

UNZENCO

seduno

About Seduno	03
Sustainable Development Management	15
Insist On Green Development	17
Supply Chain Management	23
Innovative Development	25
Care Our Staff	31
Community Engagement	35

About Seduno



Company Overview

As a global famous brand clothing supplier, Seduno Group Limited Liability Company never forgets why it started, and insists on intensive and careful cultivation in the field of clothing and serves for the global clients by virtue of ingenious spirit.

Seduno mainly composes of three business boards: domestic industrial production, overseas industrial production and global trade. Currently it owns the employees of more than 10 thousand persons at home and abroad.

Our Strength

Corporate economy develops continuously and stably.

	Group Sale	Export Exchange
Amount In 2017	6.28 billion	0.54 billion dollar
Amount In 2018	6.5 billion	0.59 billion dollar
Growth In 2018 Over The Same Period In 2017	3.50%	9.26%

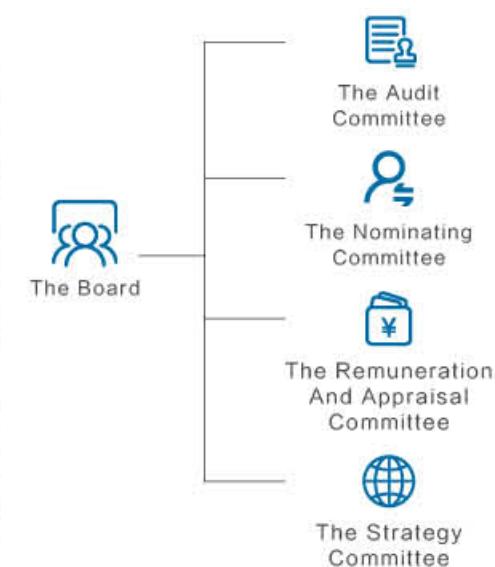
Our Advantages

- 1 Powerful and collaborative operation and management team
- 2 Marketing strategy applicable to the market and stable and loyal world famous brand customer group
- 3 Prompt and speedily reactive production and manufacturing abilities and globalized production layout
- 4 Effective R & D technology and inspection system, ODM has achieved initial success
- 5 Sustainable development is superior to the competitors

Company Governance And Legal Compliance

Company governance and legal compliance: The company performs General Manager responsibility system under the leadership of the board. The General Manager is the superlative administrative leader of the company, who manages and instructs all the operation activities of the company. The company operation and management organizations are divided into several units and department as needs to perform the management principles of step-by-step responsibilities. For the recruitment, employment contract system is adopted. For the distribution, performance assessment remuneration system is adopted. And the operation situation of the company is reviewed through internal and external audit and the performance of operation team is also assessed in order to guarantee that the company can operate and develop in a scientific and standard mode.

General Manager, Vice-General Manager and General Manager Assistant belong to decision-making layer, and the layer from the supervisor (excluding the supervisor) to department manager belong to medium management layer. The layer from department internal supervisor to class and team leader belong to execution layer and the production workers at each positions and general working personnel belong to operation layer.



Mission, Vision And Value Of The Company



|Seduno

Shi: Bind the goal, forge ahead, and develop sustainably;
Dan: Loyal to the company, clean and responsible, and dedicated;
Nu: Good at learning, diligent in work, and innovative.

Seduno means keeping a pioneering entrepreneurship, being loyal to the cause, shouldering the responsibility of enterprise prosperity and employee happiness, and striving to build a community of destiny with excellent cultures, economic benefits, and social responsibilities.



|Mission

Creating a happy enterprise, sharing a good life.

The creation of a happy enterprise reflects the Group's goal of pursuing sustainable development, actively pursuing the win-win development of the enterprise, employees and society, realizing the optimization of the Group's economic and social benefits, and creating a happy life for employees and their families through struggle, so as to realize the common growth of the enterprise and employees.

Sharing a good life means creating a happy enterprise. Firstly, we will enable employees to live a better life, and make employees more motivated and more passionate. Secondly, relying on the hard work and collective wisdom of the employees, we will provide consumers with the highest quality products and contribute to the longing of more people to live a better life.



|Vision

To build the world's most competitive "intelligence" manufacturer of knitwear clothing.

The vision shows the ambition and self-positioning of Seduno. "Intelligence" refers to the use of lean production, flexible and fast manufacturing methods, integration of superior resources, and construction of an efficient and competitive industrial supply chain, and establishment of innovative research and development, production, operation, and management teams, promotion of industrial automation and intelligence with advanced information technology, and improvement of the market competitiveness of the enterprise and adaptability to various uncertain factors.



|Value

United and struggling, pragmatic innovation, trustworthy and win-win.



United and Struggling

Establish the management team, marketing team, production team, and R&D team that take sustainable development of Seduno as the common goal, highly cooperate with each other, and can lead all employees to work together to achieve the mission and vision of Seduno.

Pragmatic Innovation

Focus on innovation that has a leading and driving role in enterprise culture and enterprise development. There are innovations in enterprise management, product R&D, business expansion, manufacturing, and other aspects. Innovations must be pragmatic and practical, and can be implemented.

Trustworthy and Win-win

Strictly abide by the spirit of the contract, respect commitment, and keep promises, establish strategic partnerships with major brand merchants and devote to common progress with customers, establish strategic cooperation supply chains with key suppliers to achieve common development with various suppliers, devote to creating a happy enterprise, make employees enjoy a better life.

Our Strategy

9 Strategies
20 Strategic Measures

We have implemented 9 strategies and 20 strategic measures through extensive SWOT analysis with 1 SO strategy, 2 SOT strategies, 2 WO strategies, 2 WOT strategies, 1 SWT strategy and 1 SWOT strategy, which indicates that our overall strategy is to reverse the disadvantages, seize the opportunity and meet challenges and to take intensive development path through constant practical work.

The 9 strategic programs mentioned above are summarized to be our “331” overall strategy, strategic model and map, strategic guiding ideology and coherence framework between strategy and strategic objectives.

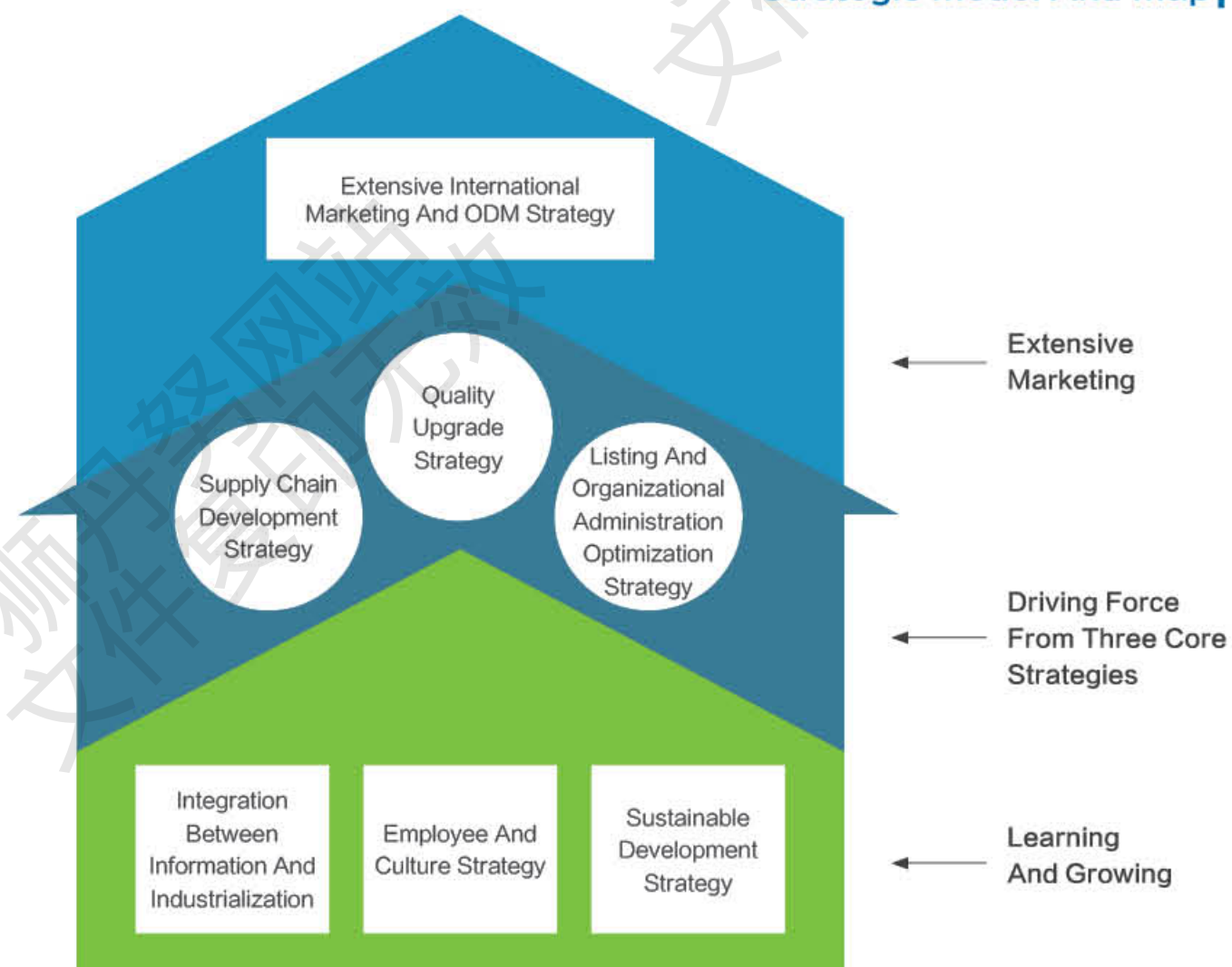
Seven Major “331” Overall Strategies |

To enhance management foundation by adopting three learning and developing strategies of “deep integration between information and industrialization, employee and culture, sustainable development”, to promote pillar strategy of “international marketing development and ODM” and

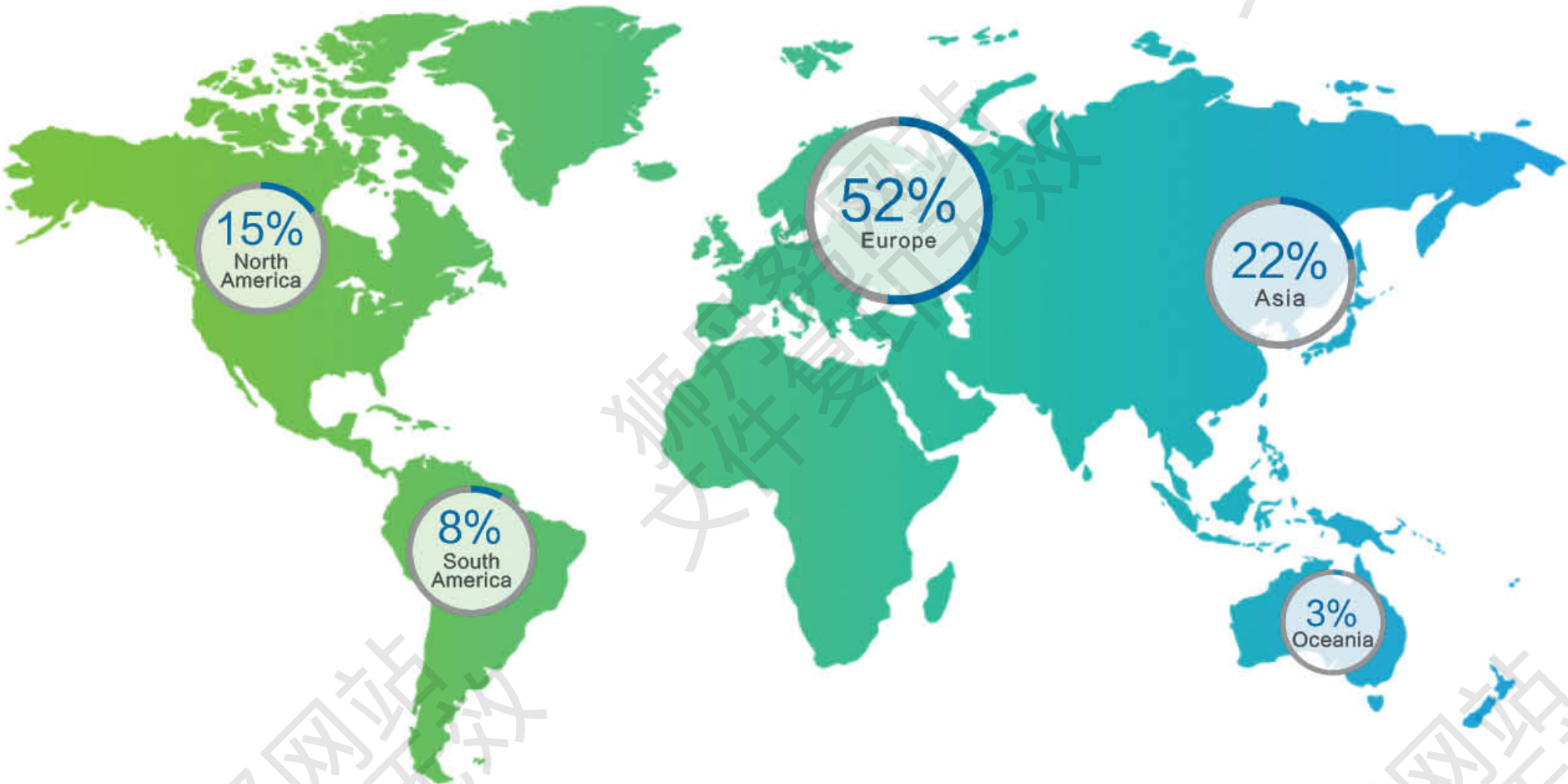
move forward to the vision of “building the most competitive knitted garment manufacturer in the world” by taking three core strategies of “supply chain management, quality upgrade as well as listing and organizational administration optimization” as its driving force.



Strategic Model And Map |



Our Market Distribution



Our Product Category



Our Cooperative Brand





Our Domestic Industry Layout

|Production Base In No.281 Qiyun Road



 **1500** Employees
  **30** Hanging production lines
  Annual production capacity of **1750 pieces**




Production Base In Longsan



 **1400** Employees
  **33** Hanging production lines
  Annual production capacity of **17 million pieces**

|Production Base In Wuhu



 **1000** Employees
  **20** Hanging production lines
  Annual production capacity of **9 million pieces**



Gerber Automatic Cutter



Hanging System For Finished Garments



Automatic Module Machine

Our Overseas Industrial Layout

Production Base In Vietnam



Covers
13.5km²
Building Area
150,000m²
Total Investment
100,000,000\$



Located in the Thanh Thanh Cong Industrial Park in Anhe Town, Zhanpeng County, Xining Province, Vietnam, the production base in Vietnam covers an area of 13.5km² with building area of 150,000 m² and total investment of 100 million US dollars, which is currently the largest investment project for Seduno Group in overseas countries. After this base for fabric was built and put into production, it is expected to produce 30,000 tons fabric per year and realize annual sales volume of 200 million US dollars. We have taken the development trend in the coming decade into consideration during project design. The starting point of whole project is high with large investment and advanced technology. The design standard for waste water and waste gas discharge is far better than current A-grade discharge standard in Vietnam.

By 2020,
we will have

 **1100**
Employees

 **20**
Hanging production lines

 Annual production capacity of
7.2 million pieces

Production Base In Cambodia



 **4000**
Employees

 **59**
Hanging production lines

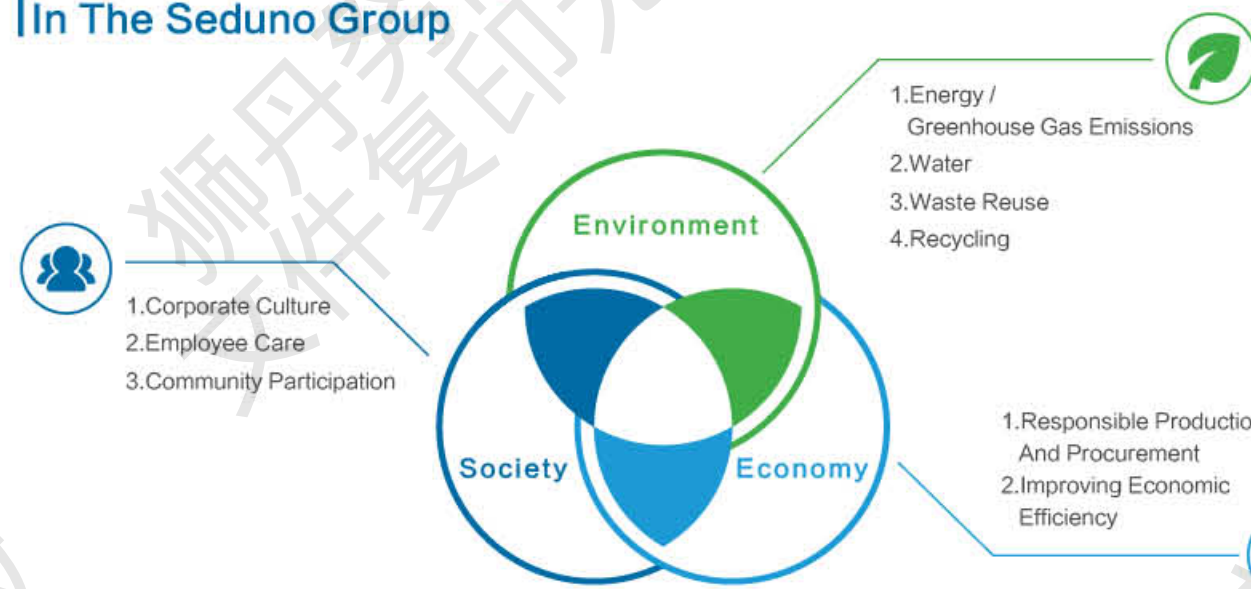
 Annual production capacity of
21.6 million pieces

Sustainable Development Management

In the context of sustainable development of Seduno Group, group integrates its own development strategy with operation model, enhance social responsibility and management construction, improve social responsibility management organizational structure and gradually integrate social responsibility philosophy with each section of our daily business and operation. And we also launch extensive communication with stakeholders, aiming to realize sustainable development for both company and stakeholders.



The Sustainable Development In The Seduno Group



Promote All Departments' Operation Through Sustainable Development Philosophy

Sustainability is the cornerstone of SEDUNO development strategy and is a model in which all of the group's subsidiaries and departments, including external communities, supply chain and other stakeholders, which are involved.

In order to improve the sustainable competitiveness of enterprises, the company implements customer-centric, people-oriented development concept. The Group invests heavily in talent and cultural development strategies, constantly improves information systems, accelerates the integration of information technology and intelligence, takes the quality upgrading strategy as an annual priority, actively carries out "Quality Month" activities, optimizes processes and improves efficiency through the establishment of standardized processes, and continuously explores and develops new products and processes. Fast and efficient docking with customers to increase the sourcing and use of sustainable raw materials, and embed sustainability into the day-to-day operations of the enterprise.



Social Responsibility Promotion

Centered on concept cultivation, system construction and practical instruction, we will launch social responsibility campaigns and ensure that social responsibility philosophy can be constantly integrated into management process and service modules of the group and its subsidiary enterprises.

We will continuously enhance the philosophy of "Three Meet" and "Three Integrate" and integrate scientific social responsibility philosophy into our management operation. The subsidiary enterprises will summarize their social responsibility philosophy based on their own business features.

Three Meet

- Meet International Development Trend For Social Responsibility
- Meet China's Basic National Conditions
- Meet Seduno Group's Actual Development

Concept Of Responsibility

Three Integrate

- Integrate Into Our Mission, Culture And Values
- Integrate Into Operation And Management Of All Service Modules
- Integrate Into Communication Among All Stakeholders



Evaluation Certificate

Insist On Green Development

| The Long-Term Energy Goal Of Seduno

2030

Our goal is to realize climate impact neutrality for the whole group. Which is: most power is from renewable energy while remaining power consumption is compensated by green certificate.

2035

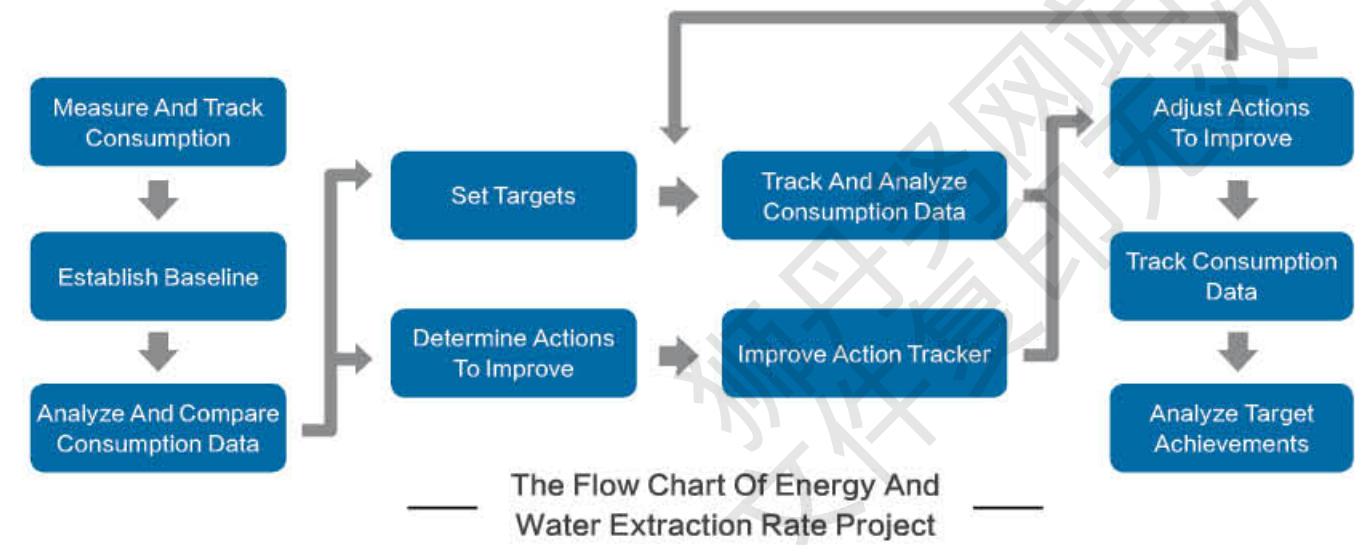
All electricity will be from renewable energy for the whole group and positive climate impact with carbon offset will be realized. We will always strive to shift to renewable resources.

2025

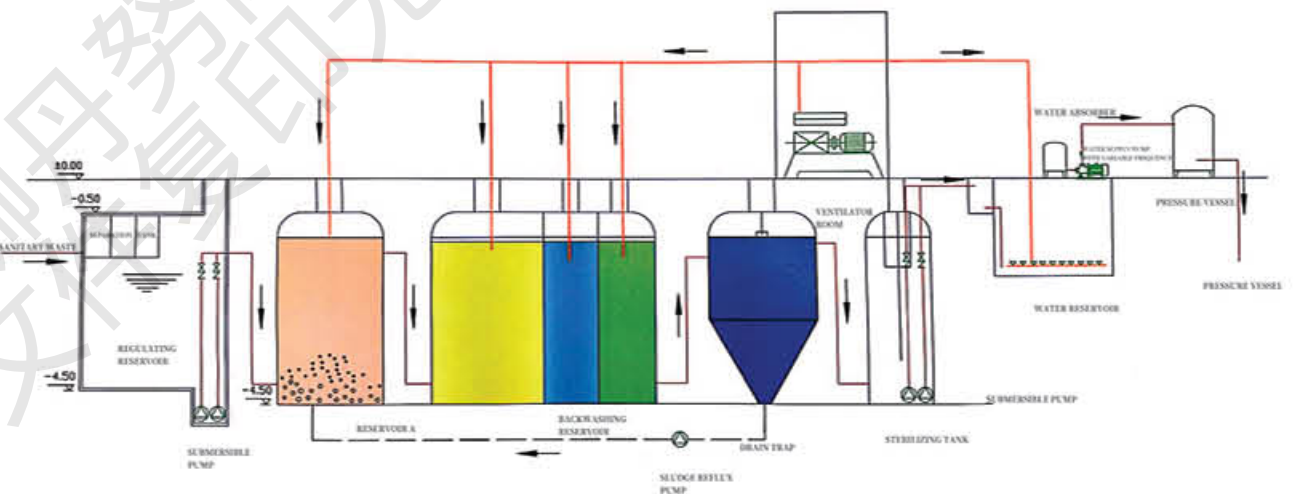
The energy consumption is aimed to decrease by 15% from total power consumption in 2016 by improving energy efficiency. 50% of power consumption will be provided by distributed renewable energy.



Save Energy And Reduce Consumption |



Domestic Wastewater Reuse Map |



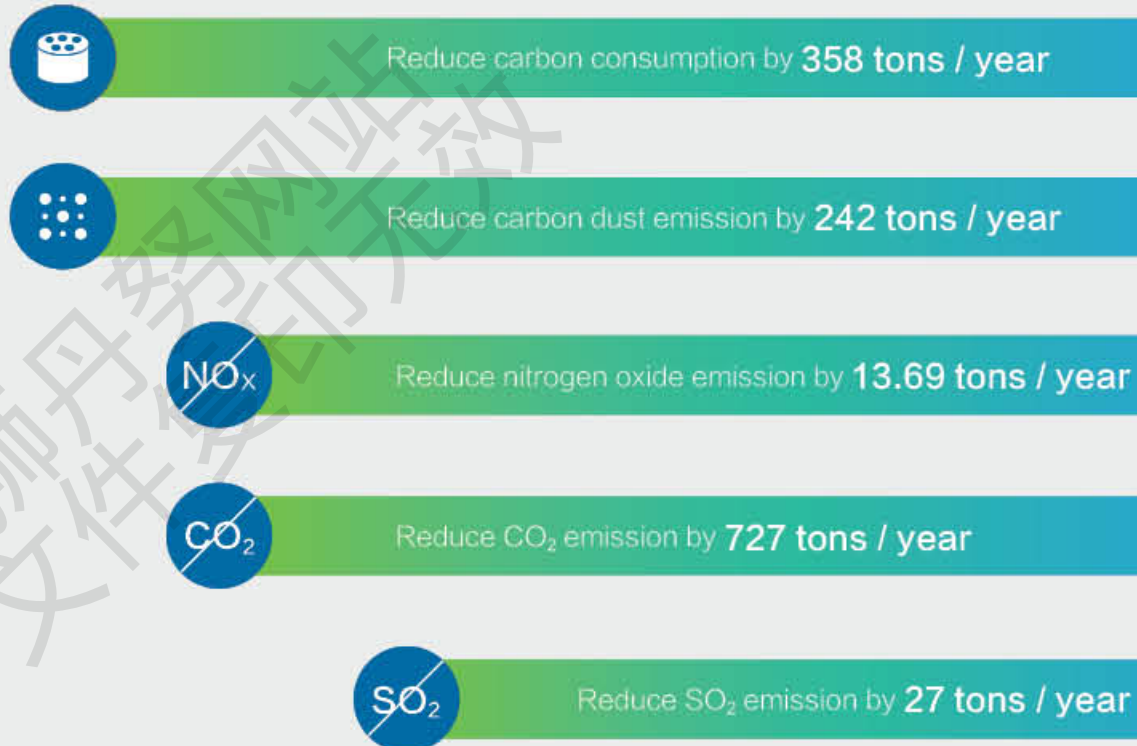
Explore New Energy

Longshan Plant had installed 2,800 solar multi-crystalline power panels in 2017 with a total installed capacity of 0.756 MW. In 2018, the annual power generation capacity was 730,000 degrees, accounting for 23% of the annual electricity consumption of Longsan, generating economic benefits of 1.06 million yuan / year, the investment payback period was 5 years.

Economic benefit was
1,060,000 yuan / year



Photovoltaic Power Station



Waste Classification

In 2018, we tracked and measure the source and quantity of waste of all types, and strived to turn waste into treasure and achieved a closed-loop economy.



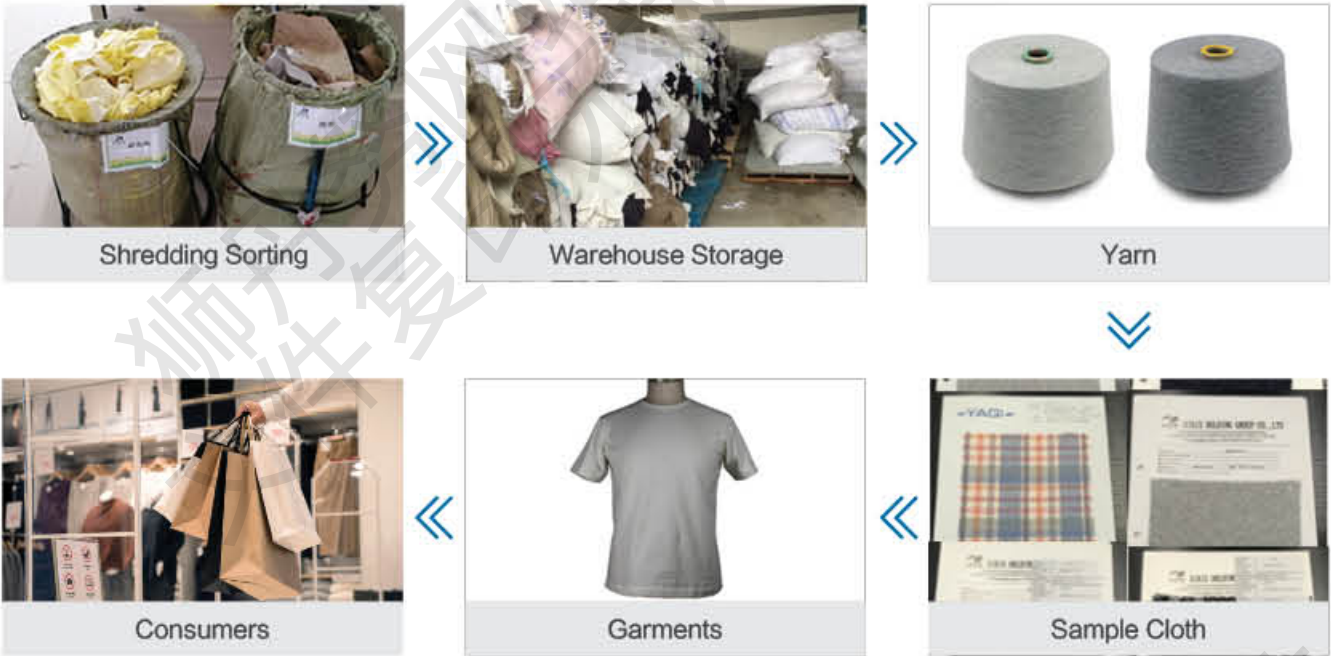
Sewing Thread Core Recycling

Work with sewing thread factory for core recycling

2018	Recovery of 6.3 tons
	Revenue of 25,000 yuan
	19 tons of crude oil saved



Attempt To Recycle Cut Pieces And Leftover Materials



Be Environmentally-Conscious

We have been striving to reduce total CO₂ emission, reduce carbon footprints and realize the shift to renewable energy.



Sewage Disposal System In Vietnam Plant

	¥ Production Value In 2018	Water	Electricity	Carbon Dioxide	Diesel	Natural Gas	Coal
Overseas	62915 ten thousand yuan	50.8 tons	1175.5 ten thousand degrees	3.1 ten thousand tons	18.5 tons	/	11665 tons
Domestic	103486 ten thousand yuan	13 ten thousand tons	895 ten thousand degrees	1.2 ten thousand tons	/	107 ten thousand cubic meters	/

Sustainable Raw Material Purchasing In 2018

Yarn 8177 Tons

Fabric 234 Tons

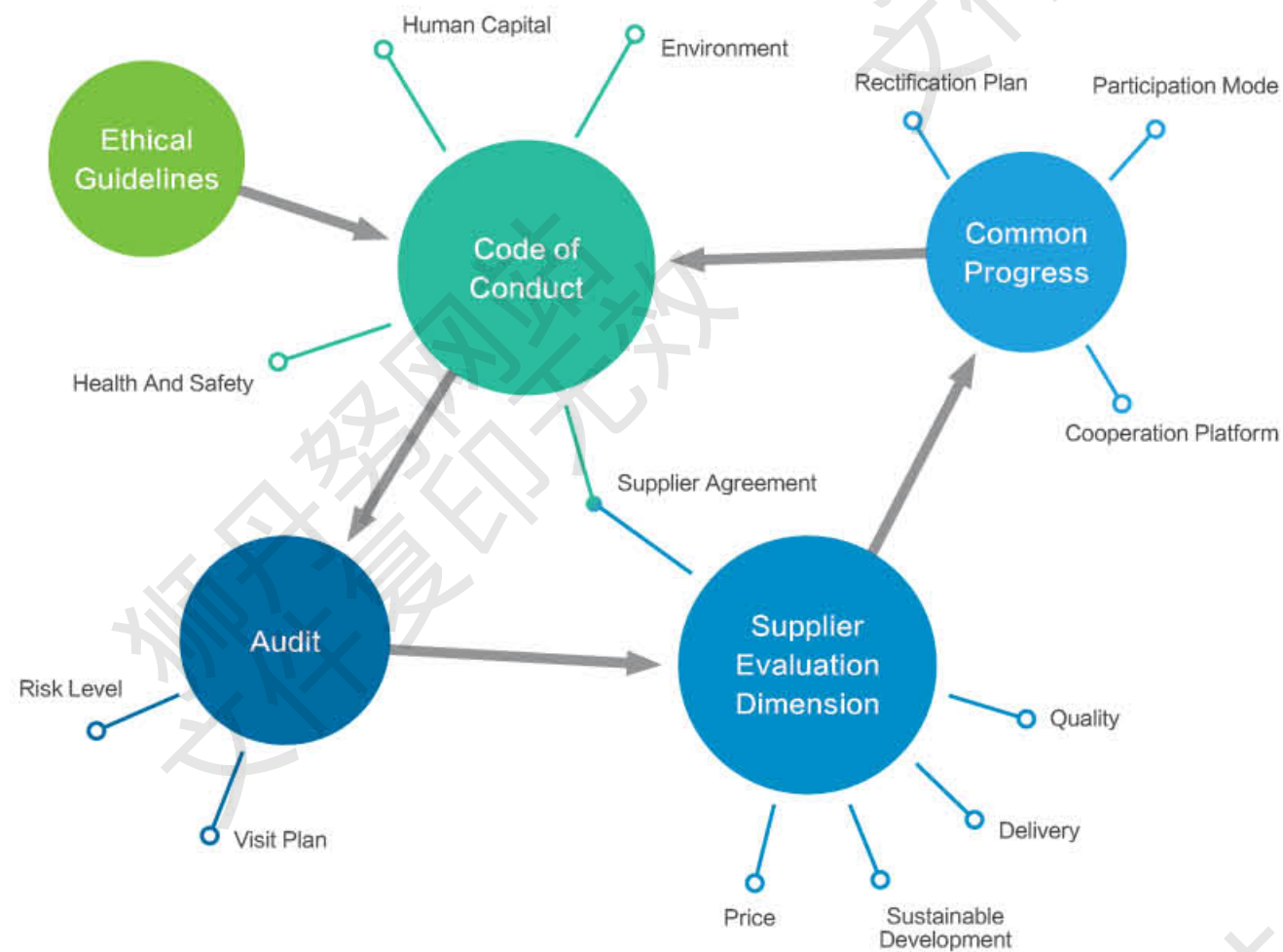
Recycled 80 Tons

Supply Chain Management

Cooperative Development Framework Model

Continue to improve the management evaluation system, continue to collect data for evaluation, to seek a win-win situation.

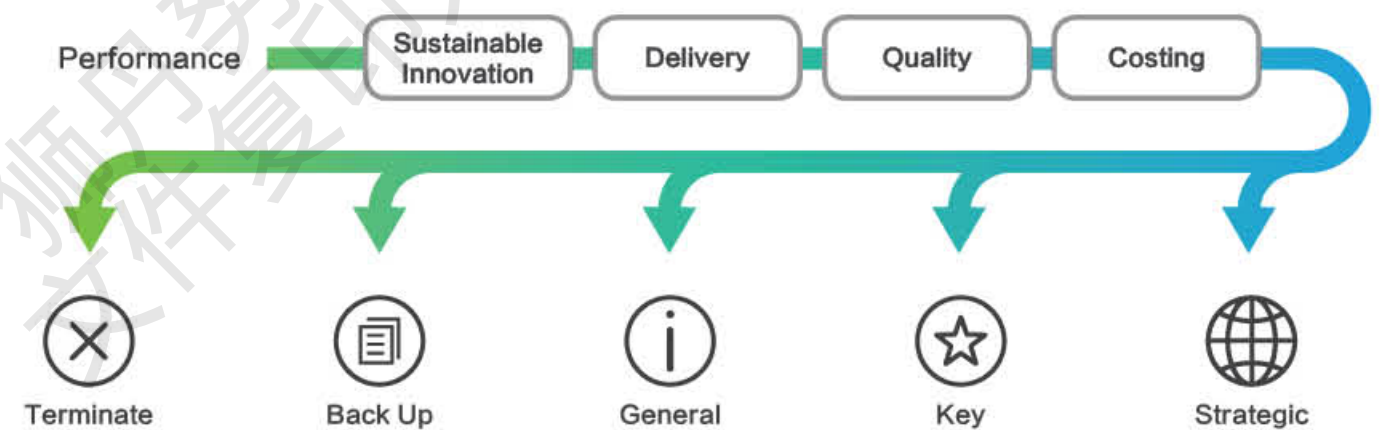
Supplier Management Integration Track



Supplier Category & Quantity



Supplier Gradation



Innovative Development

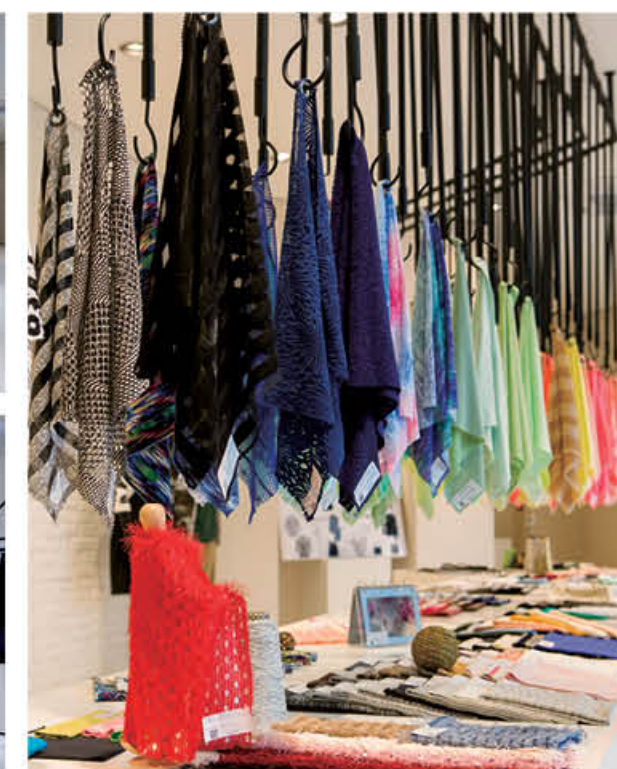
| Product Design And Development

We have improved the organizational structure of the design research institute, integrated the company's existing research and development, design and CAD technology departments, and established the Group's standardization promotion committee, postdoctoral workstations and academician workstations. As of 2018, the company had a total of 21 patents, including 4 invention patents, 17 utility model patents.

We set up design studios in Ningbo and overseas, and have developed in collaboration with a number of foreign design studios to provide excellent design solutions to customers in different countries around the world, opening the way for our transition from OEM to ODM.



New Product



| New Technology

In 2018, through the factory declaration, the subsidiary group initial evaluation group of new products evaluation team organized the final evaluation, a total of 16 new products selected, including "four-line seam new technology", "turning the cuff / foot ribbed new technology", "thick plate printing and folding ribbon new technology", 3 items were rated as the Group's outstanding new products, "The formation of three-dimensional flower innovation template", "functional viscose (white coconut carbon) three-dimensional jacquard knitted fabric development", two projects recommended patent filing, and the introduction of automatic module machine.

The development of these new processes, new materials and new devices had greatly improved productivity, product quality, reduced production costs, and promoted sustainable development.



Template Technology

| Technological Achievements

In cooperation with Donghua University in Shanghai, with the team of Yu Jianyong academicians as the core, we have established such technologies as "differentiated functional fibers and new dyeing technology in knitting products", which has comprehensively enhanced the scientific research innovation ability and market competitiveness of enterprises, and has played a great role in promoting the industrialization of scientific and technological achievements.

The company also set up a postdoctoral workstation, cooperate with Dr. Zhang Yifan of Shanghai Donghua university to carry out "research and development of multi-functional smart sportswear"and start exploratory research work in the field of smart apparel.



Postdoctoral Workstation Project Session

We focus on intellectual property protection, as of 2018, the Group has applied for a total of **29** patents, has granted **21** patents



- | Patent For Jade Fiber | | Patent For Sewing Dart Template | |
|---|---|---|--|
| Patent For Pearl Fiber | | Patent For Sewing Attached Collar | |
| Intelligent Temperature-Regulating And Air-Conditioning Fiber Knitted Fabric And Its Preparation Method | Patent For Utility Model Of Pressor Foot Through Dioptic And Pleated Sewing On The Sewing Machine | Patent For Utility Model Of Pressor Foot Through Edge Curls On The Sewing Machine | |
| Patent For Utility Model Of Air-Conditioning Fiber | Disposable Double Labelling With Fancy Faucet | Disposable Hardcover Waist Faucet | |
| Patent For Utility Model Of The Template For Sewing Clothes With Single Thread Pockets Plus Zippers | Patent For Utility Model Of Pressing Heel Stay For Sewing Zipper Fly | A Special Clothes Template For Sewing Iron-Free Patch Pocket | |
| A Special Template And Use Method For Processing Multiple Slings To Form A Fish Bone | A Special Attached Collar Template For Hanging Collar Corner Through Nails | A Special Template For Sewing | |
| Nylon/Cotton Blended Flat Needle Knitted Fabric And Its Preparation Method | A Clothing Wearing Aid | Human Posture Based On FBG Sensing Technology, Monitoring Clothing | |
| A Portable Ear-Turning Device | A Special Module For Closed Clothing Patch Around | | |

To Introduce 3D Sample Clothing System In 2018 In Shanghai



2019.03/13 — Start Training
2019.05/01 — Official Operation

National CNAS Lab |

Our test labs for textiles have been certified by national CNAS, which is equipped with international advanced testing equipment and professional talents.

It will strictly manage every single quality data of fabrics and products.



Care Our Staff

Respect Our Employees, Realize Our Life Values Together

Employees are the builders of the enterprise and the creators of wealth. During the enterprise management, SEDUNO has always been adhering to the "people-oriented", and integrating the "respecting human rights and labor standards" into the corporate strategy and daily operation management process. Today's society is developing rapidly filling with opportunities and challenges, revolution and development of the society emphasizes on people's creativity more and more. For enterprise, as the competition between the enterprises becomes more intense, enterprise's competition is not only a competition of the market, but also the competition of technology, knowledge and talent.

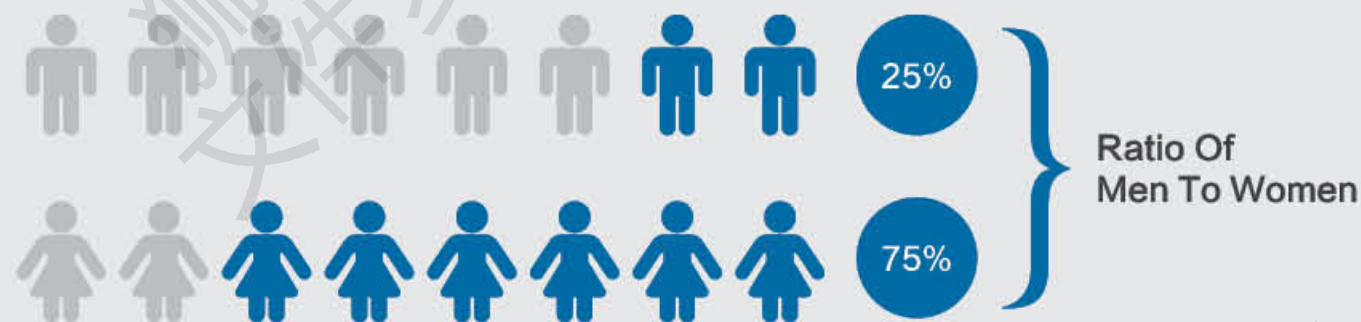


Therefore, through a series of measures such as the recognition and development of "welfare, development, culture, and environment attract and retain talented people", the enterprise lets employees give full play to their own value, and create a caring and harmonious working atmosphere for employees, so that employees can feel sincere and warm atmosphere from the enterprise. It can constantly stimulate employees' enthusiasm, initiative and creativity, and strive to achieve the common development of the enterprise and employees.

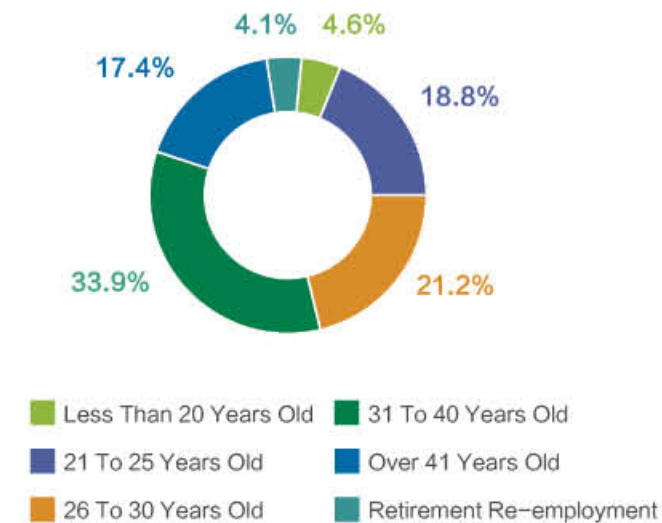
1. Diversity Of Employees

SEDUNO adheres to respect and equal treatment of every employee, from the initial entry stage, we regardless of gender, age, education, etc., we hire employees equally, in SEDUNO no discrimination of any employees, themcompany consistent to safeguard the legitimate rights and interests of employees, and actively build a harmonious labor relations.

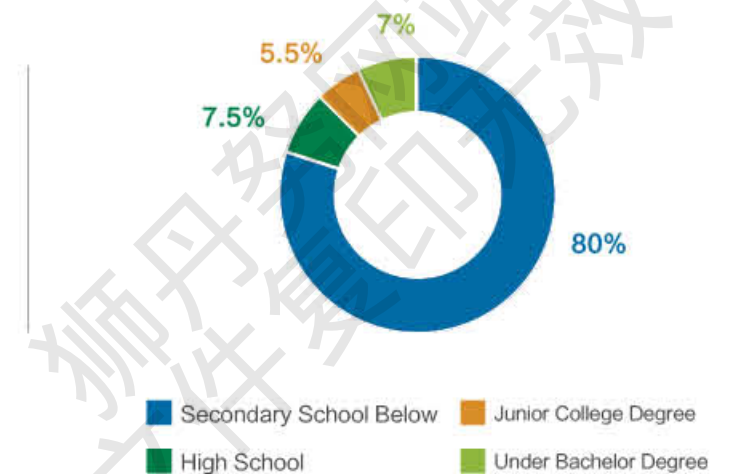
We strictly abide by the labor contract law and other relevant laws and regulations and policies, abide by human rights, labor and other international conventions, and fully protect the privacy of employees. As of June 2019, the total number of employees was approximately 9,633, with a labor contract signing rate of 100%.



Age Structure



Educational Structure



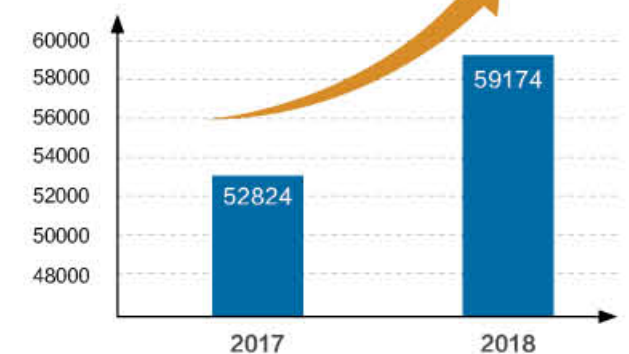
2. Compensation, Benefits And Employee Protection

Established a sound employee security system, to build a full coverage of the "safety umbrella" of employee protection for all staff, combination of three parts such as social insurance, commercial insurance and trade union relief, through the organic combination of these three safeguard mechanisms, effectively solve the problem of employee protection, eliminate the worries of employees.

The company establish a competitive compensation system, according to the market situation will be adjusted every two years wage scheme, employees' pay standards will not vary by gender, age.

Company bonuses had adopted in line with the company's operating conditions, employees' department performance and personal performance contribution, according to the company's bonus policy, fully encourage employees to play their own strengths, support employees to achieve personal value, At the same time, pay attention to the material and non-material parallel incentive mode. The company's incentive mechanism will be long-term and the individual contribution of employees organically combined to form a long-term common struggle, sharing the benefits.

Payroll (10,000 yuan)



3.Employee Development

Company pays attention to the personal development of employees, encourage employees according to their own ability and personal interests, free growth, and provide staff with management and skills promotion double channel.

The company established a teacher system, the master will pass on their own practical experience to the apprentices, listen to the apprentice's life confusion and distress and difficulties encountered, while tell his own experience in the company that should pay attention to the various matters, the details of the company's culture and how to work, and constantly point and support from time to time. In order to establish this harmonious mechanism of teachers and students, the company held a special worship ceremony.



Master Ceremony

The company had opened a series of relevant courses for employees at home and abroad, management, skills, pay special attention to new college students, set up "Silver SEDUNO Rookie Class" for each period of college students, company internal trainer had carried various courses, so that each college students can work independently as soon as possible.



Clothing Testing Training



Sustainable Development Training



6S Training



Company Employee Teamwork Outgoing

In order to promote "efficient work, happy life", create an efficient, relaxed and caring work environment for employees, enhance employee happiness, promote the work and living balance of employees, we organize a series of activities every year, such as teamwork outgoing, team sports, staff tree planting and other meaningful activities, so that employees can participate and experience, Feel the mutual love between colleagues, mutual unity, the transmission of positive energy, so that the work atmosphere will be more positive.



Basketball Team Photo



Tree Planting Day Activities

Community Engagement



SEDUNO Administrative Party Branch Condolences The Children Of Yinzhou Special Education Center



SEDUNO Cambodia Base Funds Local Primary School



Donate 10 Tons Of Rice From The Cambodian Tea Gum Provincial Government



Visit Of Waste Power Generation Projects In Cambodia



SEDUNO Cambodia Pays Condolences To Visiting Chinese Naval Formations



SEDUNO Party Branch Condolences Cross Street Nursing Home



SEDUNO Vietnam Production Base Spring Festival In Xining Accompanied The Economic Management Committee Leaders To Sponsor The Needy People



SEDUNO Vietnam Production Base Spring Festival In Xining Accompanied The Economic Management Committee Leaders To Sponsor The Needy People



SEDUNO Vietnam Production Base Sponsors Vietnamese Primary School For Mid-Autumn Festival