation culture.

Dr. Ki Hong Kim, father of HANSAE YES24 HOLDINGS' current Chairman Dong Nyung Kim, laid the foundation for the blood donation movement in Korea, serving as the chairman of the Korean Blood Donation Association and the Korean Blood Management Association. HANSAE YES24 Group continues Dr. Kim's legacy by actively participating in blood donation campaigns. In addition, HANSAE CO., LTD. received an honorary medal from the Korean Red Cross in February 2023 for donating \$100,000 in aid to support the Turkey earthquake relief efforts.

Diversity, Equity, and Inclusion

Overall Impact

HANSAE YES24 Group strives to create a work environment where employees are allowed to utilize their abilities freely without discrimination based on gender, disability, religion, or race. HANSAE CO., LTD. monitors and improves its organizational culture and childcare systems consistently, taking employee feedback into account to support women in showcasing their talents. HANSAEMK CO., LTD. also offers various welfare programs to help employees balance work and family life and strives to promote diversity among employees. Recognizing that a culture of diversity, equity, and inclusion is a core competitive advantage, HANSAE YES24 Group is committed to maintaining and fostering such an organizational culture.

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Metrics and Targets

2025 Targets	Achieve Gender Parity* at overseas business sites
2024 Q1	14% gap at headquarters and overseas corporations (Overseas business sites improved 5% compared to 2023)

2025 Target	Domestic : Comply with the mandatory employment rate for person with disabilities in Korea Overseas : Hiring 0.5 % employees with disabilities of our total workforce
2024 Q1	Domestic : Meet the mandatory employment rate for person with disabilities Overseas : Hiring 0.39 % employees with disabilities of our total workforce

* Gender parity : Equal ratio of female managers to all female workers
** Mandatory employment rate for disabled employees : Businesses employing 50 or more workers are required to hire a certain percentage of disabled employees (3.1% for private companies).

Diversity Targets

Female : 50% of all managers by 2030
Person with disabilities : Comply with the mandatory employment rate for person with disabilities in Korea

Strategy & Governance

HANSAE YES24 Group makes corporate efforts to build a healthy and horizontal culture in the workplace such that all employees can fully utilize their abilities. HANSAE YES24 HOLDINGS, HANSAE CO., LTD., and HANSAEMK CO., LTD. provide trainings and improve systems to address elements that damage the organizational culture, such as gender discrimination, harassment at the workplace, and unfair privileges. The HANSAE YES24 Group has always prioritized equal opportunities for female talents. In recent years, the female workforce at HANSAE YES24 HOLDINGS, HANSAE CO., LTD., and HANSAEMK CO., LTD. has consistently exceeded 50%, with women accounting for 45% of management positions and 34% of executive management positions. These figures are nearly double the nation-wide average of 23.7% for female managers in 2022 (source: Ministry of Employment and Labor).

Ratio of Female Supervisors and Workers by Subsidiary in 2023

Subsidiary	Female Supervisors	Female Employees
HANSAE YES24 HOLDINGS	36%	55%
HANSAE CO., LTD.*	52%	70%
HANSAEMK CO., LTD.*	48%	61%

*Based on the headquarters

Operating the Task Force for Work-Life Balance

Recognizing the severity of the low birth rate issue in Korea, HANSAE YES24 Group operates a task force (TF) with representatives of HR and the General Affairs Team from each major subsidiary, centered on HANSAE YES24 HOLDINGS. This TF gathers diverse opinions from employees regarding work and childcare and discusses these issues actively with the management to implement improvements. In 2024, the Group plans to promote and expand its work-family balance culture through acquisition of certification as a "Family-friendly business certification" provided by the Ministry of Gender Equality and Family, focusing on major subsidiaries.



Diversity, Equity, and Inclusion

Performance

Town Hall Meetings

HANSAE CO., LTD. holds biannual town hall meetings (in the first and second half of the year) with all employees to gather diverse opinions. These meetings provide a forum for the management and employees to discuss major company issues and organizational culture. Since the first town hall meeting in 2022, HANSAE CO., LTD. has held a total of four meetings through the first half of 2024. Opinions collected during these meetings are communicated to relevant departments and information regarding their implementation status and progress shared transparently through groupware

Key Agendas of 2023 Town Hall Meetings

Session	Key Agenda
First Half	Changing employee IDs, improving break areas, temporarily increasing the number of participants for long-term service trips, expanding the number of one-day classes
Second Half	In-house loans (housing support), implementing flexible work hours, increasing meal allowances in 2024



Image of the 2023 town hall meeting

Nurturing Overseas Female Talent

HANSAE CO., LTD. implements and operates various educational programs by country to ensure the employee rights and human rights of female workers at its overseas business sites. In addition to linking with diverse local employee development programs, the company runs in-house training programs on labor, health and safety, and brand protection, thereby creating positive impact for local communities through the career growth of female employees. The PACE program (Personal Advancement & Career Enhancement), which started in 2013, enhances the quality of life and leadership of women in developing countries and helps female talents grow into key company assets. Cumulatively, the company has provided education to approximately 14,000 individuals across four overseas corporations : HANSAE TN CO., LTD. (starting from 2013), HANSAE VN CO., LTD., HANSAE INTERNATIONAL, S.A., and HANSAE HAITI.



P.A.C.E Program at HANSAE TN CO., LTD.



P.A.C.E Program at HS APPAREL, S.A.



P.A.C.E Program at HANSAE INTERNATIONAL, S.A.

Employing workers with disabilities

HANSAE YES24 Group is making efforts to broaden inclusivity towards individuals with disabilities, aiming to provide opportunities for them to grow as respected members of society and serve an active role in society. Starting from 2024, HANSAE YES24 Group has fulfilled the obligation of employing individuals with disabilities, in compliance with the mandatory employment rate stipulated by Korean law for disabled employees (3.1% of total employees) at HANSAE CO., LTD. and HANSAEMK CO., LTD. Moving forward, the Group plans to enhance diversity by implementing various programs and initiatives that enable employees with disabilities to collaborate with non-disabled colleagues.

Fostering a Family-friendly Culture

HANSAE YES24 Group is actively fostering a family-friendly culture, offering various programs to help employees balance work and family life. In particular, the Group is striving to establish systems and improve employees' awareness to ensure smooth utilization of government policies related to pregnancy, childbirth, and childcare. HANSAE YES24 Group operates a daycare center accessible to all employees across its subsidiaries and has recently completed the remodeling of the nursing room of the company headquarters in February 2024. Additionally, HANSAEMK CO., LTD. allows employees to leave work early once a month and operates a company resort for employees' families. Through these efforts, HANSAE YES24 Group is working to create a supportive culture where all employees, regardless of gender, can balance work and family responsibilities.



Remodeling of the nursing room

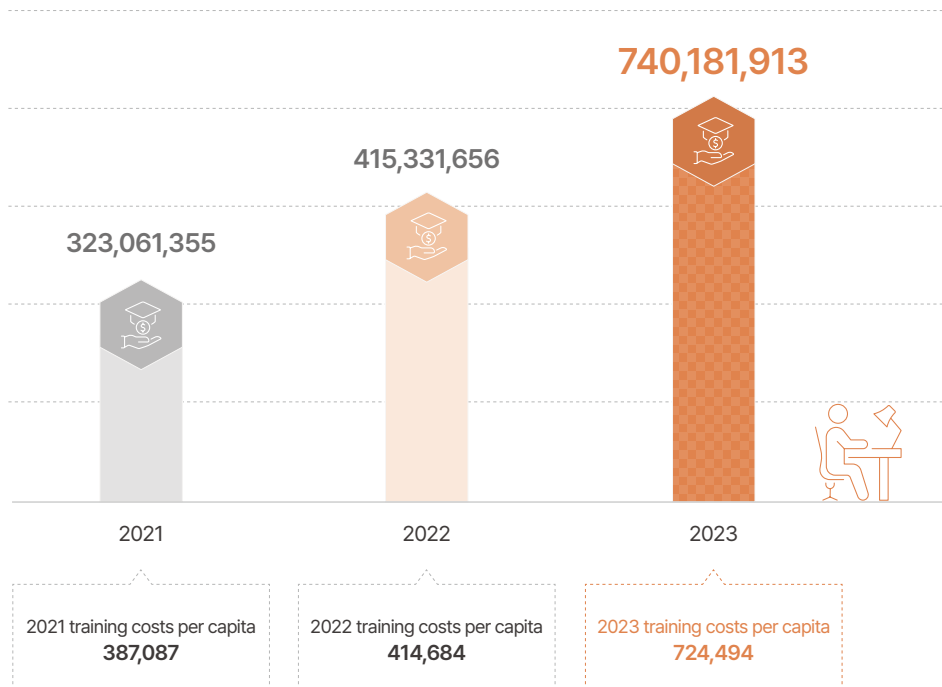
Employee Development, Welfare and Benefits

Overall Impact

HANSAE YES24 Group is committed to fostering a work environment that promotes sustainable growth of the company while developing employees' capabilities and enabling them to maintain balance between work and personal/family life. The P&C Team at HANSAE CO., LTD. links the company and its employees, allowing employees to share diverse opinions to cultivate a positive organizational culture. Moreover, the company operates various employee development programs tailored to individual and hierarchical levels to enable employees realize personal growth and contribute to the company's sustainable growth.

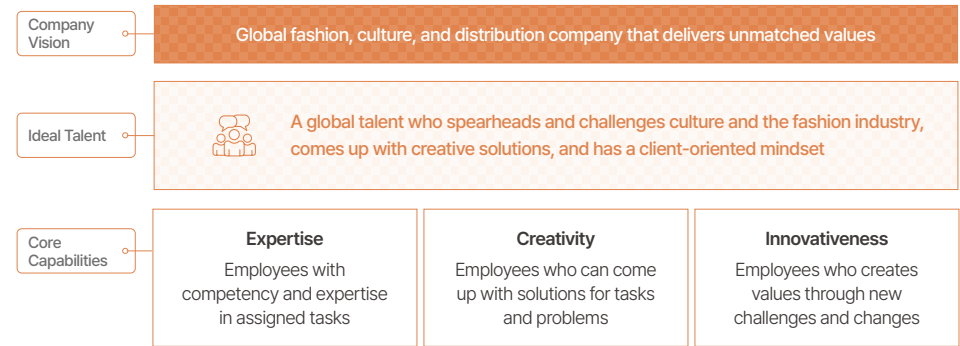
Training costs for employees of HANSAE YES24 Group

(Unit : KRW)



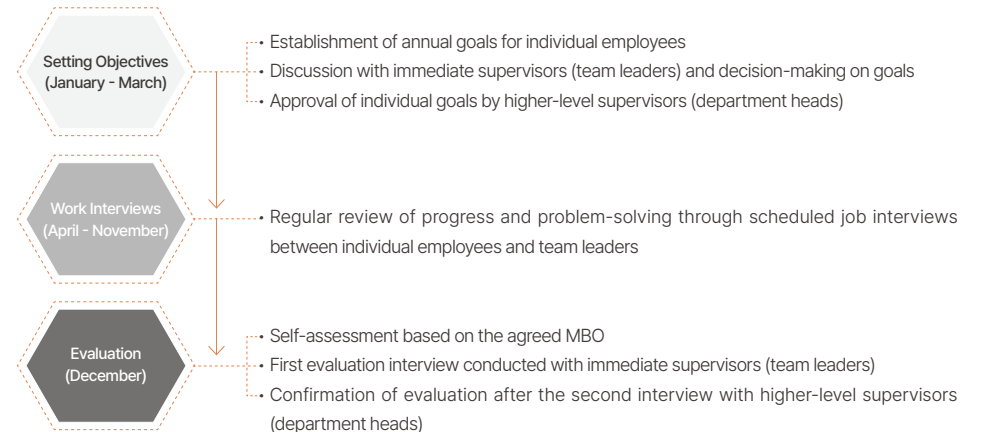
Governance

HANSAE YES24 Group's Strategic Employee Nurturing System



Fair Performance Evaluation System

HANSAE YES24 Group operates a performance management system (MBO) that allows employees to set and manage their own goals. Through this system, employees strive to enhance their understanding of the company's management goals and promote personal growth within the scope of their job responsibilities. HANSAE YES24 Group aims to provide reasonable compensation opportunities reflecting individual job performance and relative value between jobs through the performance management system.




Employee Development, Welfare and Benefits

Performance


Various Programs for Employee Development

HANSAE YES24 Group conducts various training programs to enhance employees' expertise and leadership capacity. In particular, the Group not only supports the acquisition of company values and visions, but also cultivates professional knowledge and skills through personalized education tailored to employees' tenure of service and job positions.


Education Programs by Job Positions



- Education upon introduction of new interns (once a year) : 7 days, 23 participants in 2023
- Transition of new employees (twice a year) : 59 participants in 2023
- Experienced hires : Pre-employment education




- Workshop education for promoted employees : 2 days, 59 participants in 2023



Leadership-specific education by job positions

- Special seminar for C-level executives : 2 days, 1 participant in 2023
- New executives : 32 hours of education, 2 participants in 2023
- Managers (Senior and above) : 9-week MBA (54 hours of education), 8 participants in 2023
- Assistant team leaders and above : mini MBA (1 day), 300 participants in 2023



- Company-wide lectures : Monthly lectures by external experts on humanities and culture-related topics (10 sessions in 2023)
- Training in New York for outstanding employees : Selection of outstanding employees for a 7-day training program in New York (29 participants in 2023)

Special Evaluation of Employees

HANSAE CO., LTD. has been implementing a special incentive system since 2017 not only to evaluate employees' performance but also to encourage and support individual efforts and challenges in line with the company's vision and goals. Through this system, the company promotes diverse initiatives to employees and encourages them to take on new challenges, aiming to foster both personal and organizational growth. In 2023, a total of 9 projects involving 29 domestic and overseas employees were recognized. This year, through the Ah-Cha Award system, the company also acknowledged efforts of employees who drove business improvements separate from special incentives.

2023 Awarded Projects

NO	Project Name
1	Developed and implemented a data visualization program (Power BI) independently
2	Expanded the overseas sales network leading to increased clientele
3	Generated revenues through sale of excess energy generated through solar power
4	Successful migration and settlement of the Supply Chain Management (SCM) program
5	Excellent response to external ESG assessments
6	Successful negotiation with clients resulting in cost reduction for the company
7	Actively led corporate education resulting in the acquisition of external certification
8	Established and applied a business program (linked closing program) to maximize operational efficiency
9	Identified and improved inefficient processes in task execution















Employee Development, Welfare and Benefits

Performance

Flexible Corporate Culture

Since 2019, HANSAE CO., LTD. has been selecting "People-ee" as junior board members across all departments to drive internal change within the organization. Led by the P&C Team, the company holds regular meetings with People-ee to listen to employees' opinions and incorporates them into company policies, striving to build a harmonious organizational culture between the company and its employees.

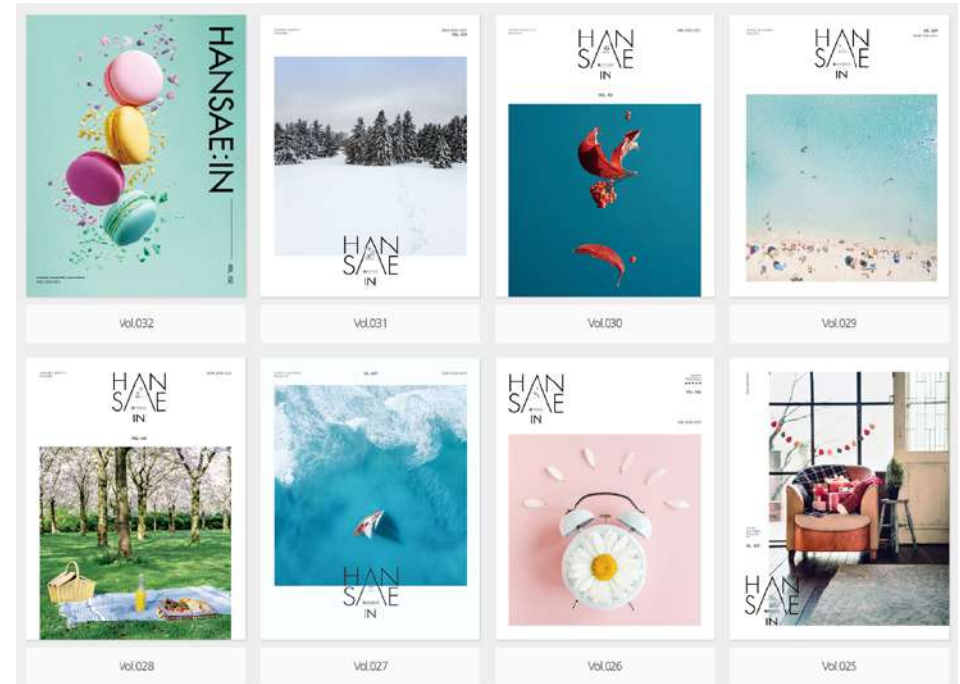
Major Achievements of People-ee in 2023

<p>01</p>  <p>Planning and operating 'Refresh Events'</p>	<p>02</p>  <p>Contribution to the planning and preparation of Townhall Meeting</p>	<p>03</p>  <p>Installing first aid kits on each floor and managing them well</p>	<p>04</p>  <p>Reviewing/giving feedback on interiors of lactation rooms</p>
<p>05</p>  <p>Designing and reviewing/giving feedback on lounge spaces</p>	<p>06</p>  <p>Installation of separate recycling bins for cups in restrooms</p>	<p>07</p>  <p>Company-wide surveys</p>	<p>08</p>  <p>Improvement of the office environment-major cleaning event</p>
<p>09</p>  <p>Introduction of focused working hours</p>	<p>10</p>  <p>Event execution - Positive Language Campaign</p>	<p>11</p>  <p>Guidance on floor-specific usage of meeting rooms</p>	<p>12</p>  <p>Promotion/operation of end-of-year charity auctions</p>

In-house Newsletter (HANSAE:IN)

From 2014, HANSAE YES24 Group has been publishing and distributing company newsletters, HANSAE:IN, quarterly to enhance communication with employees. Our company newsletter not only features major updates from each department, but also shares various news such as praise relay and contributions from external experts to enhance communication among employees. Especially this year, we were honored with the Korea Corporate Communication Award 2023, which came as recognition for the excellence of our newsletter internally and externally.

Newsletter HANSAE:IN



Newsletter HANSAE:IN
HANSAE CO., LTD. (hansae.com)

Employee Development, Welfare and Benefits

Welfare Benefits

HANSAE YES24 Group develops and operates welfare programs continuously to help employees have better lives through company welfare benefits. In particular, improvements were made during 2023 to existing welfare benefits based on feedback from employees, including raising the limit on internal loans and increasing allowances for health check-ups. Moving forward, HANSAE YES24 Group plans to continue gathering employees' feedback through various channels and incorporating it into the company's welfare programs.









Images of one-day classes



Images of tours for long-term employees



Overseas training (New employee training in Vietnam)

<p>Chapter 1 Work Support</p>  <ul style="list-style-type: none"> Personal corporate cards Financial assistance for laptop purchases Financial assistance for vehicle expenses Communication expense support 	<p>Chapter 2 Re-Fresh</p>  <ul style="list-style-type: none"> Company in-house club Vacation for long-term employees Overseas trainings Leaves (annual leave, marriage/bereavement leave) Operation of one-day classes 	<p>Chapter 3 Employee Benefits</p>  <ul style="list-style-type: none"> E-Library Gifts on special occasions (birthday, national holiday & graduation) Marriage and funeral supports (congratulatory and condolence money, marriage arrangements, and funeral equipment) 	<p>Chapter 4 Health & Safety</p>  <ul style="list-style-type: none"> Health check-ups Traveler's insurance 	<p>Chapter 5 Personal Development</p>  <ul style="list-style-type: none"> Corporate lectures Language education (online and offline) MBA training (9-week course, intensive courses and Mini-MBA) 	<p>Chapter 6 Stable Personal Life</p>  <ul style="list-style-type: none"> Company loan for employees (housing) Pregnancy and childbirth support (maternity leave, leave for prenatal check-ups and flexible working hours) Child care leave (parental leave, flexible working hours and HANSAE YES24 Daycare Center) Other leave (family and medical leave, sick leave)
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Employee Development, Welfare and Benefits

HANSAE TOGETHER STORY

"Work-Life Balance Environment" Internal Childcare Center 'Role Model'



The HANSAE YES24 Group opened the integrated company childcare center "HANSAE YES24 Childcare Center" in 2015. Through this childcare center, the company supports employees in their efforts to balance work and family responsibilities by reducing childcare burdens. HANSAE YES24 Childcare Center is recognized externally as an excellent educational institution for the use of eco-friendly and non-toxic educational materials and outstanding educational programs. Following its recognition as the winner of the Seoul City Childcare Merit Award in 2022 and praise in its childcare program operations by the Korea Workers' Welfare Agency, it also received a Ministry of Health and Welfare Award in 2023.

Newsletter HANSAE:IN Wins the '33rd 2023 Korea Communication Award'



Since 2014, HANSAE YES24 Group has been producing the quarterly company newsletter, HANSAE: IN. This year, HANSAE: IN won the Korea Corporate Communication Award, organized by the Ministry of Culture, Sports and Tourism and the Korea Company Newsletter Association, and also received the Chairman's Award from the Korea Company Newsletter Association. HANSAE: IN not only provides knowledge in specialized fields such as science, cooking, and law through contributions from external experts but also contributes to internal communication through praise relays, restaurant introductions, and content directly contributed by employees.

Improvements to Employee Rest Areas



In February 2024, HANSAE CO., LTD. implemented remodeling of the lounge to secure a rest area for employees at the headquarters. The lounge is equipped with small meeting rooms for employees, as well as spaces for tea breaks and relaxation, including massage chairs, to provide a conducive environment for both rest and work.



Towards Transparency

HANSAE YES24 Group strives to remain a trusted company for all,
based on transparent corporate management.

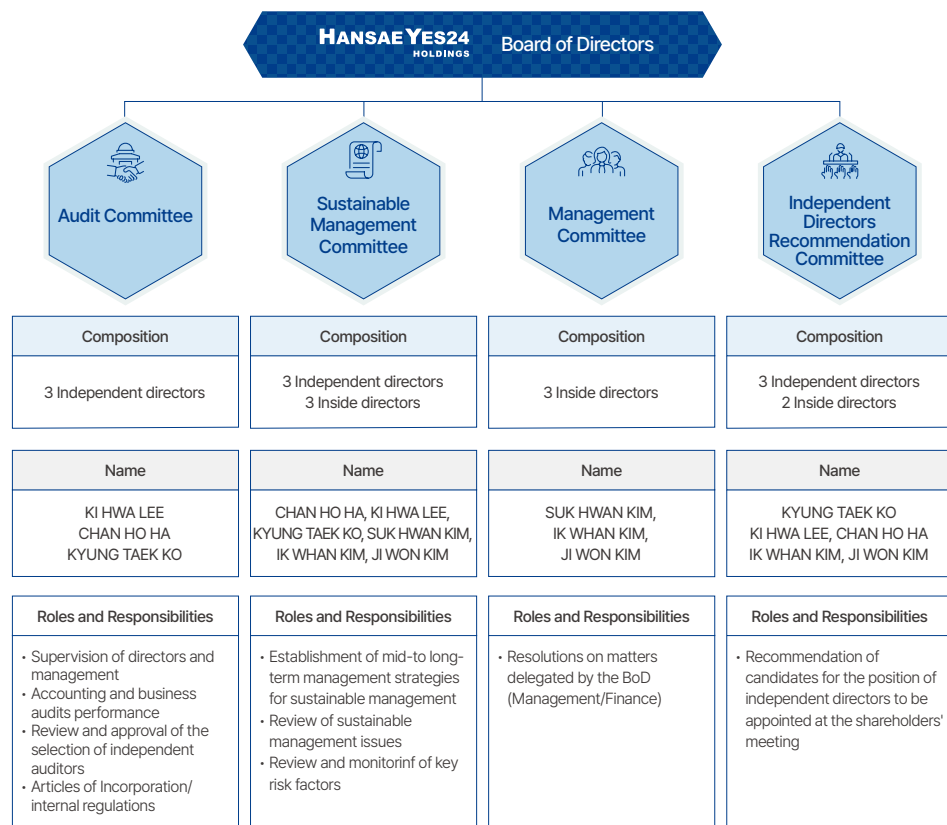
- 062** Governance
- 075** Ethical and Compliance Management
- 077** Risk Management
- 079** Information Cybersecurity

Governance | (HANSAE YES24 HOLDINGS)

Board of Directors

HANSAE YES24 HOLDINGS operates its Board of Directors with professionalism and transparency to protect its shareholders and stakeholders' interests. As the Group's highest permanent decision-making body, the BoD approves and oversees not only matters regulated by laws and the articles of incorporation, but also the appointment of directors through the general shareholders' meeting and the Group's management strategies and policies.

Operation of the BoD



BoD Members

To ensure smooth functioning of the Board of Directors, HANSAE YES24 HOLDINGS has appointed the CEO as the Chairman of the BoD. Additionally, the Audit Committee, the Sustainable Management Committee, the Management Committee, and the Independent Directors Recommendation Committee have been established and operated under the BoD to ensure the independence of the BoD.

BoD Members

Category	Name	Gender	Position	Career highlights	Date of Election	Tenure
Inside Director	DONG NYUNG KIM	Male	CEO in charge of company-wide management	CEO of HANSAE YES24 HOLDINGS	2022.3.28	2025.3.28
Inside Director	SUK HWAN KIM	Male	Chairman of the Management Committee	CEO of YES24 CO, LTD	2022.3.28	2025.3.28
Inside Director	IK WHAN KIM	Male	Director of the BoD	CEO of HANSAE CO, LTD.	2022.3.28	2025.3.28
Inside Director	JI WON KIM	Female	Director of the BoD	CEO of HANSAEMK CO, LTD.	2022.3.28	2025.3.28
Independent Director	KI HWA LEE	Female	Chairman of the Audit Committee	Certified Public Accountant Partner, Dasan Accounting Firm (Former) CEO/director, Dasan Accounting Firm	2023.3.29	2026.3.29
Independent Director	CHAN HO HA	Male	Chairman of the Sustainable Management Committee	Independent director, UJU ELECTRONICS CO., LTD.	2023.3.29	2026.3.29
Independent Director	KYUNG TAEK KO	Male	Chairman of the Independent Directors Recommendation Committee	CEO, KO & Partners	2023.3.29	2026.3.29

2023 BoD Operation Status









Category	Unit	2021	2022	2023
Number of BoD meetings	Meeting	4	5	9
Number of agenda items	Case	13	15	30
Rate of inside directors' attendance	%	87.5	80	89
Rate of independent directors' attendance	%	100	100	97.6

Governance | (HANSAE YES24 HOLDINGS)

Expertise of the BoD

HANSAE YES24 HOLDINGS is committed to operating a transparent and professional Board of Directors to ensure continuous growth and the protection of stakeholders' interests. The BoD carries out its duties with the support of the Management Analysis Team 3 and the Legal Team. In accordance with BoD regulations, independent directors can seek expert assistance regarding corporate operations or receive training provided by internal or external organizations. To enhance the BoD's expertise and capabilities for professional corporate management, HANSAE YES24 HOLDINGS conducted a training session for independent directors in 2023.

■ HANSAE YES24 HOLDINGS BoD Competency Matrix

Director's experience, expertise, qualifications	Inside Director				Independent Director		
	DONG NYUNG KIM	SUK HWAN KIM	IK WHAN KIM	JI WON KIM	KI HWA LEE	CHAN HO HA	KYUNG TAEK KO
Corporate Operations 	●	●	●	●			●
Global Business 	●	●	●	●		●	
Finance/Accounting 					●		
Risk Management 	●	●	●		●	●	
Sales/Marketing 	●			●			●
ESG 	●		●	●		●	

■ Key Activities of the BoD

Date	Agenda Items
Feb 24, 2023	Report on the operation status of the Internal Accounting Management System
	Report on the evaluation of the Internal Accounting Management System operations
	Convocation of the 41st regular general meeting of shareholders and deliberation on the agenda
	Approval of the 41st financial statements (including cash dividends) and business reports
	Adoption of the electronic voting system
Mar 29, 2023	New and extended loan agreement for HANSAE YES24 HOLDINGS in the 1st quarter
	New and extended payment guarantees for subsidiaries in the 1st quarter
Apr. 10, 2023	New payment guarantees for subsidiaries in the 1st quarter
	Public tender offer of HANSAE CO., LTD. common stocks
May 10, 2023	New loan agreement
	Provision of collateral
	Report on separate and consolidated financial statements for the 1st quarter of 2023
Jun 26, 2023	Report on ESG performance of HANSAE YES24 Group
	New and extended loan agreement for HANSAE YES24 HOLDINGS in the 2nd quarter
	New and extended payment guarantees for subsidiaries in the 2nd quarter
Aug 11, 2023	Change in accounting policy
	Decision on the disposal of treasury stocks
	Appointment of committee members within the BoD
	Exchangeable bonds payment guarantees for subsidiaries
Oct. 18, 2023	Loan guarantees for subsidiaries
	Approval of limit loans for HANSAE YES24 HOLDINGS
Oct. 23, 2023	Provision of collateral for HANSAE YES24 HOLDINGS
	Report on consolidated financial statements for the 2nd quarter of 2023
Nov. 10, 2023	New and extended payment guarantees for subsidiaries in the 3rd quarter
	Approval of loan agreement for subsidiaries
Nov. 10, 2023	Participation in the bid for acquiring Y company shares
	Approval of bid amount limit and delegation for determination of bid amount for Y company
Nov. 10, 2023	Report on consolidated financial statements for the 3rd quarter of 2023
	New and extended payment guarantees for subsidiaries in the 4th quarter
Nov. 10, 2023	Extension of the loan agreement of HANSAE YES24 HOLDINGS

Governance | (HANSAE YES24 HOLDINGS)

Remuneration and Evaluation of Directors

The compensation for the Board of Directors of HANSAE YES24 HOLDINGS is determined based on the company's economic, social, environmental performance, the operation and activities of Committees, and individual performance evaluations. Compensation is set within the limits approved at the annual general shareholders' meeting, and the total compensation for directors and auditors is disclosed through the business report. Compensation is paid based on quantitative performance indicators such as sales, operating profit, and net income, as well as qualitative performance in key management areas like ESG practices. The appropriateness of compensation and plans for future policy are disclosed transparently to internal and external stakeholders through the corporate governance report.

HANSAE YES24 HOLDINGS conducts a comprehensive annual evaluation of independent directors' performance, which includes their attendance at BoD meetings, opinions on agenda items, and contributions as experts. The evaluation results are used to determine the reappointment or support of independent directors. To maintain the independence of independent directors, compensation is not linked to these evaluation results. Instead, a separate compensation policy is in place, and the compensation of independent directors is paid within the limits approved during the general shareholders' meeting.

Category	Unit	2021	2022	2023
Number of Directors	Person	7	7	7
Total Remuneration	KRW million	1,012	1,068	1,152
Average Remuneration per Person	KRW million	145	267	165
Registered Directors	Number of directors	Person	4	4
	Total remuneration	KRW million	868	1,068
	Average remuneration per person	KRW million	217	267
Independent Directors (excluding members of the Audit Committee)	Number of directors	Person	-	-
	Total remuneration	KRW million	-	-
	Average remuneration per person	KRW million	-	-
Members of the Audit Committee	Number of directors	Person	3	3
	Total remuneration	KRW million	144	144
	Average remuneration per person	KRW million	48	48

BoD Committees

To ensure robust corporate operations, HANSAE YES24 HOLDINGS has established and operates four Committees within the BoD: the Independent Director Recommendation Committee, the Management Committee, the Sustainability Management Committee, and the Audit Committee. Each Committee is composed of directors with thorough understanding and expertise in specific areas of work to ensure smooth operation of their respective functions.

Audit Committee

The Audit Committee of HANSAE YES24 HOLDINGS, composed of independent directors, reviews financial statements, internal control systems, and audit reports to ensure compliance with accounting standards and regulations. The Committee also identifies and manages various risks the company may face to maintain long-term stability.

▪ Composition of the Audit Committee

Category	Composition	Name	Position	Duties and Authorities
Audit Committee	Independent director	KI HWA LEE	Chairman	- Supervision of directors and management - Performance of the company's accounting and business audits
Audit Committee	Independent director	CHAN HO HA	Member	- Review and approval the selection of independent auditors
Audit Committee	Independent director	KYUNG TAEK KO	Member	- Matters specified in the Articles of Incorporation or internal regulations related to audit

▪ Independence of the Audit Committee

Appointment Standards Criteria	Fulfillment of Criteria	Relevant Laws and Regulations
Consisting of at least 3 directors	Fulfilled (3 directors)	Commercial Code Article 415-2, Paragraph 2
Independent directors constitute at least two-thirds of the members.	Fulfilled (All members are independent directors.)	
At least one of the members is an accounting or financial expert	Fulfilled (1 member)	Commercial Code Article 542-11, Paragraph 2
The chairman of the Audit Committee must be an independent director.	Fulfilled	
Other disqualifications (E.g., related parties of major shareholders)	Fulfilled (No relevant cases)	Commercial Code Article 542-11, Paragraph 3

Governance | (HANSAE YES24 HOLDINGS)

▪ Key Activities of the Audit Committee

Date	Agenda Items	Approved/ Reported
Feb 17, 2023	Report on the operation status of the Internal Accounting Management System	Reported
	Report on the 41st financial statements and operating report	Reported
Feb 24, 2023	Approval of evaluation results for the Internal Accounting Management System	Approved
	Approval of the audit report	Approved
	Review of agenda for the general meeting of shareholders	Approved
Mar. 29, 2023	Appointment of the Audit Committee chairman	Approved
May 10, 2023	Report on separate and consolidated financial statements for the 1st quarter of 2023	Reported
	Report on the evaluation plan for 2023 Internal Accounting Management System	Reported
Aug 11, 2023	Report on the consolidated financial statements for the 2nd quarter of 2023	Reported
Nov 11, 2023	Report on the consolidated financial statements for the 3rd quarter of 2023	Reported
	The governing body's communication with the external auditor	Reported

▪ Audit Committee Training Status

Date	Main Training Contents
Jun 20, 2023	Overview of key roles, legal responsibilities, and related issues for independent directors of listed companies

▪ Audit Committee Support Organization

Name of Department	Number of Employees	Key Activities
Management Analysis Team 3	3	Supports the duties and operations of the Audit Committee
Legal Team	1	Supports the duties of the Audit Committee

Sustainable Management Committee

The Sustainability Management Committee of HANSAE YES24 HOLDINGS establishes strategies and goals for sustainable management of the company in economic, social, and environmental aspects, based on global ESG trends. To realize this vision, the committee sets directions and goals considering industry trends and various international standards and analyzes their feasibility.

▪ Composition of the Sustainability Management Committee

Category	Composition	Name	Position	Duties and Authorities
Sustainable Management Committee	Independent director	CHAN HO HA	Chairman	- Establishment of mid-to long-term management strategies for sustainable management - Review of issues related to sustainable management - Review and continuous management of key risk factors
	Independent director	KI HWA LEE	Member	
	Independent director	KYUNG TAEK KO	Member	
	Inside director	SUK HWAN KIM	Member	
	Inside director	IK WHAN KIM	Member	
	Inside director	JI WON KIM	Member	

▪ Key Activities of the Sustainability Management Committee

Date	Agenda Items	Approved/Reported
Mar. 24, 2023	Report on ESG activities (4th quarter of 2022)	Reported
May 10, 2023	Report on ESG strategies and activities (1st quarter of 2023)	Reported
Jun 26, 2023	Appointment of the Committee Chairman	Approved
	2023 Materiality assessment	Reported
Aug 11, 2023	2023 ESG Management Report for the Group based on key material issues	Reported
	Share of the 2023 ESG Report publication	Reported
Nov 10, 2023	ESG evaluation results and countermeasures for 2023	Reported
	Report on company-wide risk management	Reported

Governance | (HANSAE YES24 HOLDINGS)

Management Committee

The Management Committee of HANSAE YES24 HOLDINGS assists the Board of Directors in setting strategic directions and making major decisions to help the company maintain its competitiveness and growth. It establishes long-term visions and goals, develops strategies for their implementation, and analyzes the budgets considered in decision-making. Additionally, the Management Committee identifies and responds to various potential risks and makes decisions that consider the protection of stakeholders' interests.

■ Composition of the Management Committee

Category	Composition	Name	Position	Duties and Authorities
Management Committee	Inside director	SUK HWAN KIM	Chairman	- Resolutions on matters delegated by the BoD 1) Management-related matters 2) Financial-related matters
	Inside director	IK WHAN KIM	Member	
	Inside director	JI WON KIM	Member	

■ Key Activities of the Management Committee

Date	Agenda Items	Approved/Reported
Feb 24, 2023	New and extended loan agreement for HANSAE YES24 HOLDINGS in the 1st quarter	Approved
	New and extended payment guarantees for subsidiaries in the 1st quarter	Approved
Mar 29, 2023	Approval of new payment guarantees for subsidiaries in the 1st quarter	Approved
May 10, 2023	New and extended loan agreement for HANSAE YES24 HOLDINGS in the 2nd quarter	Approved
	New and extended payment guarantees for subsidiaries in the 2nd quarter	Approved
Aug 11, 2023	New and extended payment guarantees for subsidiaries in the 3rd quarter	Approved
Oct 18, 2023	Approval of loan agreement for subsidiaries	Approved
Nov. 10, 2023	New and extended payment guarantees for subsidiaries in the 4th quarter	Approved
	Extension of loan agreement for HANSAE YES24 HOLDINGS	Approved

Independent Directors Recommendation Committee

The Independent Director Recommendation Committee of HANSAE YES24 HOLDINGS is dedicated to identifying and selecting the best candidates who can optimize the company's interests as independent directors. The Committee evaluates the candidates' competencies and suitability to recommend the most qualified individuals for the Board of Directors and considers candidates with diverse backgrounds and experiences. The selection and recommendation process is conducted fairly and transparently, based on clear criteria and procedures. In compliance with Article 542-8 of the Commercial Act, more than half of the Committee members are independent directors.

■ Composition of the Independent Director Recommendation Committee

Category	Composition	Name	Position	Duties and Authorities
Independent Directors Recommendation Committee	Independent director	KYUNG TAEK KO	Chairman	- Recommendation of candidates for the position of independent directors to be appointed at the shareholders' meeting
	Independent director	KI HWA LEE	Member	
	Independent director	CHAN HO HA	Member	
	Inside director	IK WHAN KIM	Member	
	Inside director	JI WON KIM	Member	

■ Key Activities of the Independent Director Recommendation Committee

Date	Agenda Items	Approved/Reported
Feb 24, 2023	Recommendation of candidates for the position of outside directors	Approved
Jun 26, 2023	Appointment of the Committee chairman	Approved

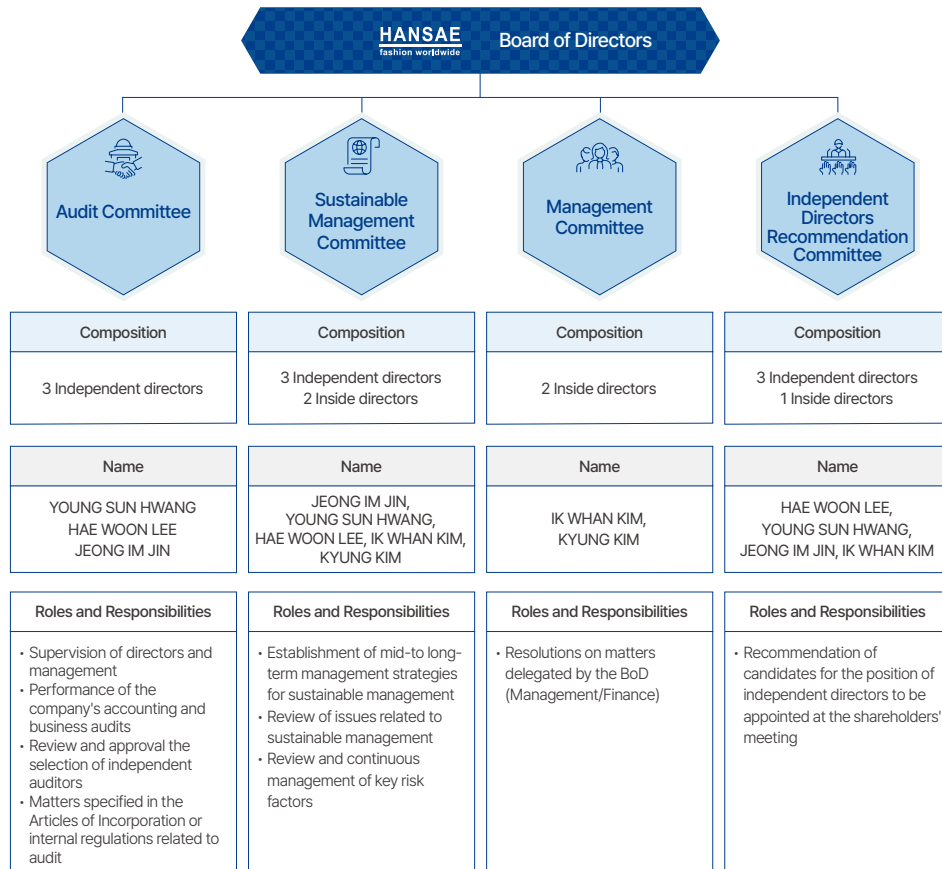
HANSAE YES24 HOLDINGS implemented a shareholder nomination system in 2024 for the appointment of new independent directors. Under this system, any shareholder holding at least one voting share for more than six months can recommend one independent director candidate. Based on this new system, HA WOOK LEE was appointed as an independent director at the regular general shareholders' meeting in March 2024. HA WOOK LEE is a seasoned expert in the investment industry and will work to enhance communication between the company and its shareholders.

Governance | (HANSAE CO., LTD.)

Board of Directors

The Board of Directors at HANSAE CO., LTD. serves as the company's highest decision-making body, making resolutions on key corporate operations and supervising the execution of duties by the management. The BoD strives to protect stakeholders' interests and ensure fair corporate governance, combining expertise and transparency in its efforts.

Operation of the BoD



BoD Members

As of December 2023, the Board of Directors at HANSAE CO., LTD. consists of three inside directors and three independent directors. The CEO of the company serves as the chairman of the BoD, and all BoD members possess diverse expertise and practical experience. This foundation enables the BoD to make major corporate decisions with a high level of responsibility. Additionally, to enhance the accountability of the BoD, HANSAE CO., LTD. has subscribed to liability insurance for executives.

BoD Members

Category	Name	Gender	Position	Career Highlights	Date of Election	Tenure
Inside Director	IK WHAN KIM	Male	CEO in charge of company-wide management	CEO of HANSAE CO., LTD	2015.3.26	2024.3.30
Inside Director	KYUNG KIM	Male	CEO in charge of company-wide management	CEO of HANSAE CO., LTD	2020.3.30	2026.3.3
Inside Director	DONG NYUNG KIM	Male	Director of the BoD	CEO of HANSAE YES24 HOLDINGS	2009.1.6	2024.3.30
Independent Director	YOUNG SUN HWANG	Male	Director of the BoD	Director at CAMUS E&C	2020.3.30	2026.3.30
Independent Director	HAE WOON LEE	Male	Director of the BoD	(Former) CEO of KOLON MATERIALS	2022.3.29	2025.3.29
Independent Director	JEONG IM JIN	Female	Director of the BoD	(Former) CEO of Made for You	2022.3.29	2025.3.29

2023 BoD Operation Status









Category	Unit	2021	2022	2023
Number of BoD meetings	Meeting	9	6	7
Number of agenda items	Case	36	46	56
Rate of inside directors' attendance	%	77.8	75	100
Rate of independent directors' attendance	%	100	100	100

Governance | (HANSAE CO., LTD.)

Expertise of the BoD

HANSAE CO., LTD. recognizes that proper BoD operations are crucial for maintaining its long-term growth and gaining stakeholders' trust. Therefore, continuous innovation and improvement are pursued through the composition, performance evaluation, and improvement processes of the BoD, along with external audits. To strengthen the BoD's expertise, HANSAE CO., LTD. has appointed independent directors with specialized knowledge and experience across various fields. The independent directors at HANSAE CO., LTD. monitor the management's activities independently, in accordance with the Commercial Act and related laws, while considering and managing the interests of various stakeholders, including shareholders, investors, employees, customers, and the community.

▪ HANSAE CO., LTD. BoD Competency Matrix

Director's experience, expertise, qualifications	Inside Director			Independent Director		
	DONG NYUNG KIM	IK WHAN KIM	KYUNG KIM	YOUNG SUN HWANG	HAE WOON LEE	JEONG IM JIN
Corporate Operations 	●	●	●		●	●
Global Business 	●	●	●		●	
Finance/Accounting 				●		
Risk Management 	●	●	●	●		●
Sales/Marketing 	●		●			●
ESG 	●	●			●	

▪ Key Activities of the BoD

Date	Agenda Items
February 14, 2023	Approval of the 14th financial statements and business report
	Confirmation of the retained earnings disposition statement (draft)
	Payment of severance pay to executives
	Appointment of candidates for the positions of inside directors and independent directors (Audit Committee member)
	Implementation of the electronic voting system
	Resolution to convene the 14th regular meeting of general shareholders
	Negotiation on credit transactions with Citibank for HANSAE CO., LTD.
March 29, 2023	Approval of the 2023 health and safety management plan and 10 other items
	Reappointment of the CEO
May 10, 2023	Acquisition of the AAFS DOS Corporation in Nicaragua
	Establishment of a subsidiary (HS SOURCING CO., LTD.)
	Extension of loan maturity for HANSAE CO., LTD. (Korea Development Bank)
	Joint guarantee on loans for overseas corporation (HSVN)
June 20, 2023	Joint guarantee for re-agreement of credit limit for COLOR&TOUCH Co., Ltd. (Woori Bank) and 6 other items
	Decision on the disposal of treasury stocks
	Establishment of a new corporation in Nicaragua
August 18, 2023	General working capital loan for HANSAE CO., LTD. (Kookmin Bank)
	Transfer of shares of MYANMAR AYEYARWADDY MANUFACTURING CO., LTD.
	Joint guarantee on new credit limit for HS SOURCING CO., LTD. (Woori Bank)
	Joint guarantee on credit agreements for Color & Touch Co., Ltd. (Kookmin Bank)
October 16, 2023	Joint guarantee on loans for overseas corporation (HSTG)
	Extension of loan maturity for HANSAE CO., LTD. (Daegu Bank)
	Activity plan for the internal audit TF and 8 other items
November 7, 2023	Loan to affiliated company (HANSAE YES24 HOLDINGS CO., LTD.)
	Change in equity of subsidiary (THE GLOBAL GUATEMALA MICHATOYA, S.A.)
	New credit for HANSAE CO., LTD. (Gwangju Bank)
	Joint guarantee on credit agreements for Color & Touch Co., Ltd. (Shinhan Bank)
	Joint guarantee on loans for overseas corporation (HSTG) and 4 other items

Governance | (HANSAE CO., LTD.)

Remuneration and Evaluation of Directors

The compensation for the Board of Directors at HANSAE CO., LTD. is determined based on various factors such as the company's economic, social, and environmental performance, the operational and activity performance of various Committees, and individual performance evaluations. Compensation is decided within the limits approved annually at the meeting of general shareholders, and the details of total compensation for directors and Audit Committee members are disclosed in the business report. The compensation is determined based on comprehensive consideration of quantitative performance indicators such as revenue, operating profit, and net profit, along with qualitative performance related to key management activities such as ESG initiatives. Additionally, the appropriateness of compensation and plans for future policy formulation are disclosed transparently to internal and external stakeholders through the governance report. Through these measures, HANSAE CO., LTD. establishes and maintains responsible corporate governance and a transparent compensation system.

Category	Unit	2021	2022	2023	
Number of Directors	Person	7	7	6	
Total Remuneration	KRW million	1,904	2,445	1,663	
Average Remuneration per Person	KRW million	272	349	277	
Registered Directors	Number of directors	Person	4	4	3
	Total remuneration	KRW million	1,764	2,312	1,519
	Average remuneration per person	KRW million	441	578	506
Independent Directors (excluding members of the Audit Committee)	Number of directors	Person	-	-	-
	Total remuneration	KRW million	-	-	-
	Average remuneration per person	KRW million	-	-	-
Members of the Audit Committee	Number of directors	Person	3	3	3
	Total remuneration	KRW million	140	133	144
	Average remuneration per person	KRW million	47	44	48

Committees under the BoD

Although HANSAE CO., LTD. is not under obligation to establish committees under its Board of Directors according to Articles 542-8 and 542-11 of the Commercial Act, the company operates Committees within its BoD to maintain corporate governance transparently and clarify corporate roles and responsibilities. During the 13th meeting of general shareholders held in 2022, the articles of incorporation were amended to establish the Independent Directors Recommendation Committee, the Sustainable Management Committee, and the Management Committee. HANSAE CO., LTD. expects that this effort will help the company align its strategies and policies and strengthen its commitment to sustainable management.

Audit Committee

The Audit Committee of HANSAE CO., LTD. is comprised of three independent directors, including accounting and financial experts, to maintain independence. The Committee audits both the company's financial reports and internal control systems, supervises external audits, and reports the results transparently to stakeholders. This enhances corporate transparency and responsible management, while also enabling the BoD and management to maintain and improve corporate stability.

Composition of the Audit Committee

Category	Composition	Name	Position	Duties and Authorities
Audit Committee	Independent director	YOUNG SUN HWANG	Chairman	- Supervision of directors and management
	Independent director	HAE WOON LEE	Member	- Performance of the company's accounting and business audits
	Independent director	JEONG IM JIN	Member	- Review and approval the selection of independent auditors - Matters specified in the Articles of Incorporation or internal regulations related to audit

Independence of the Audit Committee

Appointment Standards Criteria	Fulfillment of Criteria	Relevant Laws and Regulations
Consisting of at least 3 directors	Fulfilled (3 directors)	Commercial Code Article 415-2, Paragraph 2
Independent directors constitute at least two-thirds of the members.	Fulfilled (All members are independent directors.)	
At least one of the members is an accounting or financial expert	Fulfilled (1 member)	Commercial Code Article 542-11, Paragraph 2
The chairman of the Audit Committee must be an independent director.	Fulfilled	
Other disqualifications (E.g., related parties of major shareholders)	Fulfilled (No relevant cases)	Commercial Code Article 542-11, Paragraph 3

Governance | (HANSAE CO., LTD.)

Sustainable Management Committee

In 2022, HANSAE CO., LTD. established the Sustainability Management Committee under the BoD to set the direction for sustainable management. This Committee conducts assessments, prevents risks related to environmental, social, and governance (ESG) issues, and identifies ESG-related opportunities to enhance the company's competitiveness and growth prospects through comprehensive review.

■ Composition of Sustainable Management Committee

Category	Composition	Name	Position	Duties and Authorities
Sustainable Management Committee	Independent director	JEONG IM JIN	Chairman	- Establishment of mid-to long-term management strategies for sustainable management
	Independent director	YOUNG SUN HWANG	Member	
	Independent director	HAE WOON LEE	Member	- Review of issues related to sustainable management
	Inside director	IK WHAN KIM	Member	- Review and continuous management of key risk factors
	Inside director	KYUNG KIM	Member	

■ Key Activities of the Sustainable Management Committee

Date	Agenda Items	Approved/Reported
February 14, 2023	- ESG Rating Overview	Reported
	1) Opportunity for Environment 2) Opportunity for Social	
May 10, 2023	Report on the 2023 materiality assessment results	Reported
August 18, 2023	Report on the company's sustainability goals and achievement rates	Approved
November 6, 2023	Report on comprehensive ESG evaluation and directions for future improvement	Reported
	Report on enterprise risk status and management	Reported

Management Committee

In 2022, HANSAE CO., LTD. formed the Management Committee under the BoD to support critical decisions related to corporate growth, expansion, and diversification. This Committee supports the BoD in decision-making by providing necessary information and analysis, while adhering to BoD policies and guidelines. The Committee detects and manages various risks surrounding the company, strengthening its stability and sustainability.

■ Composition of the Management Committee

Category	Composition	Name	Position	Duties and Authorities
Management Committee	Inside director	IK WHAN KIM	Chairman	- Resolutions on matters delegated by the BoD
	Inside director	KYUNG KIM	Member	1) Management-related matters 2) Financial-related matters

Independent Directors Recommendation Committee

The Independent Directors Recommendation Committee at HANSAE CO., LTD. was established in August 2022 to find the best independent director candidates who can further fulfill the company's interests. The Committee evaluates candidates' capabilities and suitability, recommending the best fit for the BoD, considering diverse experiences and backgrounds. This process is carried out in a fair and transparent manner, with independent directors constituting at least half of the Committee members in accordance with Article 542-8 of the Commercial Act.

■ Composition of the Independent Directors Recommendation Committee

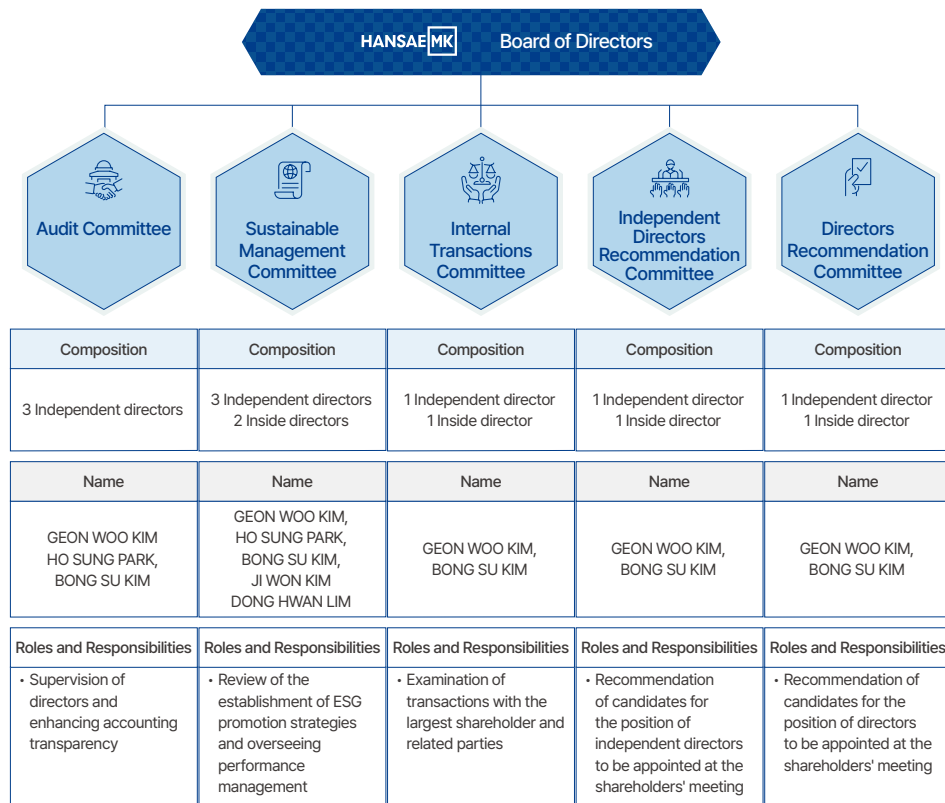
Category	Composition	Name	Position	Duties and Authorities
Independent Directors Recommendation Committee	Independent director	HAE WOON LEE	Chairman	- Recommendation of candidates for the position of independent directors to be appointed during the shareholders' meeting
	Independent director	YOUNG SUN HWANG	Member	
	Independent director	JEONG IM JIN	Member	
	Inside director	IK WHAN KIM	Member	

Governance | (HANSAEMK CO., LTD.)

Governance

HANSAEMK CO., LTD. emphasizes transparent BoD operations in the interests of the company's long-term growth and sustainable management. Key director appointments are made at regular meetings of general shareholders, aiming to enhance shareholder value. In response to the rising global demand for sustainable management, a Sustainability Management Committee was newly established through the 2022 regular meetings of general shareholders. Comprising seven experts, the Committee focuses on selecting independent directors who can enhance corporate value.

• Operation of the BoD



BoD Members

• BoD Members

Category	Name	Gender	Position	Career highlights	Date of Election	Tenure
BoD	DONG NYUNG KIM	Male	CEO	CEO of HANSAE YES24 HOLDINGS	2022.3.29	2025.3.29
BoD	JI WON KIM	Female	CEO	CEO of HANSAEMK CO., LTD.	2020.3.30	2026.3.28
BoD	DONG HWAN LIM	Male	CEO	CEO of HANSAEMK CO., LTD.	2022.5.25	2025.5.25
BoD	IK WHAN KIM	Male	Inside director	CEO of HANSAE CO., LTD.	2022.3.29	2025.3.29
BoD	GEON WOO KIM	Male	Independent director	(Former) CEO of Hwaseung	2023.3.28	2026.3.28
BoD	HO SUNG PARK	Male	Independent director	(Former) CEO of Korea FUJIFILM	2020.3.30	2026.3.28
BoD	BONG SU KIM	Male	Independent director	(Former) CEO of Shinsegae Uijeongbu Station Development Co., Ltd.	2023.3.28	2026.3.28

• 2023 BoD Operation Status



Category	Unit	2021	2022	2023
Number of BoD meetings	Meeting	6	10	13
Number of agenda items	Case	26	20	31
Rate of inside directors' attendance	%	81.8	83.3	76
Rate of independent directors' attendance	%	100	93.3	100

Governance | (HANSAEMK CO., LTD.)

Expertise of the BoD

HANSAEMK CO., LTD. recognizes the importance of proper BoD operations to gaining stakeholders' trust. To this end, the company seeks continuous innovation through BoD composition and performance evaluation, strengthening the expertise of independent directors to oversee corporate activities considering the interests of various stakeholders.

■ HANSAEMK CO., LTD. BoD Competency Matrix

Director's experience, expertise, qualifications	Inside Directors				Independent Directors		
	DONG NYUNG KIM	JI WON KIM	DONG HWAN LIM	IK WHAN KIM	GEON WOO KIM	HO SUNG PARK	BONG SU KIM
Corporate Operations	●	●	●	●	●	●	●
Global Business	●	●	●	●		●	
Finance/Accounting					●		
Risk Management	●		●	●	●		●
Sales/Marketing	●	●	●			●	●
ESG	●	●		●			

■ Key Activities of the BoD

Date	Agenda Items
January 27, 2023	New working capital loan (Hana Bank)
February 3, 2023	Termination of brand (NBA STYLE) license agreement with MKTREND (SHANGHAI) CO., LTD Report on the operation status and evaluation of the Internal Accounting Management System for the 28th fiscal year Approval of the consolidated and separate financial statements for the 28th fiscal year
February 23, 2023	Convening of the 28th Annual General Meeting of Shareholders and Determination of Agenda Items Approval of introducing the electronic voting system Extension of foreign currency payment guarantee (Hana Bank)
March 7, 2023	Change in agenda for the 28th general meeting of shareholders
March 28, 2023	Appointment of the CEO Pledge on the loan from MKTREND (SHANGHAI) CO., LTD. (Woori Bank)
May 11, 2023	Joint guarantee on loan agreement for MKTREND (SHANGHAI) CO., LTD (IBK) Recontract of foreign currency payment guarantee for MKTREND (SHANGHAI) CO., LTD. (Shinhan Bank) Foreign currency payment guarantee (Woori Bank)
May 30, 2023	Loan for a subsidiary (Dong-A publishing co., ltd)
June 5, 2023	Pledge on the loan from MKTREND (SHANGHAI) CO., LTD (Woori Bank)
June 26, 2023	Issuance of the 3rd bearer interest-free unguaranteed private placement exchangeable bonds Disposal of treasury stocks
July 13, 2023	New loan (Hana Bank) Collateral for loan by Kaesu Fook Company Limited (SHANGHAI) (Hana Bank)
August 11, 2023	Foreign currency payment guarantee for HANSAE DREAM JAPAN (Woori Bank) Extension of loan (KDB Bank) New pledge on the loan from MKTREND (SHANGHAI) CO., LTD Establishment of a branch (Shinsegae Premium Outlet Yeosu branch)
October 13, 2023	New loan (Shinhan Bank)
November 9, 2023	Establishment of a branch (Starfield Suwon branch) Foreign currency payment guarantee for MKTREND (SHANGHAI) CO., LTD. (Hana Bank)

Governance | (HANSAEMK CO., LTD.)

Remuneration and Evaluation of Directors

The remuneration for directors of HANSAEMK CO., LTD. is determined based on the company's economic, social, and environmental performance, as well as individual performance evaluations, including the operations and activities of the Committees. This remuneration is within the limits approved annually during the meeting of general shareholders, and the overall status of the remuneration is disclosed through the business report.

Category	Unit	2021	2022	2023
Number of Directors	Person	6	7	7
Total Remuneration	KRW million	214	476	856
Average Remuneration per Person	KRW million	36	68	119
Registered Directors	Number of directors	Person	3	4
	Total remuneration	KRW million	106	368
	Average remuneration per person	KRW million	35	92
Independent Directors (excluding members of the Audit Committee)	Number of directors	Person	-	-
	Total remuneration	KRW million	-	-
	Average remuneration per person	KRW million	-	-
Members of the Audit Committee	Number of directors	Person	3	3
	Total remuneration	KRW million	108	108
	Average remuneration per person	KRW million	36	36

BoD Committees

HANSAEMK CO., LTD. operates five committees under the BoD to ensure the efficient and professional performance of the Board: the Independent Directors Recommendation Committee, the Directors Recommendation Committee, the Internal Transactions Committee, the Audit Committee, and the Sustainable Management Committee. Each committee is composed of directors with expertise and experience in their respective fields, enabling the BoD to perform its duties more professionally.

Audit Committee

HANSAEMK CO., LTD. established an Audit Committee during the 22nd annual meeting of general shareholders on March 17, 2017. This Audit Committee, composed of three independent directors, operates independently to attend BoD meetings and evaluate the accuracy and reliability of the company's financial statements and internal control systems, thereby protecting the interests of stakeholders. One of the Audit Committee members is an accounting and finance expert who meets the requirements of the Commercial Act, the Articles of Incorporation, the BoD' regulations, and the Audit Committee regulations.

■ Composition of the Audit Committee

Category	Composition	Name	Position	Duties and Authorities
Audit Committee	Independent director	GEON WOO KIM	Chairman	- Supervision of directors and enhancing transparency in the accounting process
	Independent director	HO SUNG PARK	Member	
	Independent director	BONG SU KIM	Member	

■ Independence of the Audit Committee

Appointment standards Criteria	Fulfillment of Criteria	Relevant Laws and Regulations
Consisting of at least 3 directors	Fulfilled (3 directors)	Commercial Code Article 415-2, Paragraph 2
Independent directors constitute at least two-thirds of the members.	Fulfilled (All members are independent directors.)	
At least one of the members is an accounting or financial expert	Fulfilled (1 member)	Commercial Code Article 542-11, Paragraph 2
The chairman of the Audit Committee must be an independent director.	Fulfilled	
Other disqualifications (E.g., related parties of major shareholders)	Fulfilled (No relevant cases)	Commercial Code Article 542-11, Paragraph 3

■ Key Activities of the Audit Committee

Date	Agenda Items	Approved/ Reported
February 23, 2023	Report on the operation and evaluation of the 28th Internal Accounting Management System	Reported
	Approval of the Consolidated and Separate Financial Statements for the 28th fiscal year	Approved
August 11, 2023	Report on the evaluation process and schedule of the 29th Internal Accounting Management System	Reported
November 9, 2023	Report on the progress of evaluation on the 29th Internal Accounting Management System and training schedule for the Audit Committee	Reported

Governance | (HANSAEMK CO., LTD.)

Sustainable Management Committee

HANSAEMK CO., LTD. has established a Sustainable Management Committee under the BoD to ensure continuous value creation. This committee not only considers social and environmental impacts, but also financial performance and implements ongoing efforts such as developing eco-friendly products. Additionally, the committee formulates and implements systematic strategies and strives to improve in collecting and analyzing relevant data to strengthen ESG management. Through these efforts, the Sustainable Management Committee recognizes the importance of the issues and enhances its activities. The Sustainable Management Committee, established in 2022, has devised five activity plans to streamline significant endeavors, and plans to share updates on future activities openly with both internal and external stakeholders.

■ Composition of the Sustainable Management Committee

Category	Composition	Name	Position	Duties and Authorities
Sustainable Management Committee	Independent director	GEON WOO KIM	Chairman	- Reviewing the establishment of ESG promotion strategies and overseeing performance management
	Independent director	HO SUNG PARK	Member	
	Independent director	BONG SU KIM	Member	
	Inside director	JI WON KIM	Member	
	Inside director	DONG HWAN LIM	Member	

■ Key Activities of the Sustainable Management Committee

Date	Agenda Items	Approved/ Reported
November 9, 2023	Report on the 2023 Materiality Assessment	Reported
	Report on ESG performance according to key material issues for 2023	Reported
	Report on publication of the 2023 ESG report	Reported
	Report on the 2023 ESG rating	Reported

Internal Transactions Committee

HANSAEMK CO., LTD.'s Internal Transaction Committee strives to ensure the transparency and fairness of the company's internal transactions and reinforce compliance with relevant laws and regulations. The committee monitors and evaluates the company's internal transactions continuously to identify potential misconduct or conflicts of interest among stakeholders and takes necessary actions promptly.

■ Composition of the Internal Transactions Committee

Category	Composition	Name	Position	Duties and Authorities
Internal Transactions Committee	Inside director	GEON WOO KIM	Chairman	- Examination of transactions with the largest shareholder and related parties
	Inside director	DONG HWAN LIM	Member	

Independent Directors Recommendation Committee

HANSAEMK CO., LTD.'s Independent Directors Recommendation Committee objectively evaluates candidates who possess sound understanding of the company's strategy and business model as well as the necessary expertise and experience for the company's business. This ensures the appointment of independent directors who are capable of contributing to corporate competitiveness.

■ Composition of the Independent Directors Recommendation Committee

Category	Composition	Name	Position	Duties and Authorities
Independent Directors Recommendation Committee	Inside director	GEON WOO KIM	Chairman	- Recommendation of candidates for the position of independent directors to be appointed at the shareholders' meeting
	Inside director	DONG HWAN LIM	Member	

Directors Recommendation Committee

HANSAEMK CO., LTD.'s Directors Recommendation Committee carries evaluates director candidates' career, achievements, and ethical behaviors, taking into account the company's vision, strategy, and management requirements. The Committee's activities ensure independence and fairness in the process of recommending and appointing inside director candidates.

Ethical and Compliance Management

Overall Impact

Code of Ethics

HANSAE YES24 Group has codified the decision-making and behavioral standards of the Group into Code of Ethics to maintain corporate transparency and fulfill ethical and social responsibilities. This Code applies to all subsidiaries and employees and is disclosed on the websites of the Group and all subsidiaries to protect the interests of all stakeholders. Each year, all employees take a pledge of adherence to the Code of Ethics, and efforts are made to ensure strict compliance through an ethics management FAQ.

HANSAE YES24 HOLDINGS : <http://www.hansaeyes24.com/ko/esg/ethics.asp>

HANSAE CO., LTD. : <https://www.hansae.com/ko/esg/ethics.asp>

HANSAEMK CO., LTD. : <http://www.hansaemk.com/esg/%ec%9c%a4%eb%a6%ac%ea%b2%bd%ec%98%81/>

• HANSAE YES24 Group Code of Ethics



Attitude Towards Customers

We strive continuously to satisfy our customers, gaining their trust and ultimately sharing happiness with them



Fundamental Ethics for Employees

The company and its employees work together to foster an organizational culture that minimizes unnecessary conflicts, in line with the visions of both the company and the employees.



Relationship with Business Partners

We pursue mutual benefits and shared growth with our partner companies and compete fairly with competitors.



Role in Society

As a responsible member of society and a trusted company, we are committed to contributing to the best of our capabilities to national and social development through management activities that meet social norms and ethical standards.



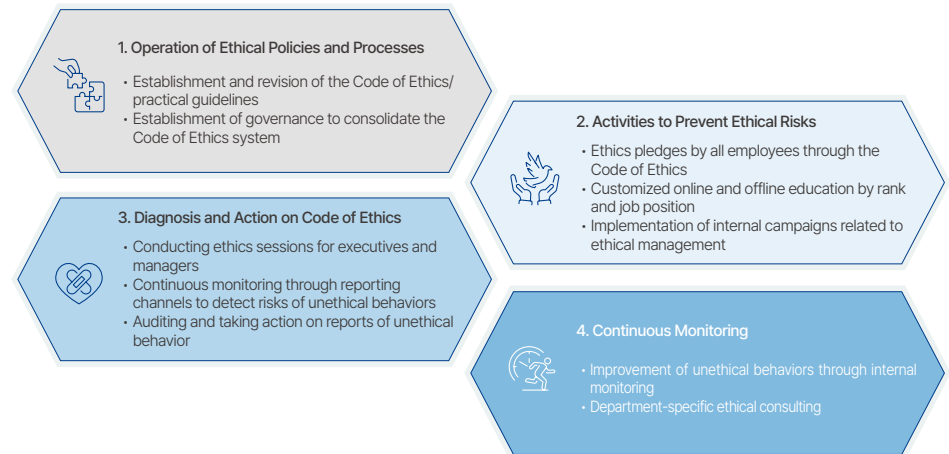
Responsibility to Shareholders

We are committed to enhancing our corporate value to ensure the creation of value for our shareholders. We are eager to improve transparency and pursue efficient management practices.

Task Force & Strategy

Ethical Management System

HANSAE YES24 Group has put in place a dedicated organization to manage and supervise the Code of Ethics and the Code of Conduct systematically. The HR team in each subsidiary is responsible for operating a disciplinary committee to deal with employee misconduct.



Disciplinary System for Ethical Violations

HANSAE YES24 Group swiftly verifies facts through the HR Team of each subsidiary and works with the Legal Team to make fair and professional judgments in response to when unethical acts occur. For serious matters, a separate personnel committee is formed to proceed with disciplinary action according to legal procedures.

Ethics Education

HANSAE YES24 Group conducts regular ethics training and guidance for employees and suppliers. All employees have access to complete the monitored mandatory legal education online on topics such as discrimination against person with disabilities and prevention of sexual harassment. In particular, starting from 2023, our focus will be on delivering targeted training on 'workplace harassment' to 300 employees holding positions of team leader or above, with the aim of establishing ethical management as an integral part of the company's culture. Additionally, we conduct regular education sessions on the Code of Ethics for local employees at overseas business sites and distribute the Code of Ethics in local languages to strengthen ethical awareness within the organization.

Ethical and Compliance Management

Overall Impact

Compliance Management System

HANSAE YES24 Group has established a compliance system to create an environment where the identification and response to legal risks can be carried out efficiently, with dedicated internal organizations formed to enhance compliance management at domestic and international business sites. HANSAE YES24 Group operates in a total of 11 countries worldwide. HANSAE YES24 HOLDINGS and HANSAEMK CO., LTD., which carry out major corporate activities in Korea, collaborate with the Legal Team within the holding company to analyze and respond preemptively and efficiently to potential legal risks. HANSAE CO., LTD. operates independent compliance teams in each of its overseas corporations, as well as in the headquarters in Korea, and handles tasks in accordance with the laws and regulations of each country and the company's Code of Ethics. As a global company, HANSAE YES24 Group strives to implement compliance management through three strategic directions to minimize risks and ensure adherence to regulations.

Strategic Direction	Scope	Roles	Specific Roles
Localization	Overseas corporations	Self-Management of overseas corporations	<ul style="list-style-type: none"> Reflecting local characteristics of overseas locations Managing areas where local self-management is efficient
Systematization	Parent company	Providing cooperation	<ul style="list-style-type: none"> Areas requiring joint responses Areas requiring joint responses
Global	Holding company	Global commonalities	<ul style="list-style-type: none"> Global standards Group-wide compliance identity

HANSAE YES24 Group's Code of Conduct

HANSAE YES24 Group has established a Code of Conduct to promote compliance with domestic and international laws and regulations in areas such as the prohibition of unfair trade, corruption, and illegal solicitation, and to meet social and ethical requirements with regard to its main stakeholders: customers, shareholders, employees, suppliers, and local communities. Written in Korean, local languages, and English, The Code of Conduct is posted at locations within the company premises to provide easy access for all employees. HANSAE YES24 Group will continuously revise the Code of Conduct for better ethical and compliance management and to mitigate legal violation risks.

HANSAE COMPLIANCE & RISK MANAGEMENT



Enhancement of the Compliance System

HANSAE CO., LTD. has made endeavors to ensure transparent and reliable business operations by implementing compliance regulations and management systems not only for its overseas corporations but also for its entire supply chain. All the factories of HANSAE CO., LTD. follow the "Code of Ethics," which is designed considering compliance with anti-corruption laws. Furthermore, "Codes of Conduct" for overseas corporations reflect local laws, including labor and environmental regulations, as well as buyer requirements to ensure a safe working environment for employees. Additionally, HANSAE CO., LTD. has established and operates its own "Conflict Minerals Policy" to comply with the Dodd-Frank Act*, which aims to prohibit the use of minerals produced in the Democratic Republic of the Congo and neighboring countries where sales of the minerals serve as a source of funding for armed groups, both directly and indirectly.

* Dodd-Frank Act :

A law enacted to prohibit minerals produced in the Democratic Republic of the Congo and its neighboring countries from being used directly or indirectly to fund the operations of armed groups.



Risk Management

HANSAE YES24 Group operates a cyber reporting center to ensure that employees can quickly report unethical behavior anytime, anywhere. This reporting center is accessible through the websites of each subsidiary, and after verification of the reported content, the proper actions taken or outcomes are communicated to the whistleblower within 7-10 days. The Group prioritizes the protection of internal whistleblowers as a core commitment of the reporting center, ensuring thorough protection for the identities of the whistleblower and the person providing testimony. This is intended to address and improve the corporate culture concerning corruption by ensuring that whistleblowers do not suffer any disadvantages in their careers. For overseas business sites, the Group also operates a direct channel for reporting to the domestic headquarters in addition to the local reporting channels, aiming to swiftly address employees' grievances.

Risk Management

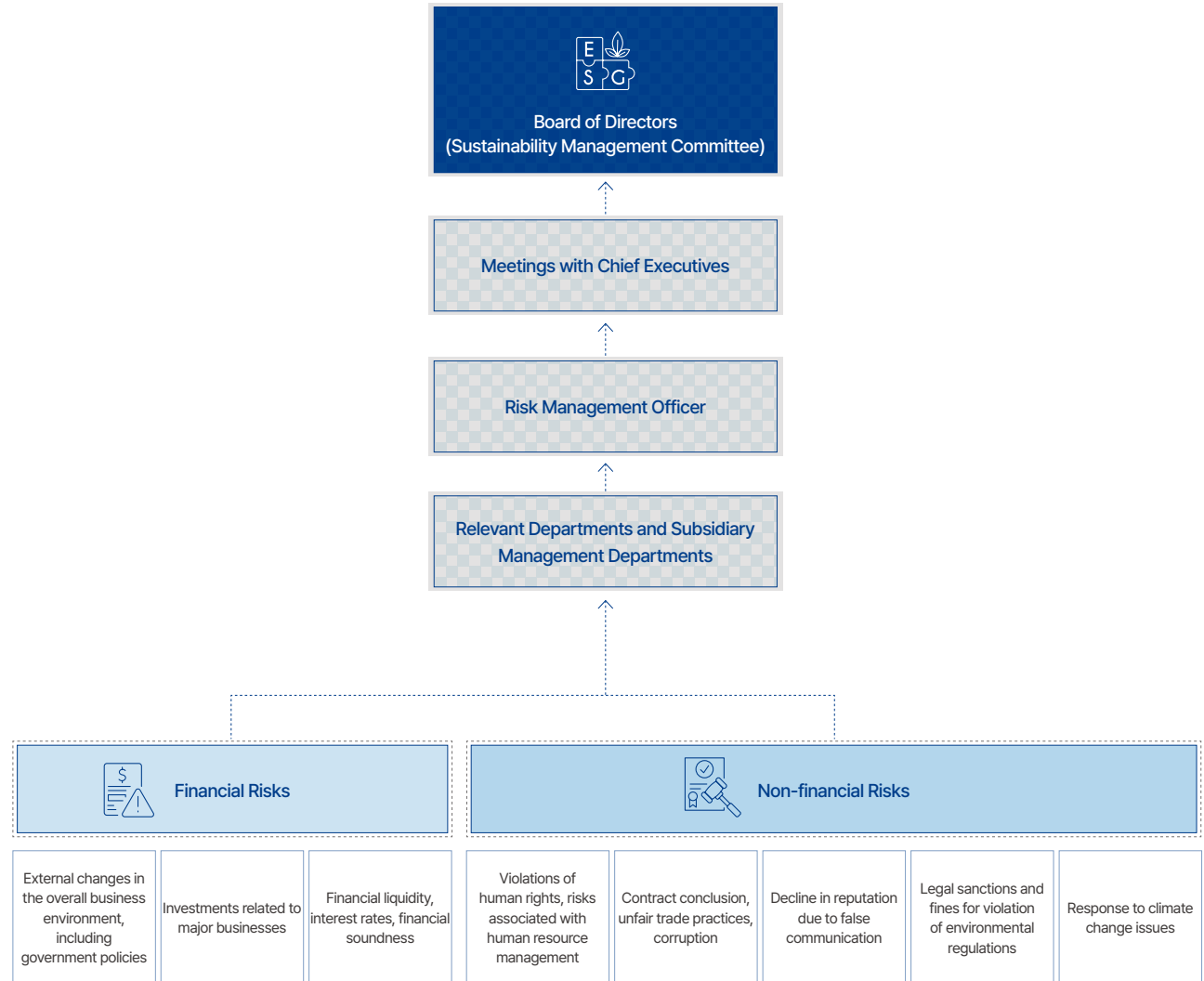
Integrated Risk Management

Identifying related risks in advance and responding immediately to the rapidly changing business environment is a core competency for a sustainable business foundation. Accordingly, HANSAE YES24 Group is building a system to monitor risks through company-wide integrated risk management and report response measures to the Board of Directors and the Sustainability Management Committee under the BoD. In 2023, HANSAE YES24 Group, through the Sustainability Management Committees of major subsidiaries such as HANSAE YES24 HOLDINGS and HANSAE CO., LTD., reported on the current financial risks (strategic/financial risks) and non-financial risks (operational/environmental risks) facing the company. Moving forward, the company plans to conduct risk inquiries and inspections continuously in collaboration with operational departments to enhance the risk management system, with major issues being reported and resolved through the Sustainability Management Committee.

Management of Corruption Risk

HANSAE YES24 Group manages corruption risk rigorously to prevent internal misconduct and corruption. The Group strives to prevent financial, legal, and ethical issues caused by corruption in advance, maintaining the organization's transparency and ethical culture to protect the company's reputation and stakeholders' interests. Unpredictable urgent issues are investigated promptly, and disciplinary action are taken in cooperation with the HR Team and Legal Team, while long-term issues are managed through periodic monitoring and communication with the Compliance Team and the Sustainability Management Committees of each subsidiary.

Risk Management System



Risk Management

Enhancing Investments in the ESG Risk Management System

To minimize social and environmental risks associated with investments, HANSAE YES24 Group has established a system to review ESG impacts throughout the investment decision-making process, analyzing risks in advance. Especially during the approval process for large investment projects, relevant department managers and executives discuss risks and countermeasures according to major ESG evaluation indicators from the deliberation stage, assessing the suitability of investment projects through this process. HANSAE YES24 Group makes investment decisions based on review of the non-financial as well as financial performance of the companies being considered for investment, striving to minimize potential social and environmental risks.

Key ESG Evaluation Indicators

HANSAE YES24 Group seeks investment opportunities and evaluates prospective companies for investment based on the following indicators, which are being refined gradually to ensure that ESG performance is clearly reflected in the company's major decision-making.



E
Environmental

- Installation of an environmental management system at the company level
- Company's management/processes to control greenhouse gas emissions
- Management/processes for pollutant emissions
- Processes for purification of water resources/disposal of waste water
- Establishment of waste management systems
- Monitoring system for environmental regulations and number of violations



S
Social

- Company's policies and systems for managing employees' safety and human rights
- Employee injury rate/number of injuries
- Policies and compliance with regulations related to business partners
- Presence of internal and external risks associated with legal violations



G
Governance

- Methods of BoD operation and major decision-making processes
- Code of Ethics and company management system
- Ratio of independent directors on the BoD

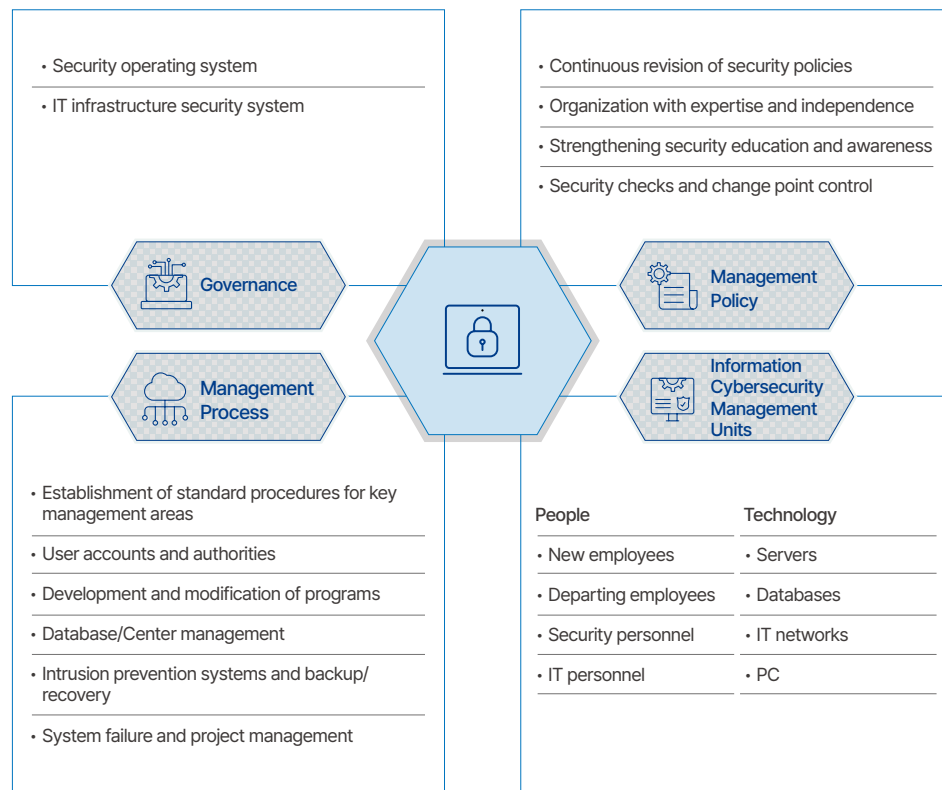
Information Cybersecurity

Overall Impact

Information Cybersecurity System

HANSAE YES24 Group has established an information security policy to not only strive for risk management and compliance but also protect information and assets that have a direct impact on the company's reputation and trust. The Group has registered the security management regulations in the company's system and makes regular revisions on an annual basis, thereby enhancing awareness and allowing employees to have access to information security regulations.

Information Cybersecurity Management System

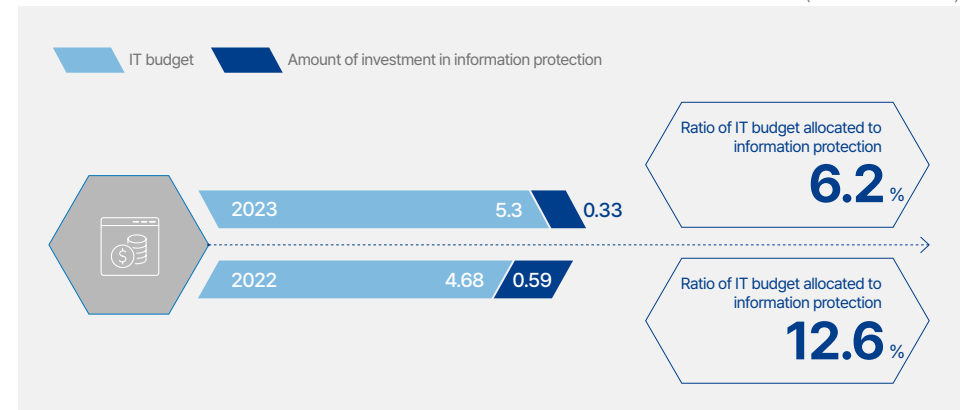


Task Force & Strategy

HANSAE CO., LTD. designates a manager as the Chief Information Security Officer (CISO), who is responsible for overall information security within the organization. The CISO is responsible for establishing information security strategies, developing security policies and procedures, managing technology and security solutions, enhancing education and awareness, ensuring compliance, and responding to incidents. The CISO understands the importance of information security and provides strategic direction. HANSAEMK CO., LTD. sets aside a part of its annual IT budget for investments in information protection to enhance corporate value by safeguarding employee and customer information and intellectual assets.

HANSAEMK CO., LTD. Amount of Investment in Information Protection

(Unit : KRW 100 million)



Performance

HANSAE CO., LTD. conducts annual information security disclosure in accordance with Article 13 of the Information Security Industry Promotion Act. Such an approach ensures that information on the status of investment in information security, specialized personnel, information security certification, and user information protection activities is publicly disclosed allowing users to make informed decisions on companies in terms of information security.

HANSAEMK CO., LTD. uses the OfficeKeeper solution to prevent information leaks, malware, and harmful site infiltration, and to protect assets by automatically encrypting sensitive and IT information.

Appendix

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Financial

Organization Financial¹

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Total assets	KRW million	2,241,273	2,036,964	2,152,346
Total liabilities	KRW million	1,291,921	1,205,446	1,188,689
Total equity	KRW million	949,352	831,518	963,657
Total revenue	KRW million	2,798,896	3,322,114	2,780,752
Operating profit (Loss)	KRW million	134,682	192,869	189,745
Net profit (Loss)	KRW million	75,870	49,482	111,443
Total comprehensive income (Loss)	KRW million	225,088	(84,907)	211,472
Earnings (Loss) per share	KRW million	0.001	0.000	0.001

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Total assets	KRW million	1,216,241	1,239,211	1,237,248
Total liabilities	KRW million	751,824	702,125	593,553
Total equity	KRW million	464,417	537,086	643,694
Total revenue	KRW million	1,671,997	2,204,761	1,708,756
Operating profit (Loss)	KRW million	106,694	179,586	168,225
Net profit (Loss)	KRW million	67,341	85,635	112,035
Total comprehensive income (Loss)	KRW million	62,685	92,287	123,148
Earnings (Loss) per share	KRW million	0.002	0.002	0.003

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Total assets	KRW million	129,058	224,810	268,472
Total liabilities	KRW million	82,127	186,181	180,693
Total equity	KRW million	46,931	38,629	87,780
Total revenue	KRW million	207,665	271,480	316,766
Operating profit (Loss)	KRW million	(12,087)	(21,131)	(4,219)
Net profit (Loss)	KRW million	(30,982)	(37,767)	(6,426)
Total comprehensive income (Loss)	KRW million	(30,908)	(33,420)	48,242
Earnings (Loss) per share	KRW million	(0.003)	(0.002)	(0.000)

1. Based on the consolidated financial statements in the business report as of December 2023

Environmental

Environmental Incident and Compliance

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Fines for non-compliance with environmental laws and regulations	KRW million	0	0	0
No. of cases of environmental/ecological violations	Cases	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Fines for non-compliance with environmental laws and regulations	KRW million	0	0	0
No. of cases of environmental/ecological violations	Cases	0	0	0

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Fines for non-compliance with environmental laws and regulations	KRW million	0	0	0
No. of cases of environmental/ecological violations	Cases	0	0	0

Environmental Investments

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Eco-friendly fabric purchase quantity	Yds	133,300,149	93,312,265	82,787,435
Eco-friendly fabric purchase amount	\$	292,453,127	250,548,285	194,447,081

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Number of eco-friendly products produced	KRW million	1,682	1,001	3,496
Eco-friendly product sales	KRW million	3,145	2,118	5,125

Environmental

Response to Climate Change

HANSAE YES24 HOLDINGS¹

Category	Unit	2021	2022	2023
Total emissions ²	tCO ₂ eq	1116	10.81	11.76
Direct emissions (Scope 1)	tCO ₂ eq	10.80	10.40	10.00
- Ratio of disclosing business sites on direct emissions	%	100	100	100
Domestic Indirect emissions (Scope 2) ²	tCO ₂ eq	0.36	0.41	1.76
- Ratio of disclosing business sites on indirect emissions	%	100	100	100
Intensity ³	tCO ₂ eq/KRW 100 million	0	0	0

1. Calculated based on electricity consumption

2. Corrected and disclosed 2021 and 2022 carbon emissions

3. Intensity : Total emissions (tCO₂eq) / Total sales on consolidated basis (KRW 100 million)

HANSAEMK CO., LTD.^{1,4}

Category	Unit	2021	2022	2023
Total emissions ²	tCO ₂ eq	-	768.0	729.0
Direct emissions (Scope 1) ²	tCO ₂ eq	-	-	-
Domestic Indirect emissions (Scope 2) ²	tCO ₂ eq	-	768.0	729.0
Intensity ³	tCO ₂ eq/KRW 100 million	-	0.35	0.23

1. Calculated based on electricity consumption

2. Corrected and disclosed 2021 and 2022 carbon emissions

3. Intensity : Total emissions (tCO₂eq) / Total sales on consolidated basis (KRW 100 million)

4. Disclosed environmental information of 4 business sites including 2 domestic headquarters

HANSAE CO., LTD.⁴

Category	Unit	2021	2022	2023
Annual target ²	tCO ₂ eq	20,553	20,012	19,471
Annual emissions ¹	tCO ₂ eq	16,883	16,923	15,551
Direct emissions (Scope 1) ¹	tCO ₂ eq	2,476	2,037	2,639
Indirect emissions (Scope 2)	tCO ₂ eq	14,407	14,886	12,912
Overseas Intensity ⁵	tCO ₂ eq/KRW 100 million	0.1	0.8	0.9
Emissions reduction targets	%	2.5	2.5	2.5
GHG emissions reduced via reduction related initiatives	tCO ₂ eq	-	685	4,044
- Solar panels usage	tCO ₂ eq	-	31	488
- REC	tCO ₂ eq	-	654	3,556
Annual emissions	tCO ₂ eq	-	-	281.3
Domestic ³ Direct emissions (Scope 1)	tCO ₂ eq	-	-	-
Indirect emissions (Scope 2)	tCO ₂ eq	-	-	281.3

1. Corrected and disclosed 2021 and 2022 emissions due to changes in greenhouse gas emissions calculation standards

2. HANSAE CO., LTD. manages carbon reduction targets only for overseas operations, and the targets and emissions are based on overseas operations

3. Carbon emissions of domestic operations will be disclosed from 2023

4. Disclosed environmental information of 2 domestic headquarters and 11 overseas sewing corporations

5. Intensity : Total emissions (tCO₂eq) / Total sales on consolidated basis (KRW 100 million)

Environmental

Energy Consumption

HANSAE YES24 HOLDINGS¹

Category	Unit	2021	2022	2023
Total energy consumption	TJ	0.32	0.31	0.33
Total energy consumption	TOE	7.59	7.29	7.90
Intensity ²	TJ/KRW 100 million	0.00001	0.0001	0.0001
Non-renewable energy consumption	TJ	0.32	0.31	0.33
- LNG	TJ	0.31	0.29	0.29
- Electricity	TJ	0.01	0.02	0.04
- Steam	TJ	-	-	-
Renewable energy consumption	TJ	-	-	-

1. Calculated based on electricity and city gas consumption

2. Intensity : Total energy consumption (TJ) / Total sales on consolidated basis (KRW 100 million)

HANSAEMK CO., LTD.^{1,3}

Category	Unit	2021	2022	2023
Total energy consumption	TJ	4.87	6.63	5.71
Total energy consumption	TOE	116.30	158.32	136.38
Intensity ²	%	0.00361	0.00244	0.00180
Non-renewable energy consumption	TJ	4.87	6.63	5.71
- Electricity	TJ	4.87	6.63	5.71
- Steam	TJ	-	-	-
Renewable energy consumption	TJ	-	-	-

1. Calculated based on electricity consumption

2. Intensity : Total energy consumption (tCO₂e) / Total sales on consolidated basis (KRW 100 million)

3. Disclosed environmental information of 4 business sites including 2 domestic headquarters

HANSAE CO., LTD.^{1,2}

Category	Unit	2021	2022	2023
Annual target	TJ	-	269	265
Annual consumption	TJ	269.13	268.04	251.13
Intensity	TJ/KRW 100 million	0.02	0.01	0.01
Total energy consumption	TOE	6,513.33	6,508.55	6,059.52
Domestic Total energy consumption	TJ	2.13	2.04	2.13
Overseas Total energy consumption	TJ	267	266	249
Non-renewable energy consumption	TJ	151	149	111
- Fuels	TJ	33	26	35
- Electricity	TJ	118	123	76
- Steam	TJ	0	0	0
Renewable energy consumption	TJ	116	117	138
- Geothermal	TJ	-	2.7	1
- Wind	TJ	-	-	20.2
- Solar	TJ	-	0.5	5.5
- Hydro	TJ	-	0.8	4.3
- Biomass	TJ	116	113	107

1. Corrected and disclosed 2021 and 2022 energy consumption

2. Disclosed environmental information of 2 domestic headquarters and 11 overseas sewing corporations

Environmental

Water Consumption

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Domestic Water consumption ¹	ton	1,498	3,254	1,777

1. Offices of HANSAE YES24 HOLDINGS are rental business sites, making it impossible to accurately secure water consumption (the figure is based on the rental area ratio of the entire building's usage)

HANSAE CO., LTD.²

Category	Unit	2021	2022	2023
Total water consumption	ton	876,782	941,389	875,733
Domestic Water consumption	ton	112,212	112,335	111,713
Overseas Water consumption	ton	764,570	829,054	764,020
Overseas Annual target ¹	ton	828,297	811,040	793,784

1. HANSAE CO., LTD. currently sets annual targets only for its overseas operations but plans to incorporate water consumption from its domestic operations into future target management.

2. Disclosed environmental information of 2 domestic headquarters and 11 overseas sewing corporations

HANSAEMK CO., LTD.¹

Category	Unit	2021	2022	2023
Domestic Water consumption	ton	4,043	3,893	5,070

1. Disclosed environmental information of 4 business sites including 2 domestic headquarters

Raw Materials¹

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Total weight or volume of non-renewable materials that are used to produce and package the organization's primary products and services	ton	-	36	33
Total weight or volume of renewable materials that are used to produce and package the organization's primary products and services	ton	-	758	720

1. HANSAE YES24 HOLDINGS and HANSAE CO., LTD. do not collect data on the use of renewable raw materials.

Water Pollutants Emissions¹

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
TOC emission concentration	ppm	593.41	693.61	655.26
BOD emission concentration	ppm	537.67	523.97	503.76
SS emission concentration	ppm	588.05	1003.90	412.59
Percentage of disclosing business sites on water pollutant emissions	%	100	100	100

1. HANSAE YES24 HOLDINGS and HANSAEMK CO., LTD. do not discharge water pollutants during business activities.

Environmental

Waste¹

HANSAE CO., LTD.^{1,3}

Category	Unit	2021	2022	2023
Annual target ²	ton	-	-	5,968
Total waste generated	ton	4,061	5,970	5,968
- General	ton	-	5,174	4,939
- Designated	ton	-	5	61
- Recycled	ton	-	791	968
Total recycled waste	ton	-	792	1,017
- Recycled hazardous waste	ton	-	1	49
- Recycled general waste	ton	-	791	968
Total waste treated	ton	3,839	5,178	4,951
Total hazardous waste treated	ton	-	4	12
- Incineration	ton	-	3	11
- Landfilling	ton	-	0	0
- Others	ton	-	1	1
Total general waste treated	ton	-	5,174	4,939
- Incineration	ton	-	3,900	3,516
- Landfilling	ton	-	1,274	1,423
- Others	ton	-	0	0
Year-over-year waste recycling performance	%	-	-	(0.03)

1. HANSAE CO., LTD. manages waste only for overseas operations (domestic business sites are rental properties, thus accurate measurement of waste impossible)

2. HANSAE CO., LTD. has been managing waste management targets since 2022

3. Disclosed environmental information of 11 overseas sewing corporations

HANSAEMK CO., LTD.^{1,2}

Category	Unit	2021	2022	2023
Total waste generated	ton	28	20	18
- General	ton	-	-	-
- Designated	ton	-	-	-
- Recycled	ton	-	-	-
Waste reduction goals	ton	-	-	-
- Progress against waste disposed goals for the year	%	-	-	-
Recycling	ton	-	-	-
Total recycled waste	ton	-	-	-
Recycled hazardous waste	ton	-	-	-
Recycled general waste	ton	-	-	-
Total waste treated	ton	-	-	-
Total hazardous waste treated	ton	-	-	-
- Incineration	ton	-	-	-
- Landfilling	ton	-	-	-
- Others	ton	-	-	-
Total general waste treated	ton	28	20	18
- Incineration	ton	28	20	18
- Landfilling	ton	-	-	-
- Others	ton	-	-	-
Year-over-year waste recycling performance	%	-	-	145

1. HANSAEMK CO., LTD. manages wastes only in terms of total discharge amount.

2. Disclosed environmental information of 4 business sites including 2 domestic headquarters

1. HANSAE YES24 HOLDINGS does not aggregate waste emissions

Social

Workforce Status

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Total No. of employees	Persons	27	24	29
- Female	Persons	16	14	16
- Male	Persons	11	10	13
- Under 30	Persons	3	3	6
- 30-50	Persons	22	18	20
- 50 above	Persons	2	3	3
People with disabilities	Persons	0	0	0
Foreigner	Persons	0	0	1
Regular	Persons	27	24	28
Contract	Persons	0	0	1
Ratio of senior managers employed at business locations of operation	Persons	100	100	100
- Senior management	Persons	3	3	4
- No. of senior managers employed at main locations of operation	Persons	3	3	4

HANSAE CO., LTD.

Category	Unit	2021	2022	2023	
Total No. of employees	Persons	30,036	23,967	22,373	
Domestic	Total No. of employees	Persons	555	514	457
	Female	Persons	340	329	294
	Male	Persons	215	185	163
	Under 30	Persons	139	155	45
	30-50	Persons	392	333	378
	50 above	Persons	24	26	34
Overseas	Total No. of employees	Persons	29,481	23,453	21,916
	Female	Persons	20,736	16,757	15,439
	Male	Persons	8,745	6,696	6,477
	Under 30	Persons	12,252	9,743	8,252
	30-50	Persons	16,866	13,293	13,279
	50 above	Persons	363	417	385
People with disabilities	Persons	38	63	85	
Domestic Employees with disabilities	Persons	1	1	1	
Overseas Employees with disabilities	Persons	37	62	84	
Foreigner	Persons	14	14	11	
The national merits	Persons	2	2	2	
Executive management	Persons	19	19	23	
Regular	Persons	27,518	20,394	18,459	
Domestic	Persons	544	483	405	
Overseas	Persons	26,974	19,911	18,054	
Contract	Persons	2,518	3,573	3,896	
Domestic	Persons	11	31	34	
Overseas	Persons	2,507	3,542	3,862	
Ratio of senior managers employed at business locations of operation	%	0	0	0	
- Senior management	Persons	27	34	23	
- No. of senior managers employed at main locations of operation	Persons	0	0	0	

Social

HANSAEMK CO., LTD.

Category	Unit	2021	2022 ¹	2023
Total No. of employees	Persons	242	384	387
- Female	Persons	143	247	253
- Male	Persons	99	137	134
- Under 30	Persons	49	55	59
- 30-50	Persons	180	289	288
- 50 above	Persons	13	40	40
Domestic				
Total No. of employees	Persons	174	271	293
Female	Persons	94	162	178
Male	Persons	80	109	115
Under 30	Persons	28	34	47
30-50	Persons	133	202	209
50 above	Persons	13	35	37
Overseas				
Total No. of employees	Persons	68	113	94
Female	Persons	49	85	75
Male	Persons	19	28	19
Under 30	Persons	21	21	12
30-50	Persons	47	87	79
50 above	Persons	0	5	3
People with disabilities	Persons	0	0	5
Domestic Employees with disabilities	Persons	0	0	5
Overseas Employees with disabilities	Persons	0	0	0
Foreigner	Persons	0	0	0
The national merits	Persons	0	0	0
Executive management	Persons	1	1	1

1. Increase in headcount due to the merger with HANSAE Dreams

Category	Unit	2021	2022 ¹	2023
Regular	Persons	231	365	353
Domestic	Persons	165	266	278
Overseas	Persons	66	99	75
Contract	Persons	11	19	34
Domestic	Persons	9	5	16
Overseas	Persons	2	14	18
Ratio of senior managers employed at business locations of operation	%	-	100	100
- Senior management	Persons	-	2	2
- No. of senior managers employed at main locations of operation	Persons	-	2	2

1. Increase in headcount due to the merger with HANSAE Dreams

Social

New Employee Hires

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Total No. of new hires	Persons	6	2	8
- Under 30	Persons	2	0	3
- 30-50	Persons	4	2	5
- 50 above	Persons	0	0	0
- Female	Persons	3	2	3
- Male	Persons	3	0	5
No. of new hires in management positions	Persons	1	2	2
- Executives and above	Persons	0	0	0
- Senior level	Persons	1	2	2

HANSAE CO., LTD.

Category	Unit	2021	2022	2023	
Total No. of new hires	Persons	9,464	7,093	11,235 ¹	
- Under 30	Persons	-	4,540	4,554	
- 30-50	Persons	-	2,503	6,584	
- 50 above	Persons	-	50	97	
Domestic	No. of new hires	Persons	110	88	63
	- Female	Persons	59	58	45
	- Male	Persons	51	30	18
Overseas	No. of new hires	Persons	9,354	7,005	11,202
	- Female	Persons	5,503	4,907	7,641
	- Male	Persons	3,851	2,098	3,561
No. of new hires in management positions	Persons	5	5	9	
- Executives and above	Persons	2	3	0	
- Team leader and above but below executives	Persons	3	2	9	

1. Significant increase in the number of newly hired workers due to increased hiring in overseas corporations (VN & TN factories)

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023	
Total No. of new hires	Persons	105	96	126	
- Under 30	Persons	18	16	57	
- 30-50	Persons	81	74	64	
- 50 above	Persons	6	6	5	
Domestic	No. of new hires	Persons	78	68	118
	- Female	Persons	40	37	84
	- Male	Persons	38	31	34
Overseas	No. of new hires	Persons	27	28	8
	- Female	Persons	20	18	5
	- Male	Persons	7	10	3
No. of new hires in management positions	Persons	10	2	26	
- Executives and above	Persons	1	0	3	
- Manager to Director	Persons	9	2	23	

Social

Female Employees Status

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of female employees	%	59	58	55
Ratio of female managers	%	36	50	36
Ratio of female executives	%	0	0	25

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
Ratio of female employees	%	62	64	70
Ratio of female managers	%	51	54	52
Ratio of female executives	%	44	50	48

1. Calculated for the headquarters only as the definition of women in management and women in executive management varies by country.

HANSAEMK CO., LTD.¹

Category	Unit	2021	2022	2023
Ratio of female employees	%	55	61	61
Ratio of female managers	%	38	34	48
Ratio of female executives	%	20	17	33

1. Calculated for the headquarters only as the definition of women in management and women in executive management varies by country.

Turnover (Retirement) Status

HANSAE YES24 HOLDINGS¹

Category	Unit	2021	2022	2023
Voluntary turnover rate	%	-	46	21
No. of turnover (Retirement)	Persons	-	11	6
- Total turnover	Persons	-	11	6
- Total retirement	Persons	-	0	0
- Voluntary retirement	Persons	-	0	0
- Regular retirement	Persons	-	0	0
- Resignation under instruction (Termination, disciplinary action, etc.)	Persons	-	0	0
No. of turnover by gender	Persons	-	11	6
- Female	Persons	-	8	4
- Male	Persons	-	3	2
No. of turnover by age group	Persons	-	11	6
- Under 30	Persons	-	2	1
- 30-50	Persons	-	9	5
- 50 above	Persons	-	0	0
Average years of service	Years	-	3.5	4.5
- Female	Years	-	4.0	5.6
- Male	Years	-	3.0	2.8

1. Corrected and disclosed 2022 voluntary turnover rate

Social

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
Voluntary turnover rate ²	%	-	26.2	17.0
No. of turnover (Retirement)	Persons	-	142	78
- Total turnover	Persons	-	135	76
- Total retirement	Persons	-	7	2
- Voluntary retirement	Persons	-	0	0
- Regular retirement	Persons	-	0	0
- Resignation under instruction (Termination, disciplinary action, etc.)	Persons	-	7	2
No. of turnover by gender	Persons	-	21	76
- Female	Persons	-	13	15
- Male	Persons	-	8	59
No. of turnover by age group	Persons	-	21	76
- Under 30	Persons	-	4	15
- 30-50	Persons	-	17.0	59
- 50 above	Persons	-	0	2
Average years of service	Years	-	7.0	7.6
- Female	Years	-	6.0	7.0
- Male	Years	-	8.0	8.8

1. Calculated data from 2022, disclosed only for domestic operations

2. Corrected and disclosed 2022 retirements, voluntary turnover rate

HANSAEMK CO., LTD.¹

Category	Unit	2021	2022	2023
Voluntary turnover rate ²	%	-	26.0	27.9
No. of turnover (Retirement)	Persons	-	104	115
- Total turnover	Persons	-	100	108
- Total retirement	Persons	-	4	7
- Voluntary retirement	Persons	-	0	0
- Regular retirement	Persons	-	1	2
- Resignation under instruction (Termination, disciplinary action, etc.)	Persons	-	3	5
No. of turnover by gender	Persons	-	100	108
- Female	Persons	-	58	79
- Male	Persons	-	42	29
No. of turnover by age group	Persons	-	100	108
- Under 30	Persons	-	12	44
- 30-50	Persons	-	87	56
- 50 above	Persons	-	1	8
Average years of service	Years	-	4.0	4.0
- Female	Years	-	4.0	4.0
- Male	Years	-	4.0	4.0

1. Calculated data from 2022

2. Corrected and disclosed 2022 retirements, voluntary turnover rate

Social

Parental Leave and Welfare

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of employees on parental leave (Female)	Persons	-	2	1
No. of employees on parental leave (Male)	Persons	-	0	1
No. of employees return-to-work after parental leave (Female)	Persons	-	1	0
No. of employees return-to-work after parental leave (Male)	Persons	-	0	0
No. of employees who worked for more than a year after parental leave (Female)	Persons	-	1	0
No. of employees who worked for more than a year after parental leave (Male)	Persons	-	0	0

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of employees on parental leave (Female)	Persons	-	12	8
No. of employees on parental leave (Male)	Persons	-	2	2
No. of employees return-to-work after parental leave (Female)	Persons	-	4	4
No. of employees return-to-work after parental leave (Male)	Persons	-	0	2
No. of employees who worked for more than a year after parental leave (Female)	Persons	-	3	2
No. of employees who worked for more than a year after parental leave (Male)	Persons	-	0	1

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
No. of employees on parental leave (Female)	Persons	50	46	37
No. of employees on parental leave (Male)	Persons	15	13	15
No. of employees return-to-work after parental leave (Female)	Persons	14	15	13
No. of employees return-to-work after parental leave (Male)	Persons	3	8	2
No. of employees who worked for more than a year after parental leave (Female)	Persons	16	7	10
No. of employees who worked for more than a year after parental leave (Male)	Persons	2	2	4

1. Overseas data is excluded due to different laws and standards for parental and maternity leave by overseas business sites, and overseas data is managed internally.

Social

Labor-Management Relations

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of employees covered by collective bargaining agreements	%	100	100	100

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Ratio of employees covered by collective bargaining agreements	%	100	100	100

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Ratio of employees covered by collective bargaining agreements	%	100	100	100

Remuneration ^{1,3}

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Average salary (Female)	KRW million	73	96	86
Average salary (Male)	KRW million	60	132	85
Ratio of the basic salary and remuneration of women to men for each employee category, by main locations of operation	%	100	100	100
- Female to male wage ratio	%	100	100	100

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Average salary (Female)	KRW million	70	70	75
Average salary (Male)	KRW million	76	75	81
Ratio of the basic salary and remuneration of women to men for each employee category, by main locations of operation	%	100	100	100
- Female to male wage ratio	%	100	100	100

HANSAEMK CO., LTD. ²

Category	Unit	2021	2022	2023
Average salary (Female)	KRW million	48	50	49
Average salary (Male)	KRW million	60	64	64
Ratio of the basic salary and remuneration of women to men for each employee category, by main locations of operation	%	100	100	100
- Female to male wage ratio	%	100	100	100

2. Corrected and disclosed 2021 and 2022 average salary of HANSAEMK CO., LTD.

1. Calculated based on domestic operations

3. Calculated based on business report disclosure standards

Social

Retirement Planning Program

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Retirement pension (Defined Benefit type) asset	KRW million	907	1,045	1,164

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Retirement pension (Defined Benefit type) asset	KRW million	16,624	19,652	22,133

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Retirement pension (Defined Benefit type) asset ¹	KRW million	391	295	3,327 ²

1. Corrected and disclosed 2021 and 2022 retirement pension management amount
 2. Increase in reserves to comply with the minimum funding obligation due to the amendment of the Enforcement Decree of the Employee Retirement Benefit Security Act in 2023.

Talent Management

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Total training expenses	KRW	17,931,703	21,915,100	41,571,669
Average training expenses per employee	KRW	747,154	755,693	1,259,748
Average training hours per employee	Hours	27	48	56
- Job related courses	Hours	21	42	51
- Code of Conduct/Ethics	Hours	4	4	4
- Information protection/security	Hours	2	2	1

HANSAE CO., LTD.

Category	Unit	2021	2022	2023		
Total training expenses ¹	KRW	285,889,272	372,841,138	675,172,984		
Average training expenses per employee	KRW	311,766	412,435	835,610		
Average training hours per employee	Hours	39	49	55		
Job related courses	- Average training hours per employee	Hours	33	43	49	
Domestic	Code of Conduct/Ethics	- Average training hours per employee	Hours	4	4	4
	Information protection/security	- Average training hours per employee	Hours	2	2	2
	Average training hours per employee ²	Hours	17.0	61.3	306.9	
	Labor	- Average training hours per employee	Hours	13.8	29.4	287 ³
Overseas	Health and Safety	- Average training hours per employee	Hours	2.2	22.7	11
	Security	- Average training hours per employee	Hours	1.0	9.2	8.9

1. The total employee training expenses are disclosed only for domestic business sites.
 2. Corrected and disclosed the average training hours for employees at HANSAE CO., LTD.'s overseas operations in 2022.
 3. Increase in labor training hours due to the increase in new hires at HANSAE CO., LTD.'s overseas operations.

Social

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Total training expenses	KRW	19,240,380	20,575,418	23,437,260
Average training expenses per employee	KRW	102,342	75,924	78,124
Average training hours per employee	Hours	44	36	36
Job related courses	- Average training hours per employee Hours	36	28	28
Domestic Code of Conduct/Ethics	- Average training hours per employee Hours	7	7	7
Information protection/security	- Average training hours per employee Hours	1	1	1
Average training hours per employee	Hours	4.5	4.5	4.5
Labor	- Average training hours per employee Hours	4.0	4.0	4.0
Overseas Health and Safety	- Average training hours per employee Hours	-	-	-
Security	- Average training hours per employee Hours	0.5	0.5	0.5

Performance Evaluation ¹

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Position)	%	100	100	100
- Deputy managers or above	%	100	100	100
- Below deputy managers	%	100	100	100

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Domestic Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Overseas Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Domestic Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Overseas Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Position)	%	100	100	100
- Senior managers or above	%	100	100	100
- Below senior managers	%	100	100	100

1. Performance evaluation of all employees through MBO (Management by Objectives)

Social

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Domestic Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Overseas Ratio of employees receiving regular performance evaluation (Female)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Domestic Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Overseas Ratio of employees receiving regular performance evaluation (Male)	%	100	100	100
Ratio of employees receiving regular performance evaluation (Position)	%	100	100	100
- Administrative managers or above	%	100	100	100
- Below administrative managers	%	100	100	100

Health and Safety Management System

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
No. of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by Health and Safety Management system	Persons	30,191	22,913	21,648
Ratio of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by Health and Safety Management system	%	100.0	100.0	100
No. of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited	Persons	30,191	22,913	21,648
Ratio of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited	%	100.0	100.0	100
No. of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party	Persons	30,191	21,672	21,024
Ratio of all employees and workers whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party ²	%	100.0	94.5	97.1

1. For overseas business sites

2. One factory in 2023 did not undergo an external audit, excluding 624 employees from the figure.

Industrial Accident

HANSAE YES24 HOLDINGS¹

Category	Unit	2021	2022	2023
No. of fatalities as a result of work-related injury (Employees)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Employees)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Employees)	Cases	0	0	0
Rate of major work-related injuries excluding fatalities (Employees)	TRIR	0	0	0
No. of recordable work-related injuries (Employees)	Cases	0	0	0
Rate of recordable work-related injuries (Employees)	TRIR	0	0	0
Total working hours (Employees)	Hours	1,992	1,976	1,984
Total No. of fatalities for employees	Persons	0	0	0
No. of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
Total working hours (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Hours	0	0	0
No. of cases involved in occupational accidents (Supplier)	Cases	-	-	-
No. of employees involved in occupational accidents (Supplier)	Persons	-	-	-
Industrial accident rate (Supplier)	%	-	-	-
No. of cases involved in occupational accidents	Cases	0	0	0
No. of employees involved in occupational accidents	Persons	0	0	0
Industrial accident rate	%	0	0	0

1. HANSAE YES24 HOLDINGS does not have any supplier where industrial accidents occur due to the nature of its business.

Social

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
No. of fatalities as a result of work-related injury (Employees)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Employees)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Employees)	Cases	111	107	43
Rate of major work-related injuries excluding fatalities (Employees)	TRIR	-	0.371	0.174
No. of recordable work-related injuries (Employees)	Cases	478	391	233
Rate of recordable work-related injuries (Employees)	TRIR	-	1.38	0.95
Total working hours (Employees)	Hours	-	57,627,982	49,282,383
Total No. of fatalities for employees	Persons	0	0	0
No. of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	478	391	233
Rate of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	-	1.35	0.95
Total working hours (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Hours	-	57,627,982	49,282,383
No. of cases involved in occupational accidents (Supplier ²)	Cases	123	97	96
No. of employees involved in occupational accidents (Supplier)	Persons	123	97	96
Industrial accident rate (Supplier)	%	0.81	0.42	0.31
No. of cases involved in occupational accidents	Cases	111	107	43
No. of employees involved in occupational accidents	Persons	111	107	43
Industrial accident rate	%	0.36	0.45	0.2

1. Included overseas business sites data

2. Included top five of Tier 1 subcontractors in Vietnam and Indonesia

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of fatalities as a result of work-related injury (Employees)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Employees)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Employees)	Cases	0	0	0
Rate of major work-related injuries excluding fatalities (Employees)	TRIR	0	0	0
No. of recordable work-related injuries (Employees)	Cases	0	0	0
Rate of recordable work-related injuries (Employees)	TRIR	0	0	0
Total working hours (Employees)	Hours	2,508	2,508	2,508
Total No. of fatalities for employees	Persons	0	0	0
No. of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of fatalities as a result of work-related injury (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of major work-related injuries excluding fatalities (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
No. of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Cases	0	0	0
Rate of recordable work-related injuries (Workers who are not employees but whose work and/or workplace is controlled by the organization)	TRIR	0	0	0
Total working hours (Workers who are not employees but whose work and/or workplace is controlled by the organization)	Hours	0	0	0
No. of cases involved in occupational accidents (Supplier)	Cases	0	0	0
No. of employees involved in occupational accidents (Supplier)	Persons	0	0	0
Industrial accident rate (Supplier)	%	0	0	0
No. of cases involved in occupational accidents	Cases	0	0	0
No. of employees involved in occupational accidents	Persons	0	0	0
Industrial accident rate	%	0	0	0

Social

Efforts for Better Human Rights Culture

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of human rights grievance from stakeholders	Cases	0	0	0
No. of human rights grievance from stakeholders resolved	Cases	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of human rights grievance from stakeholders ¹	Cases	509	488	396
No. of human rights grievance from stakeholders resolved	Cases	509	488	396
Ratio of stakeholder human rights grievance resolved	%	100	100	100

1. No. of human rights grievance at the headquarters: 13 in 2021 / 36 in 2022 / 21 in 2023

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of human rights grievance from stakeholders	Cases	0	0	0
No. of human rights grievance from stakeholders resolved	Cases	0	0	0

Supply Chain ESG Risk Management

HANSAE YES24 HOLDINGS ¹

Category	Unit	2021	2022	2023
No. of new suppliers that were screened via social and environmental impact assessment	Companies	0	0	0
Ratio of new suppliers that were screened via social and environmental impact assessment	%	0	0	0
No. of suppliers that were screened via social and environmental impact assessment	Companies	0	0	0
No. of suppliers identified as having significant actual and potential negative social impacts	Companies	0	0	0
Ratio of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of social and environmental impact assessment	%	0	0	0
Ratio of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of social and environmental impact assessment	%	0	0	0

1. HANSAE YES24 HOLDINGS does not have any suppliers due to the nature of its business.

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of new suppliers that were screened via social and environmental impact assessment	Companies	26	8	3
Ratio of new suppliers that were screened via social and environmental impact assessment	%	100	100	100
No. of suppliers that were screened via social and environmental impact assessment	Companies	109	102	106
No. of suppliers identified as having significant actual and potential negative social impacts	Companies	0	0	0
Ratio of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of social and environmental impact assessment	%	0	0	0
Ratio of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of social and environmental impact assessment	%	0	0	0

Social

HANSAEMK CO., LTD.¹

Category	Unit	2021	2022	2023
No. of new suppliers that were screened via social and environmental impact assessment	Companies	-	-	-
Ratio of new suppliers that were screened via social and environmental impact assessment	%	-	-	-
No. of suppliers that were screened via social and environmental impact assessment	Companies	-	-	-
No. of suppliers identified as having significant actual and potential negative social impacts	Companies	-	-	-
Ratio of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of social and environmental impact assessment	%	-	-	-
Ratio of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of social and environmental impact assessment	%	-	-	-

1. HANSAEMK CO., LTD. is currently in the process of establishing a system for conducting social and environmental impact assessment on its suppliers, and plans to supplement and disclose this in the future.

Information Security

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of information security investment compared to total IT investment	%	0	0	0
Total investment in IT	KRW 100 million	-	-	-
Investment in information security	KRW 100 million	-	-	-

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Ratio of information security investment compared to total IT investment	%	7	4	5
Total investment in IT	KRW 100 million	29	26	30
Investment in information security	KRW 100 million	2	1.1	1.4

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Ratio of information security investment compared to total IT investment	%	4	13	6.2
Total investment in IT	KRW 100 million	2.5	4.7	5.3
Investment in information security	KRW 100 million	0.1	0.6	0.3

Governance

Economic Value Generated and Distributed

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Net profit (Loss)	KRW million	75,870	49,482	111,443
Worker wages	KRW million	2,162	2,550	2,217
Welfare	KRW million	17,298	18,987	18,534
Dividend	KRW million	22,666	23,443	9,815
Corporate taxes and other taxes	KRW million	(3,124)	54,009	21,122
Local community investment	KRW million	-	-	121

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Net profit (Loss)	KRW million	67,341	85,635	112,035
Worker wages	KRW million	40,418	39,000	37,381
Welfare	KRW million	9,598	10,807	9,994
Dividend	KRW million	19,620	19,620	19,691
Corporate taxes and other taxes	KRW million	31,024	44,800	28,890
Local community investment	KRW million	0	116	283

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Net profit (Loss)	KRW million	(30,982)	(37,767)	(6,426)
Worker wages	KRW million	10,011	14,037	17,773
Welfare	KRW million	1,881	2,903	3,469
Dividend	KRW million	0	0	0
Corporate taxes and other taxes	KRW million	7,236	116	(9,477)
Local community investment	KRW million	323	11	67

Stakeholder Engagement

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Budget allocated for stakeholder communications	KRW million	16	58	82
No. of people working on stakeholder communications	Persons	3	3	3

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Budget allocated for stakeholder communications	KRW million	92	129	100
No. of people working on stakeholder communications	Persons	2	3	3

Governance

Tenure and Industry Experience of the BoD

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Average tenure	Years	5.1	6.1	5.4

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Average tenure	Years	4.2	4.3	5.8

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Average tenure	Years	4.1	4.0	4.0

Diversity of the BoD

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of individuals within the BoD (Female)	%	28.6	28.6	25
Ratio of individuals within the BoD (Male)	%	71.4	71.4	75
Ratio of individuals within the BoD (Under 30)	%	0	0	0
Ratio of individuals within the BoD (30-50)	%	42.9	42.9	37.5
Ratio of individuals within the BoD (50 above)	%	57.1	57.1	62

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Ratio of individuals within the BoD (Female)	%	14	29	17
Ratio of individuals within the BoD (Male)	%	86	71	83
Ratio of individuals within the BoD (Under 30)	%	0	0	0
Ratio of individuals within the BoD (30-50)	%	14	14	17
Ratio of individuals within the BoD (50 above)	%	86	86	83

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Ratio of individuals within the BoD (Female)	%	16.7	14.3	14.3
Ratio of individuals within the BoD (Male)	%	83.3	85.7	85.7
Ratio of individuals within the BoD (Under 30)	%	0	0	0
Ratio of individuals within the BoD (30-50)	%	33.3	28.6	28.6
Ratio of individuals within the BoD (50 above)	%	66.7	71.4	71.4

Governance

Composition of the BoD

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of members	Persons	7	7	7
No. of independent directors	Persons	3	3	3

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	7	7	6
No. of independent directors	Persons	3	3	3

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	6	7	7
No. of independent directors	Persons	3	3	3

Operation Performance of the BoD

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of independent directors with less than 75% board attendance	Persons	0	0	0
No. of BoD meetings held	Times	4	5	9
No. of Independent Director Recommendation Committee meetings held	Times	-	0	2
Average attendance percentage of the BoD	%	93	89	94

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of independent directors with less than 75% board attendance	Persons	0	0	0
No. of BoD meetings held	Times	9	6	7
No. of Independent Director Recommendation Committee meetings held	Times	-	0	0
Average attendance percentage of the BoD	%	87	86	100

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of independent directors with less than 75% board attendance	Persons	0	0	0
No. of BoD meetings held	Times	6	10	13
No. of Independent Director Recommendation Committee meetings held	Times	1	1	1
Average attendance percentage of the BoD	%	88	91	86

Governance

Expertise of BoD

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Independent director trainings	Times	-	3	1

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Independent director trainings	Times	-	3	3

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Independent director trainings	Times	-	-	1

Sustainable Management Committee

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of members	Persons	-	6	6
No. of independent directors	Persons	-	3	3
No. of meetings held	Times	-	4	5

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	-	6	5
No. of independent directors	Persons	-	3	3
No. of meetings held	Times	-	1	4

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	-	4	5
No. of independent directors	Persons	-	3	3
No. of meetings held	Times	-	1	2

Governance

Audit Committee

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of members	Persons	3	3	3
No. of independent directors	Persons	3	3	3
No. of meetings held	Times	5	4	6
Remuneration for audit services paid to external auditors	KRW million	154	185	185
Remuneration for non-audit services paid to external auditors	KRW million	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	3	3	3
No. of independent directors	Persons	3	3	3
No. of meetings held	Times	5	4	7
Remuneration for audit services paid to external auditors	KRW million	502	600	600
Remuneration for non-audit services paid to external auditors	KRW million	33	0	0

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of members	Persons	3	3	3
No. of independent directors	Persons	3	3	3
No. of meetings held	Times	2	2	9
Remuneration for audit services paid to external auditors	KRW million	220	482	430
Remuneration for non-audit services paid to external auditors	KRW million	9	61	79

Shareholder Communication

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Prior notice of location and agenda of regular meetings of general shareholders	Days before	40	38	33
Date of auditor's report pre-disclosure before notice of regular meetings of general shareholders	Days before	8	8	9
No. of investor presentations	Times	1	1	1
No. of voluntary disclosure	Cases	0	0	2

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Prior notice of location and agenda of regular meetings of general shareholders	Days before	21	15	43
Date of auditor's report pre-disclosure before notice of regular meetings of general shareholders	Days before	8	8	9
No. of investor presentations	Times	1	1	1
No. of voluntary disclosure	Cases	0	1	1

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Prior notice of location and agenda of regular meetings of general shareholders	Days before	36	21	21
Date of auditor's report pre-disclosure before notice of regular meetings of general shareholders	Days before	8	8	9
No. of investor presentations	Times	1	1	1
No. of voluntary disclosure	Cases	0	0	1

Governance

Anti-Bribery and Anti-Corruption Policy

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Ratio of governance body members that the organization's anti-corruption policies have been communicated to	%	100	100	100
Ratio of employees that the organization's anti-corruption policies have been communicated to	%	100	100	100

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Ratio of governance body members that the organization's anti-corruption policies have been communicated to	%	100	100	100
Ratio of employees that the organization's anti-corruption policies have been communicated to	%	100	100	100

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Ratio of governance body members that the organization's anti-corruption policies have been communicated to	%	100	100	100
Ratio of employees that the organization's anti-corruption policies have been communicated to	%	100	100	100

Ethics Violations and Actions

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of reported Code of Conduct/Ethics violations	Cases	0	0	0
No. of substantiated Code of Conduct/Ethics violations, or incidents under investigation	Cases	0	0	0
Total No. of corruption cases	Cases	0	0	0
No. of employees who were disciplined/terminated due to corruption	Cases	0	0	0
No. of suppliers who were disciplined/terminated due to corruption	Cases	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of reported Code of Conduct/Ethics violations	Cases	0	0	0
No. of substantiated Code of Conduct/Ethics violations, or incidents under investigation	Cases	0	0	0
Total No. of corruption cases	Cases	0	0	0
No. of employees who were disciplined/terminated due to corruption	Cases	0	0	0
No. of suppliers who were disciplined/terminated due to corruption	Cases	0	0	0

Governance

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of reported Code of Conduct/Ethics violations	Cases	0	1 ¹	0
No. of substantiated Code of Conduct/Ethics violations, or incidents under investigation	Cases	0	1 ¹	0
Total No. of corruption cases	Cases	0	1 ¹	0
No. of employees who were disciplined/terminated due to corruption	Cases	0	1 ¹	0
No. of suppliers who were disciplined/terminated due to corruption	Cases	0	0	0

1. 2022년에 발생한 부패 사례 1건은 즉각 인사위원회에 회부하여 내부 감사 후 해고 처리

Grievance Mechanisms

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of grievances within the grievance mechanism	Cases	0	0	0
No. of grievances within the grievance mechanism that have been resolved	Cases	0	0	0
Ratio of grievances within the grievance mechanism that have been resolved	%	0	0	0

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
No. of grievances within the grievance mechanism	Cases	13	36	21
No. of grievances within the grievance mechanism that have been resolved	Cases	13	36	21
Ratio of grievances within the grievance mechanism that have been resolved	%	100	100	100

1. Disclosure for the headquarters only

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of grievances within the grievance mechanism	Cases	0	0	0
No. of grievances within the grievance mechanism that have been resolved	Cases	0	0	0
Ratio of grievances within the grievance mechanism that have been resolved	%	0	0	0

Governance

Anti-Corruption (Ethics Management) Training

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
Total No. of governance body members that have received training on anti-corruption	Persons	7	7	7
Ratio of governance body members that have received training on anti-corruption	%	100	100	100
No. of employees trained in anti-corruption by position	Persons	27	24	29
Ratio of employees trained in anti-corruption by position	%	100	100	100

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
Total No. of governance body members that have received training on anti-corruption	Persons	6	7	7
Ratio of governance body members that have received training on anti-corruption	%	100	100	100
No. of employees trained in anti-corruption by position	Persons	242	384	398
Ratio of employees trained in anti-corruption by position	%	100	100	100

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
Total No. of BoD members that have received training on anti-corruption	Persons	0	0	6
Ratio of BoD members that have received training on anti-corruption	%	100	100	100
No. of domestic employees trained in anti-corruption by position	Persons	555	514	457
Ratio of domestic employees trained in anti-corruption by position	%	100	100	100
No. of overseas employees trained in anti-corruption by position	Persons	-	7,951	6,737
Ratio of overseas employees trained in anti-corruption by position	%	-	34	31
Total No. of employees that have received training on anti-corruption, broken down by country	Persons	-	7,951	6,737
- Vietnam	Persons	-	2,621	2,576
- Indonesia	Persons	-	4,192	3,671
- Myanmar	Persons	-	774	169
Ratio of employees that have received training on anti-corruption, broken down by country	%	-	34	31
- Vietnam	%	-	29	31
- Indonesia	%	-	98	85
- Myanmar	%	-	62	4

1. Training attendance in the following order: Indonesia (3,671 persons), Vietnam (2,576 persons), Haiti (254 persons), Nicaragua (169 persons), Guatemala (67 persons).

Governance

Corruption Risk Assessments

HANSAE YES24 HOLDINGS¹

Category	Unit	2021	2022	2023
No. of business sites that conducted corruption risk assessments	ea	0	0	0
Ratio of business sites that conducted corruption risk assessments	%	0	0	0

1. Based on internal accounting control standards

HANSAE CO., LTD.¹

Category	Unit	2021	2022	2023
No. of business sites that conducted corruption risk assessments	ea	123	121	140
Ratio of business sites that conducted corruption risk assessments	%	100	100	100

1. Based on internal compliance standards

HANSAEMK CO., LTD.¹

Category	Unit	2021	2022	2023
No. of business sites that conducted corruption risk assessments	ea	0	0	0
Ratio of business sites that conducted corruption risk assessments	%	0	0	0

1. Based on internal accounting control standards

Violation of Laws

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of legal/regulatory violations	Cases	0	0	0
-Instances for which fines were incurred	Cases	0	0	0
-Instances for which non-monetary sanctions were incurred	Cases	0	0	0
Fines for instances of non-compliance with laws and regulations	KRW million	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of legal/regulatory violations	Cases	1	1	1
-Instances for which fines were incurred	Cases	1	1	1
-Instances for which non-monetary sanctions were incurred	Cases	1	1	1
Fines for instances of non-compliance with laws and regulations ¹	KRW million	270.4	271.5	257.3

1. Penalties incurred due to failure to meet the mandatory employment rate under the Employment Promotion and Vocational Rehabilitation of Disabled Persons Act

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of legal/regulatory violations	Cases	1	1	0
-Instances for which fines were incurred	Cases	1	1	0
-Instances for which non-monetary sanctions were incurred	Cases	1	1	0
Fines for instances of non-compliance with laws and regulations ¹	KRW million	195 ²	146	0

1. Penalties incurred due to failure to meet the mandatory employment rate under the Employment Promotion and Vocational Rehabilitation of Disabled Persons Act

2. Including violation of the Labor Standards Act (KRW 950,000)

Governance

Unfair Trade Practices

HANSAE YES24 HOLDINGS

Category	Unit	2021	2022	2023
No. of legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Cases	0	0	0

HANSAE CO., LTD.

Category	Unit	2021	2022	2023
No. of legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Cases	0	0	0

HANSAEMK CO., LTD.

Category	Unit	2021	2022	2023
No. of legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Cases	0	0	0

HANSAE CO., LTD.

Category	Unit	Amount
Korean Red Cross	KRW	127,000,000
FRIENDS OF NATIONAL MUSEUM OF KOREA	KRW	58,000,000
Seoul National University Scholarship Association	KRW	10,000,000
KOREA GREEN FOUNDATION	KRW	10,000,000
Woodang Educational and Cultural Foundation	KRW	5,000,000
KOREAN NATIONAL BALLET	KRW	5,000,000

HANSAEMK CO., LTD.

Category	Unit	Amount
Jeonghwa Arts University	KRW	2,546,280
Arumjigi Foundation	KRW	7,100,000
FRIENDS OF NATIONAL MUSEUM OF KOREA	KRW	12,000,000
YOUNG FRIENDS OF NATIONAL MUSEUM OF KOREA	KRW	38,000,000
Seoul Children's Welfare Committee	KRW	1,000,000
Kukje Arts and Culture Foundation	KRW	1,000,000
YANA	KRW	1,400,100
YÉOL	KRW	4,000,000

Donations

HANSAE YES24 HOLDINGS

Category	Unit	Amount
HANSAE YES24 FOUNDATION	KRW	110,000,000
KOREA GREEN FOUNDATION	KRW	10,000,000
Korea National Contemporary Dance Company	KRW	1,000,000

GRI Index

Statement of use	HANSAE YES24 Group (HANSAE YES24 HOLDINGS, HANSAE CO., LTD., HANSAEMK CO., LTD.) reports its sustainability management information in accordance with reporting principles of GRI Standards for the period from January 1, 2023, to December 31, 2023.
GRI 1 used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	As of the publication date, there are no standards for the pharmaceutical and healthcare industry sectors relevant to HANSAE YES24 Group's major industries, hence they are not applied.

GRI 2 : General Disclosures

Category	Index	Content	Page	Remarks
GRI 2 : The organization and its reporting practices	2-1	Organizational details	6-10	
	2-2	Entities included in the organization's sustainability reporting	-	About This Report
	2-3	Reporting period, frequency, and contact point	-	About This Report
	2-4	Restatements of information	-	About This Report
	2-5	External assurance	117	For modified data, separate annotations have been indicated
GRI 2 : Activities and workers	2-6	Activities, value chain and other business relationships	6-10	
	2-7	Employees	87-88	
	2-8	Workers who are not employees	-	Insufficient information (not disclosing the total number of employees of the suppliers in accordance with the Fair Transactions in Subcontracting Act)
GRI 2 : Governance	2-9	Governance structure and composition	62, 67, 71	
	2-10	Nomination and selection of the highest governance body	62, 67, 71	
	2-11	Chair of the highest governance body	62, 67, 71	
	2-12	Role of the highest governance body in overseeing the management of impacts	14-15	
	2-13	Delegation of responsibility for managing impacts	14-15	
	2-14	Role of the highest governance body in sustainability reporting	14-15, 65, 70, 74	
	2-15	Conflicts of interest	66, 70, 74	Refer to business reports
	2-16	Communication of critical concerns	77	
	2-17	Collective knowledge of the highest governance body	63, 68, 72, 104	
	2-18	Evaluation of the performance of the highest governance body	64, 69, 73	
	2-19	Remuneration policies	64, 69, 73	
2-20	Process to determine remuneration	64, 69, 73		
2-21	Annual total compensation ratio	-	Disclosure omitted (confidential)	

GRI 2 : General Disclosures

Category	Index	Content	Page	Remarks
GRI 2 : General Disclosures	2-22	Statement on sustainable development strategy	2-4	
	2-23	Policy commitments	43, 46, 75	
	2-24	Embedding policy commitments	44, 46-47, 76	
GRI 2 : Strategy, policy, and practices	2-25	Processes to remediate negative impacts	77	
	2-26	Mechanisms for seeking advice and raising concerns	45, 76	
	2-27	Compliance with laws and regulations	30, 109	
	2-28	Membership associations	119	
	2-29	Approaches to stakeholder engagement	17	
2-30	Collective bargaining agreements	93		

GRI Index

GRI 3 : Material Topics

Category	Index	Content	Page	Remarks
GRI 3 : Disclosures on material topics	3-1	Process to determine material topics	18	
	3-2	List of material topics	18	
Material Topic 1	Raw Materials			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 301 : Materials	301-2	Recycled input materials used	32-34, 82	
Material Topic 2	Human Rights Management			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 406 : Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	45, 99	
GRI 409 : Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	44	
Material Topic 3	Waste Management			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 306 : Waste	306-1	Waste generation and significant waste-related impacts	35	
	306-2	Management of significant waste-related impacts	35-36	
	306-3	Waste generated	86	
	306-4	Waste diverted from disposal	86	
	306-5	Waste directed to disposal	86	
Material Topic 4	Response to Climate Change			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 302 : Energy	302-1	Energy consumption within the organization	84	
	302-3	Energy intensity	84	
	302-4	Reduction of energy consumption	29	
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	83	
	305-2	Energy indirect (Scope 2) GHG emissions	83	
	305-4	GHG emissions intensity	83	
	305-5	Reduction of GHG emissions	25-31	
	Material Topic 5	Brand Positioning		
GRI 3 : Material Topics 2021	3-3	Management of material topics		
Non GRI				No applicable Topic Standards

GRI 3 : Material Topics

Category	Index	Content	Page	Remarks
Material Topic 6	Safe Workplace			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 403 : Occupational Health and Safety	403-1	Occupational health and safety management system	46-49	
	403-2	Hazard identification, risk assessment, and incident investigation	47-48	
	403-3	Occupational health services	49	
	403-4	Worker participation, consultation, and communication on occupational health and safety	48-49	
	403-5	Worker training on occupational health and safety	48	
	403-6	Promotion of worker health	49, 59	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46, 49	
	403-8	Workers covered by an occupational health and safety management system	48-49	
	403-9	Work-related injuries	96-97	
Material Topic 7	Diversity, Equity, and Inclusion			
GRI 3 : Material Topics 2021	3-3	Management of material topics		
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	54, 87-90	
	405-2	Ratio of base salary and remuneration of women to men	93	
Material Topic 8	Sustainable Products			
Non GRI				No applicable Topic Standards

GRI Index

GRI 2 : GRI Topic Standards Disclosures

Category	Index	Content	Page	Remarks
GRI 201 : Economic Performance	201-1	Direct economic value generated and distributed	102	
	201-2	Financial implications and other risks and opportunities due to climate change	25-27	
GRI 203 : Indirect Economic Impacts	203-1	Infrastructure investments and services supported	50-53	
	203-2	Significant indirect economic impacts		
GRI 205 : Anti-corruption	205-1	Operations assessed for risks related to corruption	77, 109	
	205-2	Communication and training about anti-corruption policies and procedures	75-77, 108	
	205-3	Confirmed incidents of corruption and actions taken	106-107	
GRI 206 : Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	No legal actions for anti-competitive behavior, anti-trust, and monopoly practices
GRI 303 : Water and Effluents	303-1	Interactions with water as a shared resource	39-40	
	303-2	Management of water discharge-related impacts	40	
	303-5	Water consumption	85	
GRI 304 : Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	40	
	304-2	Significant impacts of activities, products and services on biodiversity	40	
GRI 308 : Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	99-100	
	308-2	Negative environmental impacts in the supply chain and actions taken	99-100	
GRI 401 : Employment	401-1	New employee hires and employee turnover	89-91	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	59-60	
	401-3	Parental leave	92	
GRI 402 : Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	45	
GRI 404 : Training and Education	404-1	Average hours of training per year per employee	94-95	
	404-2	Programs for upgrading employee skills and transition assistance programs	57	
	404-3	Ratio of employees receiving regular performance and career development reviews	95-96	
GRI 408 : Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	44	

GRI 2 : GRI Topic Standards Disclosures

Category	Index	Content	Page	Remarks
GRI 413 : Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	51-52	
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	No substantiated complaints concerning breaches of customer privacy and losses of customer data

SASB Index

HANSAE YES24 Group discloses relevant data according to the Sustainability Accounting Standard Board (SASB) framework, a set of voluntary industry-specific disclosure standards developed for sustainability issues. Through this, the Group aims to provide useful information to investors and various stakeholders in the process of their decision-making. The SASB index is prepared according to the Apparel, Accessories & Footwear industry standards in the Consumer Goods sector of the Sustainability Industry Classification System (SICS).

Topic	Code	Accounting Metric	Unit	Page
Management of Chemicals in Products	CG- AA- 250a.1	Discussion of processes to maintain compliance with restricted substances regulations	-	39
	CG- AA- 250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	-	39
Environmental Impacts in the Supply Chain	CG- AA- 430a.1	Ratio of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	%	39
	CG- AA- 430a.2	Ratio of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	%	39
Labor Conditions in the Supply Chain	CG- AA- 430b.1	Ratio of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	%	44
	CG- AA- 430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	%	44, 99
	CG- AA- 430b.3	Description of the greatest (1) labor and (2) environmental, health, and safety risks within the supply chain	-	20, 44
Raw Material Sourcing	CG- AA- 440a.1	Description of environmental and social risks associated with the sourcing of priority raw materials	-	32
	CG- AA- 440a.2	Ratio of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	%	34

TCFD Index

In response to the escalating environmental issues due to climate change, HANSAE YES24 Group is actively formulating a range of policies for climate change adaptation. Furthermore, led by its parent company, HANSAE CO, LTD., has established a mid- to long-term goal of achieving carbon neutrality by 2050. Through major climate change response strategies such as installing solar power facilities, utilizing Renewable Energy Certificates (RECs), implementing our own smart manufacturing system (HANSAE Advanced Manufacturing System, HAMS), and transitioning to electric vehicles, we aim to reduce carbon emissions and take a leading role in the eco-friendly fashion ecosystem. We are committed to converting climate change risks into opportunities, thereby contributing to the global aspiration of achieving carbon neutrality.

Governance

Subject of Recommendation		Page
A	Describe the board's oversight of climate-related risks and opportunities	25
B	Describe management's role in assessing and managing climate-related risks and opportunities	

Strategies

Subject of Recommendation		Page
A	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	26-31
B	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	
C	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	

Risk Management

Subject of Recommendation		Page
A	Describe the organization's processes for identifying and assessing climate-related risks	26-29
B	Describe the organization's processes for managing climate-related risks	
C	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	

Metrics and Targets

Subject of Recommendation		Page
A	Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	25-29
B	Disclose Scope 1 (Direct emissions), Scope 2 (Indirect emissions), and Scope 3 (Miscellaneous indirect scope) greenhouse gas (GHG) emissions, and the related risks	
C	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	

UN SDGs

HANSAE YES24 Group strives to meet the Sustainable Development Goals (SDGs) which are composed of 17 goals and 169 specific targets aimed at addressing economic, environmental, and social issues facing the planet and achieving sustainable development. HANSAE YES24 Group has aligned its corporate goals and activities with 11 out of 17 SDGs and created tangible social value and, moving forward, we will further expand our activities to make more contribution to achievement of SDGs.

Category	Principle	Main Activities of HANSAE YES24 Group	Page
Goal 03 	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> • Provided medical checkup to employees • Operated a mental health promotion program for employees 	49, 58, 59
Goal 04 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> • Providing living support to families with financial constraints and supporting cultural exchange projects among Asian countries etc. • Initiation of local CSR activities where overseas operations are located. • Increased professional job training and opportunities to develop competence 	51, 57
Goal 05 	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> • Pursued fair recruitment under the DE&I principle • Operated In-house maternity care programs to reduce childcare burden 	54, 55
Goal 06 	Ensure availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"> • Established a clothing production system utilizing used fabric waste • Operated water recycling systems and conducted environmental impact assessments • Carried out monitoring to protect and restore water-related ecosystems 	36, 39, 40
Goal 08 	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> • Operated training programs for workforce development in overseas business sites • Implemented policies to prohibit and eradicate child labor 	51, 52, 57
Goal 09 	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<ul style="list-style-type: none"> • Transformation of social infrastructure through the adoption of resource-efficient and environmentally safe technologies and industrial processes • Generated continuous operating profit through responsible management by the leadership 	22, 28, 29
Goal 10 	Reduce inequality within and among countries	<ul style="list-style-type: none"> • Supported the growth of female managers • Expanded the recruitment of employees with disabilities 	54, 55
Goal 12 	Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> • Expanded production lines and product line-up for eco-friendly products • Conducted eco-friendly campaigns to promote upcycling of products • Minimized overproduction and inventory by utilizing IT technologies 	32-34, 36
Goal 13 	Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> • Conducted activities to reduce GHG emissions and energy use 	25-28
Goal 16 	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> • Implemented ethical management • Complied with conflict mineral regulations • Expanded communication channels and platforms for key stakeholders 	75, 76
Goal 17 	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> • Expanded communication channels and platforms for key stakeholders • Maximized customer satisfaction through continuous customer engagement 	17

UN Global Compact Commitment

HANSAE YES24 Group strives to meet the Sustainable Development Goals (SDGs) which are composed of 17 goals and 169 specific targets aimed at addressing economic, environmental, and social issues facing the planet and achieving sustainable development. HANSAE YES24 Group has aligned its corporate goals and activities with 10 out of 17 SDGs and created tangible social value and, moving forward, we will further expand our activities to make more contribution to achievement of SDGs.



Category	Principle	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights; and	43
	2. make sure that they are not complicit in human rights abuses.	44
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	45
	4. the elimination of all forms of forced and compulsory labour;	44, 45
	5. the effective abolition of child labour; and	44
	6. the elimination of discrimination in respect of employment and occupation.	56
Environment	7. Businesses should support a precautionary approach to environmental challenges;	25-31, 35-41
	8. undertake initiatives to promote greater environmental responsibility; and	25-31, 35-41
	9. encourage the development and diffusion of environmentally friendly technologies.	33, 36
Anti-Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.	75 - 77

GHG Verification Statement

HANSAE CO.,LTD.

Scope

The scope 1,2 GHG Emissions of HANSAE Overseas garment manufacturing sites in the calendar year of 2023.

The verification calculated Scope 1,2 GHG emission based on the activity data from the GHG Emission Report for business sites of HANSAE.

- Complying with the suggestion of WRI/WBCSD GHG Protocol, the sources and the quantity of GHG emissions are calculated by applying operational control approach.
- GHG emissions were calculated based on fixed combustion emissions, mobile combustion emissions, indirect emissions.

Assurance level of verification

Limited Level of Assurance

Data Verified

GHG emissions of HANSAE in 2023 are as follows:

(Unit : ton CO₂-e/yr)

Business Site	Scope1	Scope2	Total
HANSAE VIETNAM CO.,LTD	115	2,873	2,988
HANSAE TN CO.,LTD	135	2,308	2,443
HANSAE TG CO.,LTD	109	3,525	3,634
PT. HANSAE INDONESIA	31	618	649
PT. HANSAE INDONESIA	195	661	856
PT. BOMIN PERMATA ABADI	169	578	747
HANSAE INTERNATIONAL,S.A.	258	1,001	1,259
HANSAE PINULA, S.A.	37	178	215
HS APPAREL, S.A	20	259	279
HANSAE MYANMAR	77	210	287
HANSAE HAITI S.A.	1,493	701	2,194
Annual emissions in 2023	2,639	12,912	15,551

* The total emissions can differ to a cut-off decimal point

GHG Criteria & Protocols used for Verification

This verification was performed at the request of BGF Retail applying the following criteria and guidelines:

- ISO14064-1:2018 and ISO14064-3:2019
- WBCSD/WRI GHG Protocol
- IPCC GHG Guidance – Revised 2006
- BSI GHGEV Manual

The standard confidentiality principle of BSI Group Korea was applied to all verification activities.

Verification Opinion

As a result of the verification in accordance with the protocols and the best practice listed above, it is the opinion of BSI that:

- The verification was conducted with activity data and evidences provided by HANSAE based on a limited level of assurance.
- No material misstatement in the GHG emission calculations were detected, and relevant records were maintained appropriately.
- Therefore, the BSI Group Korea Verification Team provides a verification opinion that is “appropriate”.

For and on behalf of BSI : **Managing Director Korea, SeongHwan Lim**

Issue : 11/06/2024



Third-Party Assurance Statement

To: The Stakeholders of HANSAE YES24 Group

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the Sustainability Report 2023 (hereinafter referred to as the "Report"). The Assurer is independent of the HANSAE YES24 Group and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the HANSAE YES24 Group report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the HANSAE YES24 Group and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

HANSAE YES24 Group is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to HANSAE YES24 Group only.

The Assurer is responsible for providing HANSAE YES24 Group management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of HANSAE YES24 Group. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than HANSAE YES24 Group in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with HANSAE YES24 Group includes the following:

- Reporting contents during the period from January 1st to December 31st 2023 included in the Report, Some data included half of 2024.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the Report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the Report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website and other report.

Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 1 (confirmation to the four principles as described in the AA1000 AccountAbility Principle 2018)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by HANSAE YES24 Group.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1-2, 203-1-2, 205-1-3, 206-1, 301-2, 302-1, 302-3-4, 303-1-2, 303-5, 304-1-2, 305-1-2, 305-4-5, 306-1-5, 308-1-2, 401-1-3, 402-1, 403-1-9, 404-1-3, 405-1-2, 406-1, 408-1, 409-1, 413-1, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available.
- An assessment of the company's reporting and management processes concerning this report against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the Seoul HQ of HANSAE YES24 Holdings to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment certification body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with HANSAE YES24 Group. The Assurer has conducted this assurance independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Third-Party Assurance Statement

Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that HANSAE YES24 Group's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

HANSAE YES24 Group defined customers, shareholders/investors, supply chain, subsidiaries, employees, governments and local communities as a Key Stakeholder Groups. In order to collect opinions by each stakeholder groups in the context of sustainability, operated the stakeholder engagement process. HANSAE YES24 Group conducted a review of the stakeholder engagement process in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. HANSAE YES24 Group disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

HANSAE YES24 Group implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. HANSAE YES24 Group conducted global reporting standards analysis, benchmarking and media analysis, identified financial impact and social/environmental impact, and determined key issues for the reporting year through expert review of the impact. HANSAE YES24 Group derived 8 key issues through the relevant process, and disclosed GRI topic standards related to material issues in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

HANSAE YES24 Group operated a management process for key issues in the context of sustainability derived from the materiality assessment. HANSAE YES24 Group established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. HANSAE YES24 Group disclosed the process including policy, indicator, activity and response performance on key issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

HANSAE YES24 Group identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the key issues reported. HANSAE YES24 Group established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for key issues, disclosed mid- to long-term plans and strategic system in the Report.

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- It may be helpful to advance the sustainability management system by specifying the goals and detailed tasks for each major issue derived from the materiality assessment, and disclosing the achievement status and improvement measures annually.
- Considering the the industrial sector characteristics of major business companies and the requirements of stakeholders included in the reporting range, It may be helpful to advance the sustainability management system by specifying sustainability strategies and goals for each business company, and disclosing the achievement status and improvement direction annually.
- It may be effective to upgrade the management system of major sustainability environmental and social performance indicators and, to secure data consistency through internal control procedures

GRI-reporting

HANSAE YES24 Group provided us with their self declaration of compliance within GRI Standards. Based on our review, The Assurer confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by HANSAE YES24 Group and the sector standard was not applied.

Issue Date : 25/06/2024

For and on behalf of BSI (British Standards Institution) :

BSI representative

Jungwoo Lee, Lead Assurer, ACSAP

Seonghwan Lim, Managing Director of BSI Korea

BSI Group Korea Limited : 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea

Hold Statement Number : SRA 811172

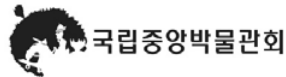


Membership Status & Awards

Awards

Company name	Data	Award Name	Subject
HANSAE YES24 HOLDINGS	2023.11	33rd Chairman's Award from the Korea Company Newsletter Association	Korea Company Newsletter Association
	2023.12	Merit award from the Korean Red Cross	Korean Red Cross
HANSAE CO., LTD.	2023.10	Honorary medal from the Korean Red Cross	Korean Red Cross
	2023.09	"Grand Prize for Comprehensive ESG" at 2023 K-ESG Management Awards	Dong-A Ilbo

Associations



THANKS TO



- Human Resource Team
- Analysis 1 Team
- Analysis 3 Team
- Public Relations Team



- Compliance Team
- HR Team
- People & Culture Team
- Accounting Team
- Business Improvement Team
- IT Operation Team
- Smart Factory Team
- Overseas Subsidiaries
- Technical Service Division
- Logistics Team



- General Affairs Team
- Accounting Team
- Marketing Team
- IT Team
- Sourcing Department

HANSAE YES24
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For this report, we used FSC™ (Forest Stewardship Council™) certified paper that has been sourced and managed in a socially responsible and economically viable manner. And this report paper was printed with soy ink by a company that earned an FSC™ Chain-of-Custody certificate (Certificate No. SGSHK-COC-340194).