



2019-2020 Sustainability Report

Sabrina Fashion Industrial Corp.

1 Planet, 1 Sabrina

1 Planet, 1 Sabrina

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Letter from our CEO



Since Sabrina's founding nearly fifty years ago, we have been enthusiastically focused on garment production and continuously refining our manufacturing techniques and production processes to provide our customers with high quality products and services. Today, climate change, a volatile international environment and the coronavirus pandemic have not only impacted social and economic development but have also brought challenges to our business. Despite the fast-changing environment, we continue to work with our business partners to enhance our technology and reduce the environmental impact of our operations, making a positive contribution to society with environmentally sustainable economic growth.

This is Sabrina's first sustainability report. With our theme "One planet, one Sabrina", we aim to convey to all stakeholders our sustainability philosophy, our rigorous approach to product quality, our respect and care for employees and our commitment to the protection of our planet.

Quality is of utmost importance in our value chain as consumers from around the world have raised their standards and increasingly value sustainability. All aspects of our raw materials procurement, manufacturing, customer service and product quality are strictly controlled in order to provide the best products and services to our customers. In alignment with today's changing environmental and social expectations, we continue to increase our investment in innovation and to promote the use of new environmentally friendly materials through collaboration with our suppliers and communication with our customers.

Employees are the foundation upon which Sabrina's sustainable development is built. We are committed to treating our people with respect, ensuring equal opportunities and creating an inclusive, safe and healthy work environment. Over the years, we have actively engaged with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Industrial Development Organization (UNIDO) to assist our employees, their families and the surrounding communities in improving their educational opportunities and quality of life. Today, we continue to promote projects that address global education.

It is everyone's responsibility to protect the planet. Our production and manufacturing processes have taken environmental impact into consideration. We are committed to the concept of green production. We save energy and reduce emissions by installing solar panels, building rainwater recycling ponds and other measures. We aim to have 40% of our energy consumption supplied by renewable sources. To support global efforts to achieve net zero greenhouse gas emissions, we have drafted the "Sabrina 2021-2025 Net Zero Emissions" white paper. It outlines our plans to increase our use of renewable energy and low-carbon production, and to establish a circular economy business model.

Joyce Chou
Chief Executive Officer

About Sabrina

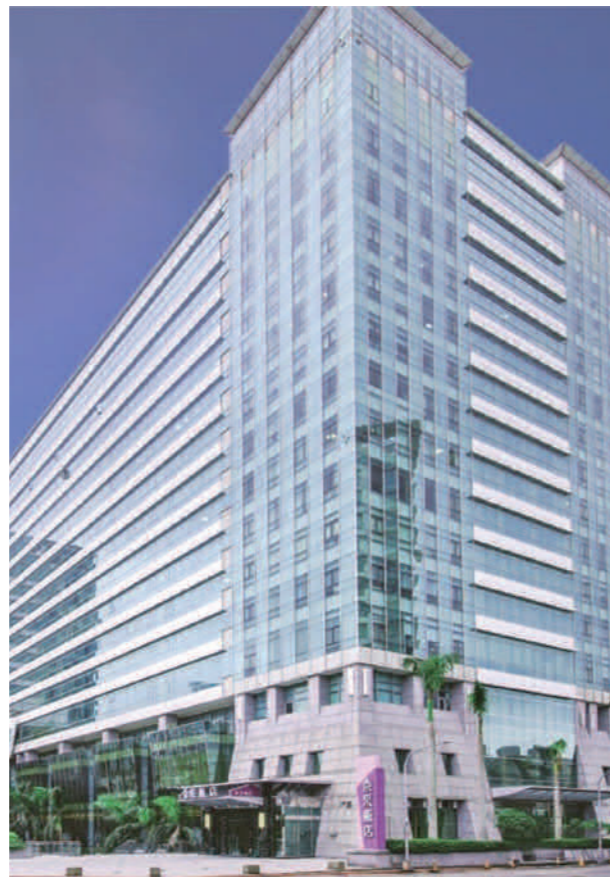
Organization Overview

■ Organization Profile

Sabrina was founded in Taiwan in 1974 by Mr. Masal Chou. Starting out with only ten sewing machines, we have built our reputation on high quality craftsmanship and innovative technique. Our focus on customer satisfaction is the basis for our long-term client relationships.

Sabrina is now a multinational company with operations in four locations worldwide and over 13,000 employees. Throughout our history, we have had a core group of employees who have grown and developed with us. The dedication and expertise of our employees have enabled Sabrina to earn the support and recognition of more than 20 brands and become what it is today.

Since its founding, Sabrina's goal has never changed. We have always insisted on utilizing the latest garment manufacturing and maintaining our professional attitude to maximize the benefit for our customers. This is embodied in our corporate culture and our enthusiasm for customer service. In the future, we will continue to pursue advanced innovative garment technology, to actively participate in environmentally friendly activities and the fight against climate change, to provide a safe working environment and to strengthen the sense of belonging and well-being of our employees. We constantly strive to be a model and benchmark for the industry and to ensure that our business partners and customers benefit from Sabrina's unique value proposition.



Sabrina Fashion Industrial Corp. in Taipei

■ Scope of services

Sabrina provides services including fabric, CM/CMT, OEM and ODM. Since its establishment, Sabrina has built up a proficient production team to provide a complete service chain including design, production, development and delivery.

Kunshan Sabrina



Sabrina (Cambodia)



Top Summit



Sabrina Taipei



■ Mission, Vision, Values & Strategy



Vision

Becoming one of the world's leading innovative apparel manufactory while having a commitment to quality through the strength of our greatest asset: our people, communities and the environment.



Mission

We are committed to having a positive influence on communities we operate in by acting responsibly and furthering our success with customers beyond the industry standard through our responsiveness, quality, and service. We will strive to be the best in every aspect of our business by utilizing our core competencies, fostering a culture of trust, teamwork and generating positive economic impacts.



Values

- Empower our employees to succeed while treating them with respect and dignity.
- Instill a culture of diversity and create an inclusive workplace to continue to drive future success and achievement.
- Act with uncompromising honesty and integrity in everything we do.



2021-2025 Strategy

EPIC GROWTH: Weaving Into \$1B

Serve customers with comprehensive services in global base

OMNI-SOLUTION: A 360° Service Provider

Serve brands with innovative, sustainable products rapidly with all-round capabilities



ELEVATED MANUFACTURING: Efficiency via Modernization

Standardization, automation and MES digitalization

ECO-COMMUNITY: 1 Planet. 1 Sabrina.

Build a greener planet, create an injury-free environment and a more inclusive Sabrina community

Our journey

1970s

Sabrina founded by Mr. Masal Chou.

Operation of a second factory in Taiwan.

1980s

1990s

Kunshan Sabrina was founded.
Cambodia factory was founded.

The second factory in Cambodia opened.
The Sustainable Community Program launched in Cambodia.
The Solar Power System and Rainwater Recycling System were put into use.

2010s

2020s

The fifth production site is planned in Cambodia, with full production scheduled in 2023.

Recognitions and awards



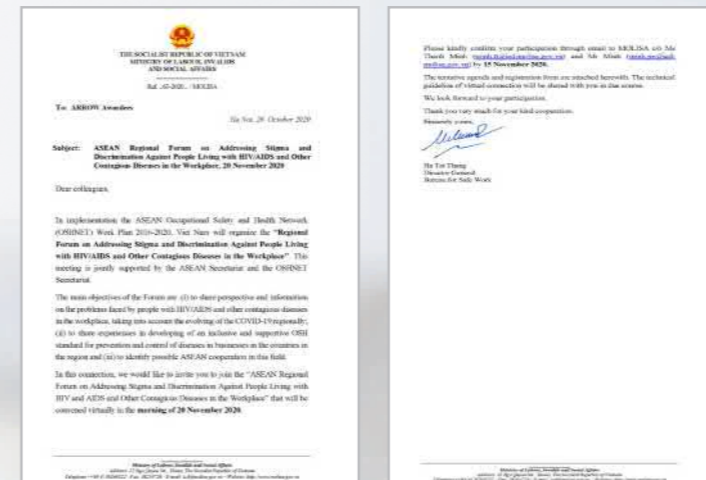
Top Summit received UNESCO certificate



Sabrina (Cambodia) received the second ASEAN-OSHNET Occupational Safety and Health Award



The 3rd ASEAN Red Ribbon for Outstanding Workplace Award



Sabrina (Cambodia) received ARROW Awardee Invitation for ASEAN-OSHNET Forum on Addressing Stigma and Discrimination Against People with HIV/AIDS and Diseases



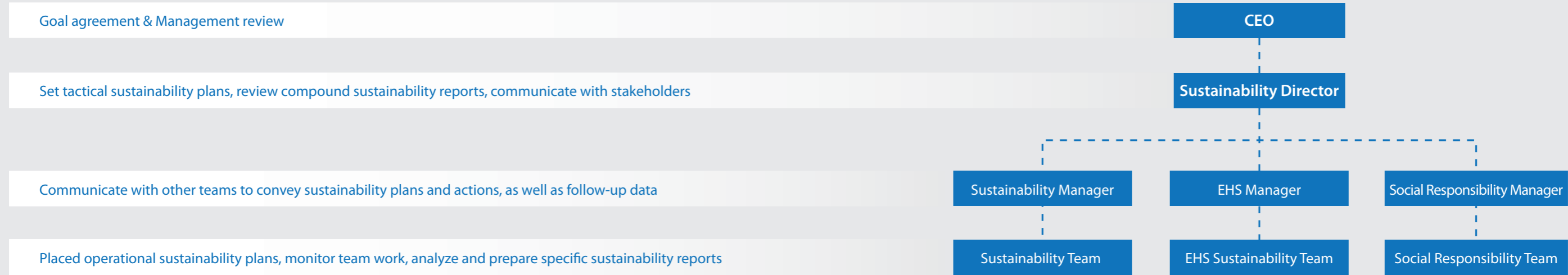
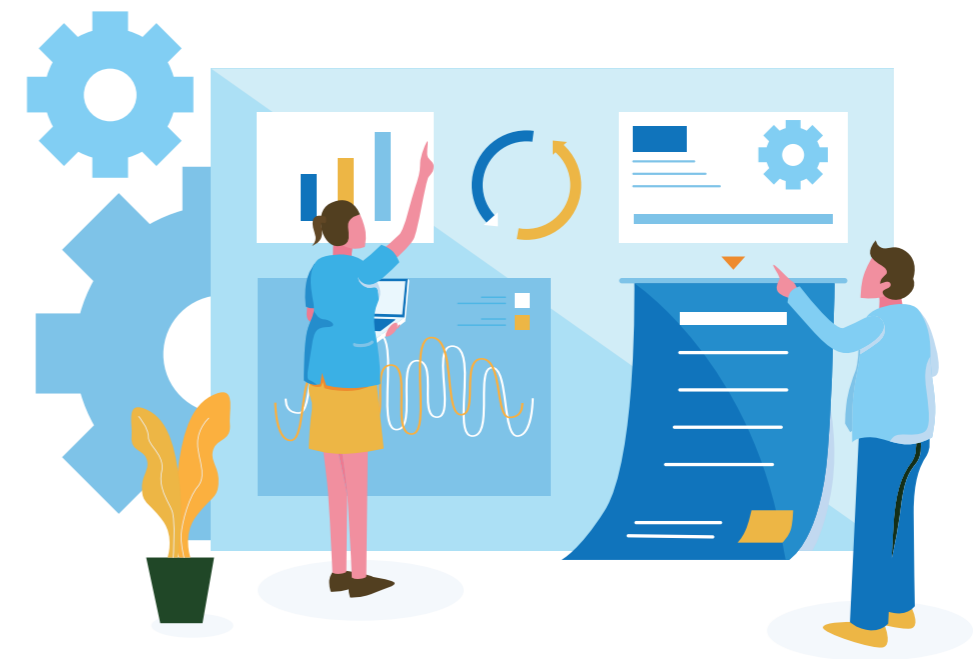
Commitment to sustainability

Sustainability management

■ Sustainability governance

At Sabrina, sustainability is defined as a central task that the various business sectors tackle together on the basis of ambitious goals and systematic sustainability management.

The highest technical committee for sustainability is the corporate social responsibility steering committee under the aegis of the CEO. The steering committee is responsible for Sabrina's strategic direction in relation to sustainability, whereas goal agreements and management review for all sustainability-related issues are the responsibility of the CEO and the management board being responsible for sustainability. The EHS and Sustainability corporate department is responsible for sustainability management, which mainly entails setting and tracking goals, designing and supporting programs, preparing concepts for further development and reporting on sustainability. The Communications and Governmental Affairs corporate department focuses on sustainability communications and stakeholder engagement.



The organization structure of Sustainability Committee

■ Sustainability strategy

Sabrina aspires to help people improve the quality of life for the next generation by acting in an economically, environmentally and socially responsible manner. In support of and in response to the 10 principles of the UN Global Compact and the United Nations' 17 Sustainable Development Goals (SDGs), we have identified the following goals.



Caring for our employees

To meet the challenges of sustainability and growing inequality circumstances, we are in close collaboration with industry professionals, our co-workers and customers – taking ambitious systematic steps towards a more sustainable future.

A career at Sabrina

Sabrina respects and safeguards human rights. Skills and competency trainings are available and accessible for all employees.

Injury-free workplace

Sabrina contributes to employees' health and safety with a well-established management system to ensure that employees work in a safe place.

Talent diversity

Sabrina fully stimulates employees' potential and provides them with many career path opportunities. We are committed to creating a diverse, inclusive and welcoming workplace by respecting the diversity of employees' experiences.

Protecting our planet

We are committed to minimizing our dependence on non-renewable resources by reducing energy consumption and material waste in our facilities through online and electronic means. We abide by environmental regulations and policies. We actively respond to international initiatives on sustainability in our operations and continuously monitor and improve our management practices.

Climate- change

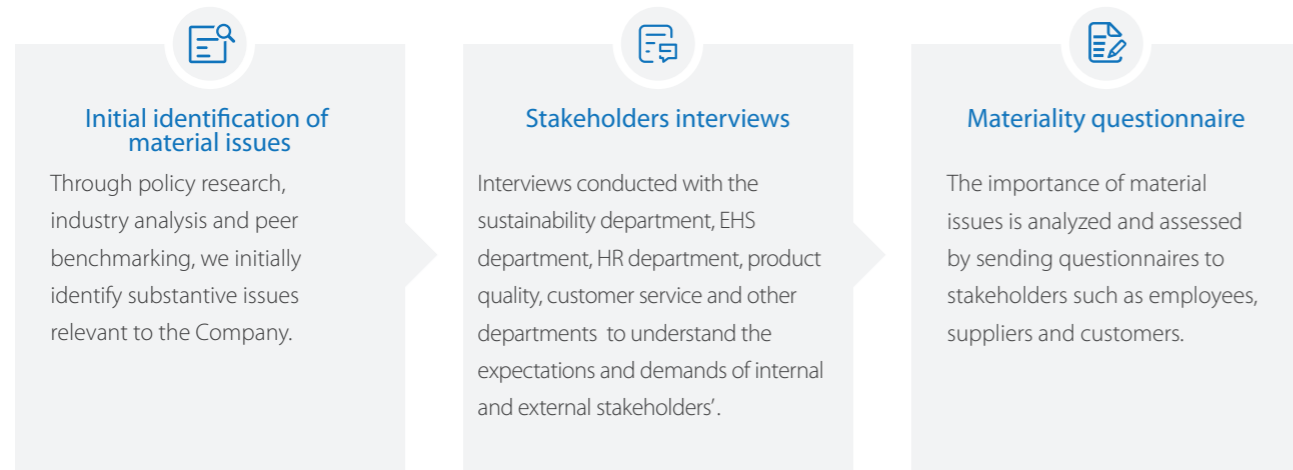
Sabrina is taking part in climate change actions, increasing the investment in green facilities and upgrading our machinery equipment.

Energy

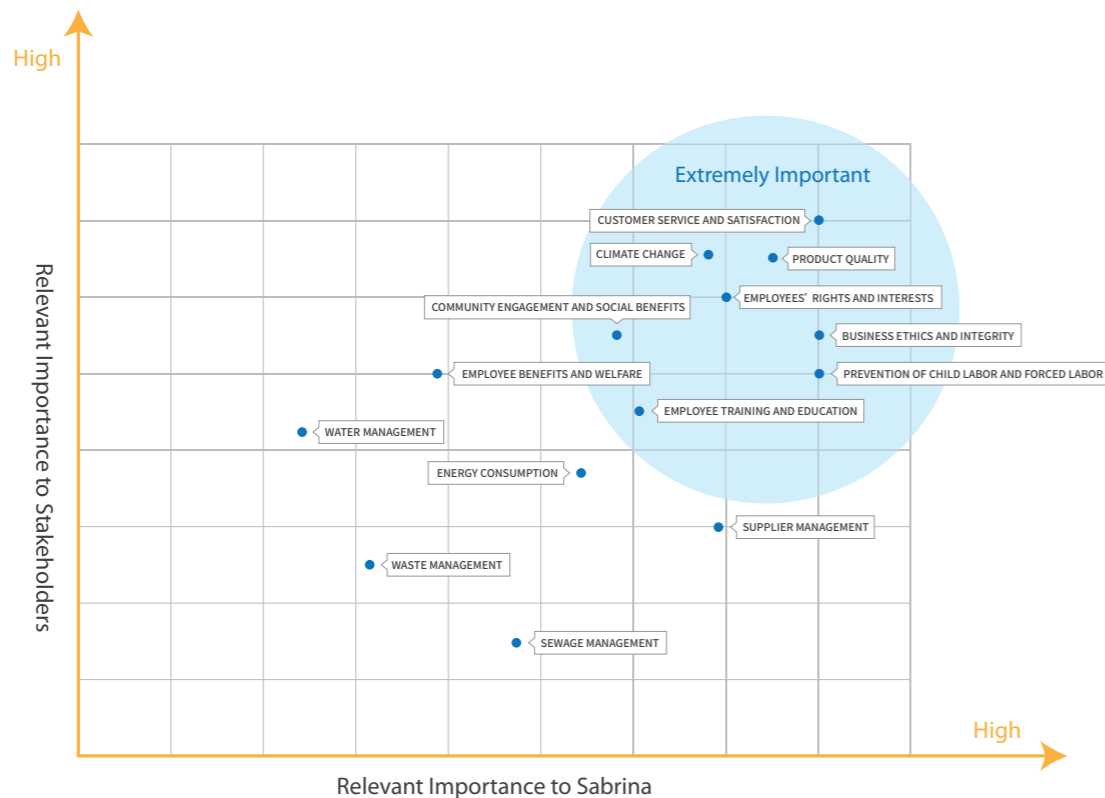
Sabrina strives to continuously enhance energy efficiency via the development of technology and the use of green energy. We are committed to increasing green energy use across the Company to 40% by 2025.

Materiality analysis

Through a systematic and objective materiality analysis process, we identified and screened 14 important sustainability issues for Sabrina and its stakeholders. Meanwhile, we mapped the materiality matrix through research and analysis process.



Materiality analysis process



The materiality matrix of Sabrina

Engaging with stakeholders

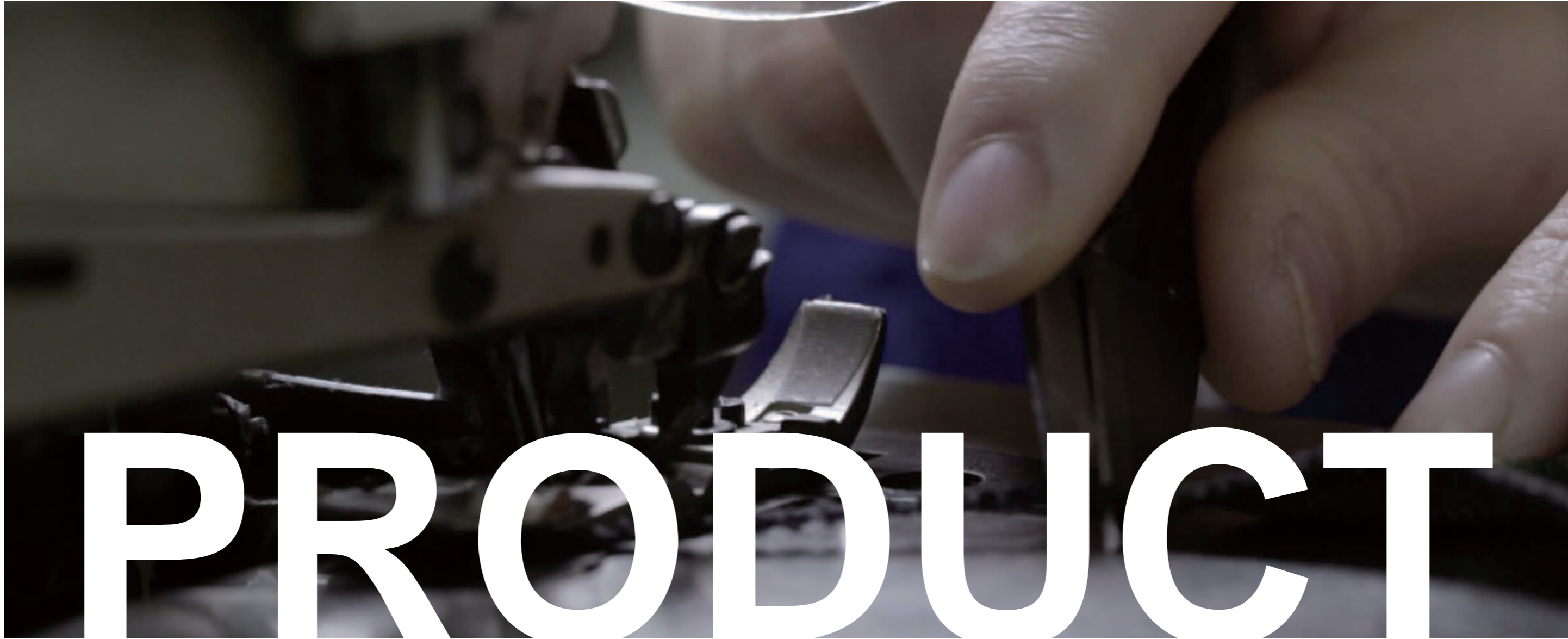
Our stakeholders	Expectations and requirements	Engagement channels
Governments and Regulators	Comply with local laws and regulations Promote local economic development Pay taxes in a timely manner	Implementation of laws and regulations Job creation Pay taxes in accordance with the law
Clients	Provide quality products and services Contract fulfilment in accordance with the law Business integrity	Daily communications and meetings Customer satisfaction investigation and survey Business visits
Employees	Respect human rights Occupational health and safety Salary and Benefits Employee well-being	Employee mailbox Staff congress Staff training and communication conference Staff activities
Suppliers	Contract fulfilment in accordance with the law Supply chain management	Daily communication and meetings Supplier management system Contract fulfilment
The community	Promote local economic development Improve the community environment	Job creation Management of sewage, emissions, and solid waste Carrying out voluntary activities

Business ethics

Integrity and honesty are the most fundamental values of Sabrina. We strictly comply with all laws and regulations in the regions where we operate, conduct all business responsibly and do not condone any illegal, corrupt, bribery or unethical behavior. We have established *Code of Conduct for Employees*, *Code of Ethics* and other institutional documents to regulate employees' behavior in a well-developed system and encourage business partners, suppliers and other stakeholders to understand and support our code of ethics.

It is the responsibility of supervisors at all levels to ensure that the *Code of Ethics* is fully implemented. To this end, supervisors at all levels must understand the content of the *Code of Ethics*, set an example to others, and communicate the requirements of the Code to employees in a timely manner. If a violation of the *Code of Ethics* is found, it is the employee's responsibility to report the issue to his or her direct supervisor; if necessary, the report can be made directly to the head of human resources or through employee grievance channels. We strictly abide by the principle of confidentiality and keep the information of the whistleblower confidential to avoid unfair treatment or retaliation against the whistleblower.

We absolutely prohibit any form of bribery and require our employees to refrain from accepting cash, checks or any other negotiable valuable securities, as well as restrain business hospitality, etc. At the same time, we invite business partners, suppliers, customers and other stakeholders to contribute to the actions on anti-corruption.



Product value chain management

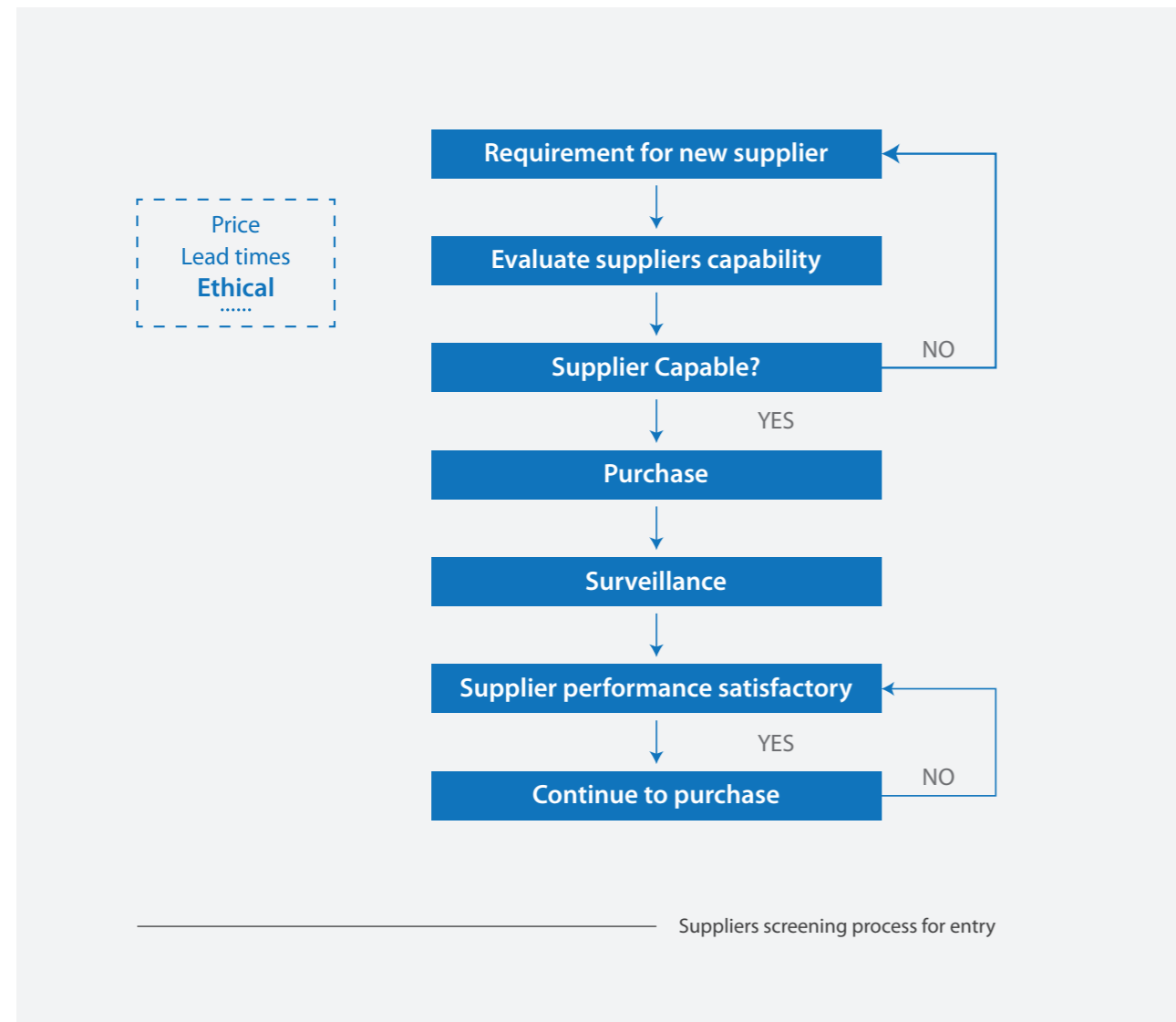
Customers' trust and satisfaction are one of the crucial foundations for the sustainable development of Sabrina. We actively cooperate with the upstream and downstream of the industry chain to implement appropriate management in the procurement of raw materials, product innovated research and development, manufacturing, customer service, etc. We are committed to creating long-term value for our customers with our outstanding products and services and achieving sustainable development of the entire value chain.

SDGs in Response



Standardized procurement management

Suppliers are important partners in Sabrina's value chain. We have established systems such as *Procurement Management Measures* and *Supplier Approval and Management Procedures* to provide institutional guarantee for the standardized and efficient execution of the procurement process. For major raw materials such as fabrics, we follow customer requirements and select designated fabric suppliers to ensure product quality. For other non-major raw materials including equipment and instruments and components, Sabrina only engages compliant suppliers.



Evaluate our suppliers

We evaluate our suppliers with reference to product safety design, technology, quality control status, quality level, delivery time, financial status, after-sales service and other dimensions. Every quarter, we evaluate our suppliers in terms of product quality and social responsibility, and we will terminate cooperation in cases of poor delivery quality that cannot be improved, violations of local human rights and environmental regulations and policies and conflicts with the Company's sustainability principles. By the end of 2020, we have more than 300 suppliers worldwide located in Europe, China and other Asian countries.

In March 2020, Sabrina established a new textile fabric team to achieve the ambition of transforming into a vertically integrated one-stop service provider for fabric and garment manufacturing. In addition to traditional supplier sourcing requirements such as quality of goods, we have made biodegradable, recoverable, and recyclable key sourcing considerations. The raw materials we use also meet environmental requirements. Our fabric sites have been certified by GRS Global Recycling Standards and our upstream suppliers have also passed relevant environmental certifications. Our self-developed fabrics are both functional and environmentally friendly and will be supplied to Sabrina as well as to external start-up brands. We hope to create a sustainable value chain by connecting both upstream and downstream, and broadening the value chain.



Global Recycle Standard Certification

The Global Recycling Standard (GRS) is an international, voluntary and comprehensive product standard that defines recycling content, chain of custody, social and environmental practices, and third-party certification requirements for chemical restrictions. The goal of the GRS is to increase the use of recycled materials in products and to reduce/eliminate the hazards caused by their production.

Continuous breakthrough in R&D innovation

Sabrina’s goal is to be a leader in innovation, research and development and manufacturing of functional sportswear. To achieve this vision, we continue investing in innovative research and development, improving manufacturing efficiency and committing to building differentiated value from OEM to ODM to bring consumers more comfortable, durable and innovative products.

In 2017, we set up an innovative R&D team with “EVOLOGY” (EVOLOGY=Evolution+Technology) as our innovation concept. Through communication and integration among talents from different fields, we came up with more innovative ideas.

Our newly developed “printing technology” uses a new water-soluble slurry that does not pollute the environment. The use of this water-based slurry can improve the sweat-wicking, moisture-wicking and quick-drying functions of sportswear by 20%. In addition, we are committed to researching and experimenting with new environmentally friendly materials such as TPU (thermoplastic polyurethane elastomers), a proven recyclable and environmentally friendly material with high tension, high tensile strength, toughness and ageing resistance, which improves the durability of sportswear. We continue to create breakthrough technology by combining the power of social innovation to ensure the durability and comfort of our products while striving to achieve fashion and environmental integration.



Stringent quality control

Sabrina considers product quality as one of the Company’s core competencies. With a comprehensive and effective quality management system and process throughout the production cycle, this ensures that quality issues are effectively addressed via a closed-loop management. Each site has passed the ISO 9001 quality management system certification and no major product quality and safety accident recalls have occurred.



Establish garment testing lab to meet quality needs

Sabrina has set up a third-party certified garment testing laboratory. The laboratory is fully functional and equipped with dyeing rubbing color fastness meter, washing fastness meter, washing machine, drying machine and other equipment, which tests the printing, embroidery, bonding, heat transfer and other processing processes and fabric suitability at the development stage. Potential designs, matching and other risks can be fed back to customers in advance, but garment testing can be conducted at the production stage to ensure the safety of products and process consistency.



Every year, we employ third-party institutions to calibrate and test the laboratory equipment to ensure its functional effectiveness. The completion of the laboratory has reduced the cost of external delivery time and strengthened the timeliness of problem-solving.

Quality inspection training

Sabrina holds quality inspection trainings, in-depth discussions and reviews regularly, aimed at production precautions, quality inspection precautions, etc.



Excellent customer service

Sabrina's clients span the globe. We always put clients' needs first, continually refine our products, improve service capabilities and commit to providing customers with the best products and services. In order to maintain communication with clients and retain their business, we continuously improve customer service quality. We actively respond to customer needs through email correspondence, online and offline meetings, written reports and other forms. Timely communication with internal teams and tracking improvements based on customer feedback is key to maintain a friendly relationship with customers.

Our brand clients evaluate us monthly on a number of dimensions, including product quality, sustainability, customer service, etc. Our sites located in China and Cambodia maintain lasting and positive relationships with our clients.



Quality auditor certification from the client

To ensure the quality and safety of our products, we receive regular quality audits from our brand customers. We have also established *the Problem Solving Process Operating Procedures*, which provide detailed regulations on the process of feedback and handling and follow-up of problems arising from the production process. We also encourage our employees to actively participate in quality monitoring and provide timely feedback on problems found. We also organize regular trainings and internal risk assessment meetings based on customer needs to address issues that may arise during the production process and to prevent unknown risks from occurring.



Caring for our employees

Sabrina believes that a multicultural, equal, and inclusive workplace brings diverse perspectives and values to the business and can improve the business. We are committed to being an inclusive organization which ensures that every employee is equal, respected, and able to work in a safe and healthy work environment.

SDGs in Response



【Story】

Five-year Adherence of the SROI project



The representative of UNESCO visited Top Summit



A thank-you letter from UNESCO

Education requires long-term cultivation. We work with NGOs, clients, and other stakeholders to collaborate and continuously advance the development of the project.

Project input and implementation



From April 2017 to 2020

- ◇ Mobile Library teaching activity for **12** schools and **15** villages
- ◇ Reading Corner in **4** schools
- ◇ At least **50** sessions on nutrition, health and hygiene training, and library management skills training
- ◇ About **2,000** students participated in Mobile Library Activities
- ◇ About **22** teachers participated in the nutrition, health and hygiene training, and library management skills training
- ◇ About **1,200** villagers participated in Mobile Library Activities
- ◇ About **10** village representatives participated the nutrition, health and hygiene training

Over the past two decades, Cambodia has experienced rapid economic development and a significant reduction in the poverty rate, but still faces problems such as lack of healthy diets and child malnutrition. Sabrina understands the interdependence and co-prosperity between corporate and social, and actively undertakes social responsibility, cooperates with non-governmental organizations to carry out the Nutrition, Health and Hygiene Project and contributes to solving the problem of malnutrition of Cambodian people.

Since 2015, we have launched Sabrina Nutritional Program to provide free nutritious and healthy lunches to our employees in Cambodia, followed by training on nutrition and health concepts for employees and expanding the impact to the neighboring communities. In 2017, we have partnered with local charities to build book reading areas in several rural campuses, as well as mobile libraries in several schools and communities in Cambodia. We have launched Literacy Lecture focusing on nutrition, health and hygiene topics to help our employees, local students and residents build awareness of hygiene and health care as well as improve sanitary conditions.

Social benefits generated

Core Stakeholders	Key Benefits
Sabrina / Staffs	Enhancing corporate profile Enhancing work effectiveness Establish healthy eating habits
Public Welfare Organization / Project Executor	Enhance organizational image Gain a sense of accomplishment at the workplace
Schools / Students / Teachers	Access to ECE book resources Achieve the joy of learning Establish hygiene habits Establish healthy eating habits
Villagers / Village Representatives	Establish hygiene habits Establish healthy eating habits Achieve the joy of learning

Generated social benefits of approximately NT\$6.173 million

$$\text{Social Return on Investment} = \text{Public Welfare Investment} / \text{Social Remuneration} = 7.81 \text{ (NT dollar)}$$



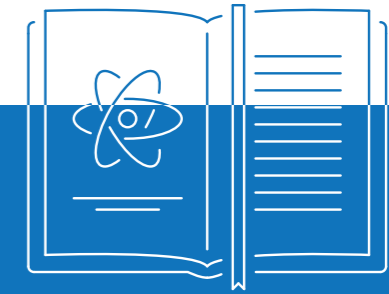
Staff cafeteria in Cambodia



Mobile library in the community



Volunteers teaching the community children to read



Education is key to eradicating poverty and reducing inequality, yet currently the average level of education among Cambodian people is low. To allow more people to have access to learning opportunities, we partner with NGOs to help employees and their families improve their education level through initiatives such as the Literacy Program and establishing physical libraries to spread education in local schools and communities.

Participated in the Literacy Program to strengthen literacy skills

UNESCO and the Malala Fund organize several activities around the world aimed at developing reading skills and lifelong learning habits. The Literacy Program we participated in was one of them, which strengthened literacy skills of our employees.

The Literacy Program provides 60 hours of learning over 3 months, consisting of Khmer Language Class and Numeracy Class. The Khmer Language Class not only focuses on enhancing employees' reading and writing skills, but also increasing their knowledge in family planning, nutrition, health and hygiene, finance and traffic law. The Numeracy Class teaches addition, subtraction, multiplication, and division based on learners' levels.

From 2017 to 2020, we held 7 sessions of Literacy Program with 216 employees participating in the courses. At the end of each course, we evaluated the learning of our employees through the National Equivalency Examination, with an overall pass rate of 94% over four years.



Establish libraries for employees to read and study

Many families in Cambodia do not own books and children lack access to knowledge. Since 2016, we have partnered with NGOs to establish libraries where employees can borrow books during their breaks and to learn about hygiene and healthcare. We encourage employees to develop reading habits and help them expand their knowledge. From 2019 to 2020, 4,990 employees entered the library, 12,519 books were borrowed. They were lent to 2,587 employees in total.



Protect the rights of employees

Sabrina has always been concerned about the important issue of human rights. We are committed to establishing an equal, fair and inclusive workplace and to complying with international labor standards, as well as local government regulations, such as the *Labor Law of the People's Republic of China*, the *Cambodia Labor and Employment Law* and other laws and regulations. We have established a system of rules and regulations, including the *Personnel Regulations* and the *Code of Conduct*, to regulate the employment, compensation and benefits, health & safety and working hours of our employees.

Fairness and diversity in employment

We adhere to an equal and fair recruitment process, resolutely eliminate discrimination due to gender, race, nationality, religious beliefs, age, disability and sexual orientation. We commit to treating every employee equally, prohibiting the use of child labor and any form of forced labor. We strive to create a diverse, equal, and inclusive workplace for our employees.

Our factories have been assessed by the Better Factories Cambodia (BFC) on 21 critical issues to confirm that we are free from child labor, forced labor, discrimination and harassment.



BFC Critical Issues Report

Better Factories Cambodia was created in 2001 as a unique partnership between the UN's International Labour Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group. The program engages with workers, employers and governments to improve working conditions and boost competitiveness of the garment industry.

Code of Conduct for Employees excerpt

Employment

All Sabrina's employees are to have a written contract, receive fair pay in line with the highest level of the statutory minimum wage or applicable industry standards, receive statutory employment benefits, have the right to statutory leave including sick leave and parental leave and are not forced to work longer hours than stipulated in local laws.

Freedom of association

We respect our employees' rights under local laws, including their rights to join trade unions and to engage in collective negotiations without fear of punishment, threats or abuse.

Child labor

Child labor is strictly prohibited. We are responsible for documenting the age of our employees and are not to employ anyone who is under 18 years old.

Force labor

All work is to be carried out voluntarily. No form of forced labor or work or any form of threat or punishment is permitted. Employees have the right to terminate their employment with reasonable notice.

Our main factories are located in Cambodia and Kunshan China, with a total headcount of 12,740 as of November 2021. The percentage of female employees at our Sabrina (Cambodia), Top Summit (Cambodia) and Kunshan Sabrina is 92.97%, 90.88% and 90.84%, respectively.

	Female	Male	Total
Sabrina (Cambodia)	5,500	416	5,916
Top Summit (Cambodia)	5,388	541	5,929
Kunshan Sabrina	813	82	895
Taipei	208	48	256
Total	11,909	1,087	12,996

Table Notes: Employee Composition in Cambodia and Kunshan

■ Compactivity compensation & benefits

To attract and retain employees, we offer competitive salaries and benefits. Sabrina has signed the Collective Bargaining Agreement (CBA) with the Cambodian Union Federation in accordance with the law. The CBA provides detailed regulations on employees' salaries, benefits, leave and occupational health and safety.



Employees at work

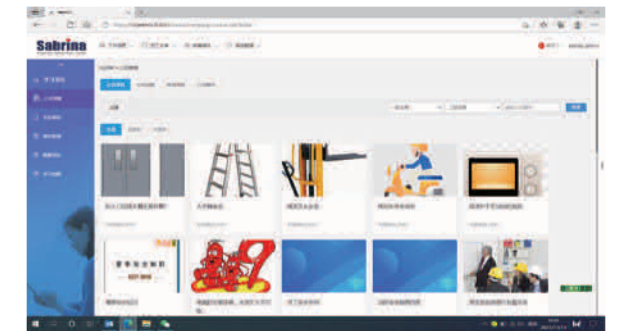
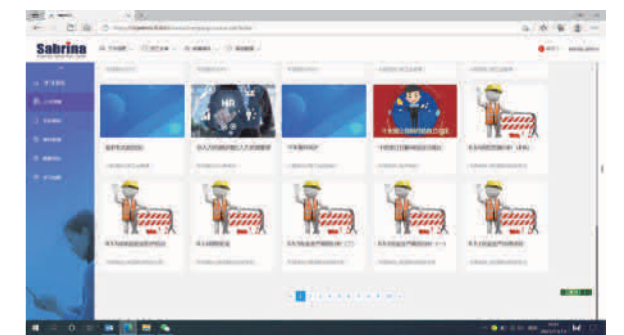
In terms of compensation and well-being, we promised that women and men who undertake the same work at the same level are equitably compensated. The basic salaries are better than the local laws and will be adjusted according to local relevant regulations. In addition to fixed salaries, we offer allowances such as full-time bonuses, technical bonuses, overtime allowances and maternity allowances. In addition, we provide free lunch for all employees across the Company and retain food allowance in Cambodian production site amounting to 12 dollars per month. In the year of 2017, we started to launch a Payroll to Bank Project to help employees gradually build saving habits, as well as combining the Literacy Program to teach them about financial management knowledge and using financial tools to improve their quality of life. We have also established a comprehensive childcare welfare system, arranged appropriate workloads for pregnant employees and promised no reduction in pay during pregnancy, so as to create an equal and comfortable working environment for female employees.

In terms of working hours and holidays, Sabrina provides annual leave, wedding leave, sick leave, maternity leave and statutory holidays for employees in accordance with the law. We are committed to paying overtime wages for employees in the event of overtime work.

Emphasis on employee education and development

In the process of industrial upgrading and innovation, Sabrina always put employees first and continues investing in employee education to support them to progress with the Company in an increasingly competitive environment.

We have partnered with a third-party company to develop an intelligent learning platform. The platform allows companies to post news, transmit real-time messages and share environmental and safety training materials. Employees can also send feedback on work and life issues via the platform, which enables smooth communications across the Company.



The Intelligent learning platform



Training activities for staffs in Cambodia

Caring for employees' safety and health

Health & safety in workplace

設備名稱 Equipment Name	警示燈顏色 Warning Light Color	警示燈狀態 Warning Light Status	設備安全等級 Equipment Safety Level	設備安全等級 Equipment Safety Level	設備安全等級 Equipment Safety Level
安全燈 Safety Light	紅色/Red	閃爍/Flashing	最高危險等級 Highest Danger Level	最高危險等級 Highest Danger Level	最高危險等級 Highest Danger Level
緊急停止 Emergency Stop	紅色/Red	常亮/On	最高危險等級 Highest Danger Level	最高危險等級 Highest Danger Level	最高危險等級 Highest Danger Level
警告燈 Warning Light	黃色/Yellow	閃爍/Flashing	中等危險等級 Medium Danger Level	中等危險等級 Medium Danger Level	中等危險等級 Medium Danger Level
安全燈 Safety Light	綠色/Green	常亮/On	最低危險等級 Lowest Danger Level	最低危險等級 Lowest Danger Level	最低危險等級 Lowest Danger Level

維護工作種類 Maintenance Work Types	工作項目 Work Items	工作說明 Work Description	工作說明 Work Description
設備檢查 Equipment Check	檢查設備運作是否正常 Check if the equipment is operating normally	檢查設備運作是否正常 Check if the equipment is operating normally	檢查設備運作是否正常 Check if the equipment is operating normally
設備維修 Equipment Repair	修理設備故障 Repair equipment failure	修理設備故障 Repair equipment failure	修理設備故障 Repair equipment failure
設備保養 Equipment Maintenance	定期保養設備 Regular maintenance of equipment	定期保養設備 Regular maintenance of equipment	定期保養設備 Regular maintenance of equipment

Equipment safety maintenance system



Strict implementation of preventive and control measures such as code scanning, registration and temperature measuring for those entering the park



Daily temperature measuring of employees entering and leaving the sites and disinfection of office space

Sabrina strictly abides by the laws related to safety production and has formulated the *Occupational Health and Safety Policy* to regulate the management of safety production. Every year, we set safety management objectives and implement the Safety Responsibility System to put the responsibility for safety into practice for every employee. By the end of 2020, all production sites have obtained ISO 45001 certification.

We have established the Health, Safety and Sanitation Committee to implement, monitor and conduct daily inspections of the factory's safety policies. With zero workplace injuries as our goal, we have established a complete management system and through periodic internal audits, we continue to improve, implement and supervise to avoid dangerous behaviors and using dangerous equipment. We have established infirmaries in accordance with the law, so that our employees can enjoy a safe workplace. In addition, all employees are covered by the local government's medical insurance, providing additional protection for employees. Each production site has established sufficient fire escape routes and regularly organizes daily fire drills and emergency drills, occupational health and safety trainings, and assesses the learning outcomes to ensure that employees' awareness of health and safety is enhanced. In the past three years, no major safety incidents occurred in the Company.

In addition, to ensure the effective achievement of the goal of Zero Work-Related Injuries, we have launched the Equipment Maintenance Platform throughout the Company. The platform will automatically calculate and analyze the equipment and display the safety level of the equipment in the form of Safety Level Signal Light. If the signal light shows red, the system will automatically open the Create Maintenance Work Order function to remind the inspector to complete the maintenance work order in time.

During the Covid-19 pandemic, we kept the promise of "Keeping Every Employee" and did not dismiss any employees and paid wages on time. Each site has set up an epidemic prevention and control team to strictly implement health code scanning, temperature testing, disinfection and provide employees with protective gear such as masks. In addition to routine disinfection and protection, we also actively cooperate with the local government to encourage employees and their families to get vaccinated.

A warm workplace



Employees and children in Cambodia learning yoga together



Kunshan employee events



Rock-climbing activity in Sabrina Taipei office



Book Promotion activity in Cambodian production site

We are committed to establishing a warm workplace. To enhance the happiness and sense of belonging of our employees, we have developed a series of activities, such as yoga classes, rock-climbing, fitness exercises, etc.



Protecting our earth

"Protect our planet" is one of the critical points of Sabrina's sustainability strategy. We actively respond to the environmental protection policies in the regions where we operate and have established a set of feasible environmental policies. We integrate the concept of green production, energy saving and emission reduction into the whole process of production, operation and management. We meet the environmental requirements of global customers, raising environmental awareness to employees and sparing no effort to promote the enterprise towards green and low-carbon operations.

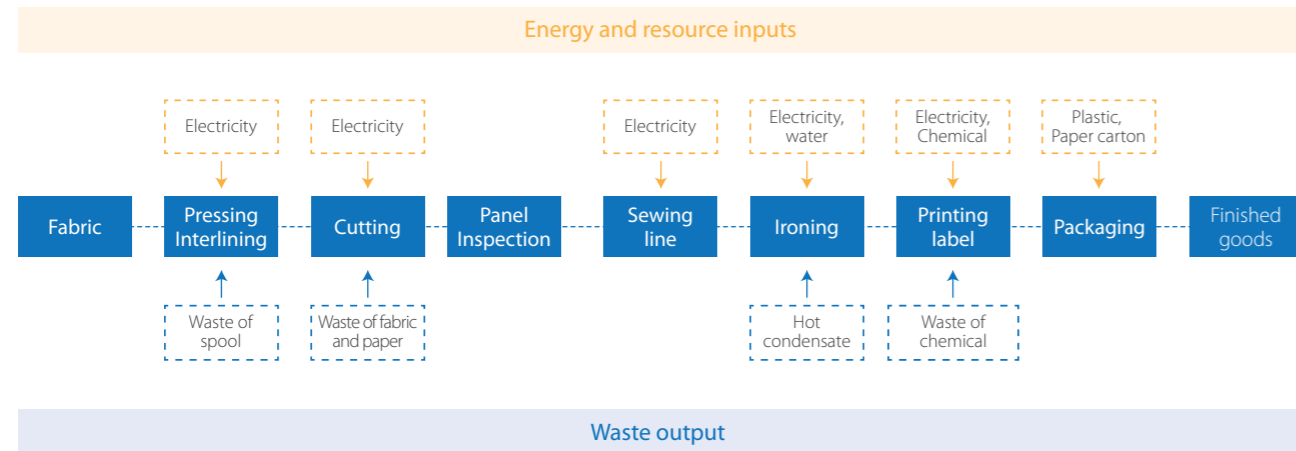
SDGs in Response



Environmental management and certifications

Sabrina sets up an annual environmental plan with quantitative targets for energy, resource consumption and emissions and monitors and audits the achievement of these targets. In addition, we carry out the third-party system certification work. Each production site has gained ISO 14001 certification.

In 2019, Sabrina (Cambodia) participated in the global Resource Efficient and Cleaner Production (RECP) program jointly conducted by the United Nations Industrial Development Organization (UNIDO) and the United Nations Environment Program (UNEP) to review and analyze the current status of the Company's production capacity, processes, energy and resource consumption and emissions, so as to devote ourselves into continuously focus on resource efficiency, promotion of cleaner production technologies and enhancement of manufacturing techniques. The program is dedicated to continuously improving resource efficiency, implementing cleaner production technologies, and improving production processes. The program is organized by six members of Sabrina and three external experts. The internal members will organize the implementation of project-related training and activities. The external experts shall lead and supervise the implementation of the program.



Energy/resource consumption and waste output in the garment manufacturing process



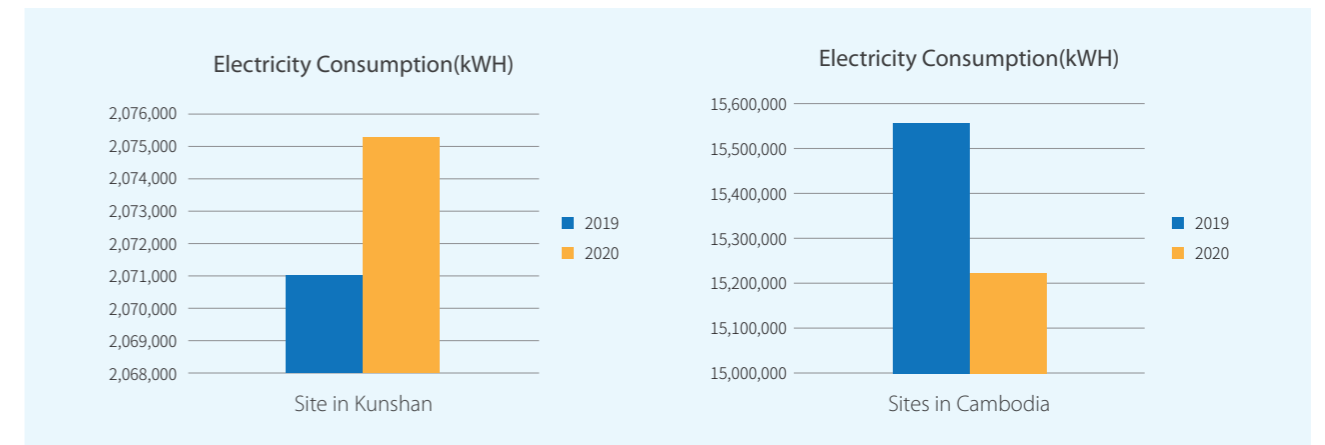
Top Summit Cleaning Day



Environmental Activity in Kunshan Sabrina

Energy efficiency

Electricity is the main source of energy that Sabrina relies on for operations. To improve energy efficiency, we have conducted tests and analysis on electricity consumption and taken steps to reduce carbon emissions by upgrading and improving production equipment, installing solar panels, busway and illuminated with LED lighting.



Solar photovoltaic power generation

Solar power generation has become an important measure to combat climate change. Rooftop solar panels have been installed at sites in Cambodia, which not only effectively reduces the energy consumption of the Company, but also lowers the temperature of the buildings, thereby reducing the use of air conditioners and further reducing the CO2 emissions.

Onsite Solar (KWH) - Sites in Cambodia

Year	Generation (kWh)
2019	1,605,375
2020	1,548,863

Due to reduced hours of sunlight exposure

Pollution emissions Reduction

Water and sewage management

Cambodia has a tropical monsoon climate with a rainy season from May to October every year. Based on the characteristics of Cambodia's climate, we have established a rainwater harvesting system to reduce the demands on tap water.



The rainwater harvesting system in Cambodia

Cambodian sites are equipped with printing equipment. We have established a sewage treatment facility to ensure sewage discharged from our factories is treated and reused. The sewage can be used for toilet flushing, garden irrigation and other uses, which enhances the use of water resources. We have built a new reverse osmosis wastewater treatment system and are committed to increasing the amount of recycled water.



The sewage treatment facility, residue treatment and pressed into sludge blocks

The wastewater from the simulated garment washing test at Kunshan Sabrina is systematically treated, which is safe for fishpond within our facility.



Landscape pools in Kunshan Sabrina

The light sewage from the garment-making process is strictly monitored every three months for its acidity (pH), Chemical Oxygen Demand (COD) and Biochemical Oxygen Demand (BOD) to ensure that the sewage complies with the local laws as well as the relevant regulations of the textile industry.



The sewage generated during the manufacturing process is tested and reported quarterly according to the MRSL announced by ZDHC, and a test certificate is issued

The Kunshan site (m ³)		
Unit (m ³)	2019	2020
Tap water	21,606	20,517
Total water consumption	21,779	20,681
Total water recycled	173	164
Proportion of recycled water in total water withdrawal	0.8%	0.8%

The Cambodia site (m ³)		
Unit (m ³)	2019	2020
Tap water	259,318	276,589
Total water consumption	272,966	294,243
Total water recycled	13,648	17,654
Proportion of recycled water in total water withdrawal	5%	6%

ZDHC is a group of apparel and footwear brands and retailers working together to lead the industry towards zero discharge of hazardous chemicals by 2020.

■ Emissions and solid waste management

The gas emissions mainly come from smoke and volatile exhaust gases from laser punching and processing processes, which have a low impact on the environment and meet environmental protection standards. In addition, we test the air quality of the sites every year.



Air quality test report issued by Ministry Environment, Cambodia

For solid waste, we determine the number of raw materials to be imported based on the order quantity to ensure the best use of the materials and minimize the waste of raw materials such as clothing materials. For other wastes such as plastic and household waste, we will hand over to qualified third parties for disposal and regularly follow up to confirm the process and progress of waste disposal. In addition, we work with local suppliers to send food waste to the local livestock industry for recycling.

Types	Amount in 2019(tons)
Kitchen garbage	71.097
Kitchen waste	61.945
Outside waste	485.2
Textile waste	437.94
Carton/Cardboard	40.820
Paper waste	35.085
Plastic	1.908
Total	1,133.995

Solid waste in Sabrina (Cambodia)



About this report

Purpose of the report

This is the first Sustainability Report published by Sabrina Fashion Industrial Corp. The purpose of this report is to communicate to each stakeholder on the sustainable development philosophy, management measures and practical performance of Sabrina Fashion Industrial Corp. and to systematically respond to stakeholder expectations and needs.

Reporting Period

From January 1, 2019 to December 31, 2020. To enhance the comparability and completeness of the report, parts of the information are retroactive to previous years, or extend to the year of 2021, as appropriate.

Report Boundary

This report discloses information on the economic, social, and environmental responsibility of Sabrina Fashion Industrial Corp. (hereinafter referred to as Sabrina, “we” or “the Company”), which specifically refers to Top Summit Garment Inc. (hereinafter referred to as “Top Summit”), Sabrina (Cambodia) Garment Manufacturing Corp. (hereinafter referred to as “Sabrina (Cambodia)”), and Kunshan Sabrina Clothes-Making Co. (hereinafter referred to as “Kunshan Sabrina”).

Sources of Information

The source of information and data in the report include raw data of the actual operation of the Company, relevant internal statistical reports, questionnaires and research interviews, etc.

Reporting Standards

This report is aligned with the GRI Standards published by the Global Sustainability Standards Board (GSSB) at the Core Level. It has been developed with reference to the United Nations Sustainable Development Goals (SDGs).

Reporting Commitment

This report has been reviewed by the Sustainability Committee of Sabrina Fashion Industrial Corp. and does not contain any false or misleading statements.

Global Reporting Initiative (GRI) Index

Chapter		GRI Standards
Letter from our CEO		GRI 102
About Sabrina		GRI 102/GRI 201
Commitment to sustainability		GRI 102/GRI 202/GRI 205
【Product】 Product value chain management	Standardized procurement management	GRI 103/GRI 308
	Continuous breakthrough in R&D innovation	GRI 103
	Stringent quality control	GRI 103/GRI 416
	Excellent customer service	GRI 103
【People】 Caring for our employees	【Story】 Five-year adherence of the SROI Project	GRI 103/GRI 404/GRI 413
	Protect the rights of employees	GRI 103/GRI 401
	Emphasis on employee education and development	GRI 103/GRI 404
	Care for employees' safety and health	GRI 103/GRI 403
【Planet】 Protecting our earth	Environmental management and certification	GRI 103/GRI 307
	Energy efficiency	GRI 103/GRI 302
	Pollution Emissions Reduction	GRI 103/GRI 303/GRI 306
About this report		GRI 102
Global Reporting Initiative (GRI) Index		GRI 102